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Automotive News

November 2, 1987

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Dollar dip big topic in Tokyo

Thoughts of 90 yen worry auto leaders

By Mary Ann Maskery and Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTERS

TOKYO — The latest in automotive high technology was the star of the Tokyo auto show. But most executives were preoccupied with the bad news on world financial markets and dire forecasts of what will come next.

Analyst Ron Glantz, Montgomery Securities, set the stage at the international meeting of auto analysts held here on the eve of the show by forecasting "90 by '90." Glantz expects the dollar, which fell to 137.5 yen to the dollar last week, to collapse still further — to 90 yen by 1990.

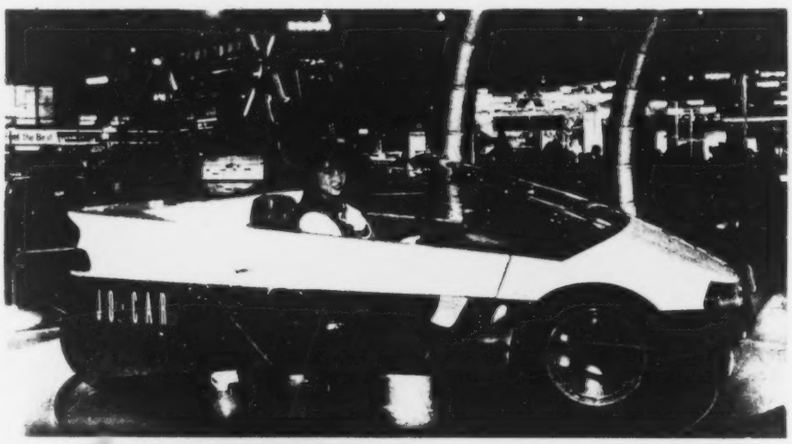
Japanese automotive leaders were quick to counter that prediction, saying they doubted it would happen.

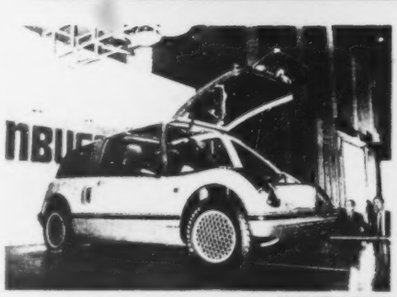
Nissan Executive Vice President Tetsuo Arakawa spoke for many: "That is almost beyond the imagination." But, he added, Nissan could still survive in the United States.

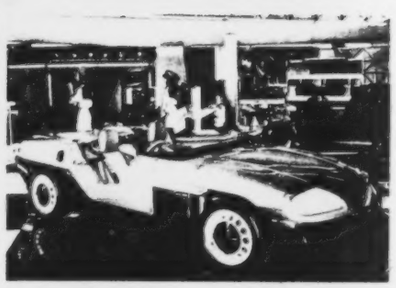
Masanao Ueda, Mitsubishi executive vice president for international business, said, "I think 90 yen would be impossible for us." Next summer would be "too soon" for 115 yen, but the company could manage 115 by 1990, he said.

Toyota President Shoichiro Toyoda said he doubts the dollar would suddenly drop to 90 or even 100 yen. If that happened over a 10-year period, the company could work out measures to cope with it, he said. But if there was a very, very sudden large drop, "we could not cope with it."

see SHOW, page 44







YASUO MIZUNO PHOTOS

Show cars starred at Tokyo. None was more cutesy than the Suzuki Jo-Car, top. A production version of the Daihatsu Buggy, above, may be near. Mazda's MX-04, above right, is a modular concept. Chassis is in the background. Nissan Jura, right, may be a glimpse of the minivan being developed with Ford.

GM diesel engine unit put on block

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — General Motors will restructure its Detroit Diesel Allison Division, most likely by selling off a portion of its engine operations, according to company insiders.

Industry sources said Detroit Diesel's money-losing engine operations have been up for sale for some time. GM insiders said the company wants to retain the profitable Allison transmission part of Detroit Diesel's business.

A strong contender to purchase at least a portion of Detroit Diesel's engine business is Penske Corp., according to GM insiders.

Reportedly, there also has been a management-led buyout proposal.

Ludvik F. Koci, Detroit Diesel Allison general manager, declined to comment on interested parties or their proposals, saying only that the company is down to "just a few" alternatives.

Koci declined to comment on the Penske offer. Without confirming or denying the management buyout proposal, he said, "It's certainly not one of the front-runners."

A spokesman for Penske Corp. acknowledged that Roger Penske had received a prospectus from Salomon Brothers, New York.

Koci said Detroit Diesel had hired Salomon Brothers to evaluate various purchase proposals and "equity sales and venture" proposals it received from both inside and outside the diesel industry after its joint-venture deal with Deere & Co. fell through in March.

Salomon Brothers was also engaged to "help us with the government" in preparing for "filing for changes of ownership," Koci added.

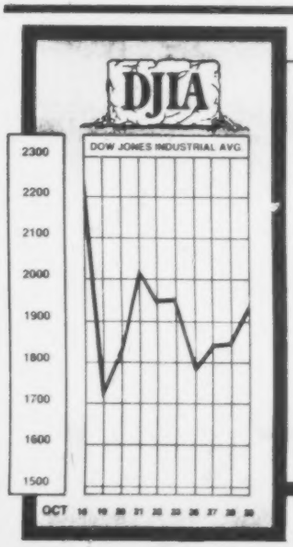
"We understand that (the prospectus) has been given to several parties. We are still evaluating it, and would not like to comment until we have completed our studies," the Penske spokesman said.

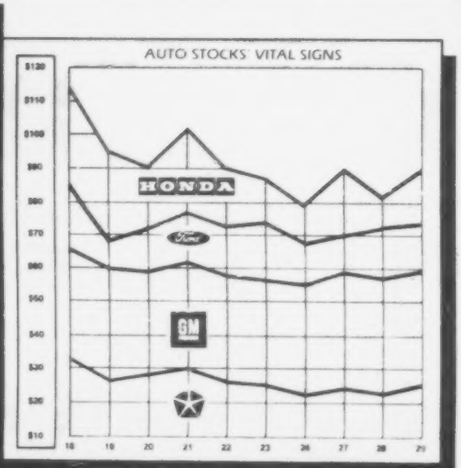
Koci said GM is close to a final decision and that he anticipates it will come by December.

"I personally expected it to be finished a month ago," he said of the company's decision.

Penske Corp., Red Bank, N.J., has a Detroit Diesel distributorship, Penske Power, for northern New Jersey and metro New York. Penske

see DIESEL, page 42





LANCE GRAVES

Makers assess crash effect

Sales forecasts, production schedules still unsettled

AN AUTOMOTIVE NEWS STAFF ROUNDUP

Manufacturers and importers in the United States last week were taking a wait-and-see attitude before adjusting their 1988 sales forecasts and production schedules to reflect gyrations on Wall Street and in the world's other financial markets.

But most auto analysts downgraded their U.S. sales forecasts by nearly one million units from their original 1988 forecasts. Likewise, they downscaled their forecasts for domestic and offshore production headed for the United States to keep in step with weaker sales projections.

Dealers in the United States last week reported slower showroom traffic, although they didn't blame it all on the stock market crisis.

Most auto executives said they expect lower auto sales simply because the volatile market jolted consumer confidence. However, they said they will wait to see how serious the effect really is before they adjust sales forecasts, production schedules and marketing strategies.

General Motors Chairman Roger B. Smith said the company has not officially downgraded its 1988 sales forecast. However, he said sales likely will be closer to 15.0 million units — 10.0 million cars and 5.0 million trucks — instead of the 15 million-plus GM had previously predicted.

Smith said the company will wait for the next consumer confidence poll before making any moves. He noted that the economy continues to be strong.

see CRASH, page 46

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Union, Ford sign

Incentive programs

Audi to recall 57,000

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Resurrected Rouge to turn first profit in

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — Rouge Steel Co., the steel-making subsidiary of Ford Motor Co., expects to turn a profit next year for the first time in a decade.

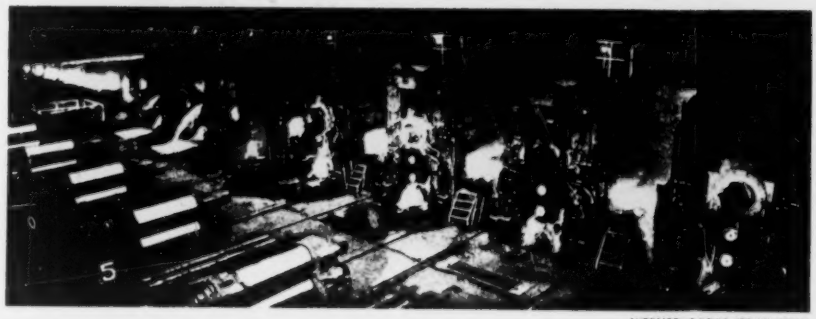
As indicated by the company's earnings record, the last 10 years have been difficult ones for Rouge. The era has been marked by questions over a possible sale and the survival of the U.S. steel industry itself.

Now, behind some new investments and a new management team, Rouge is again talking about the business of making steel — and beating the competition.

"We're turning the corner," said President David Blackwell, who came to Dearborn from Bethlehem Steel late last year. "Our plans are to be the best."

Blackwell cited two big steps in the comeback: a new labor contract and a series of investments aimed at increasing efficiency and improving the product.

The labor agreement reached this summer includes a wage freeze, a no-strike clause and commitments to further modernize. Rouge has received investments of $200 million in recent years, and last month Ford announced another $100 million in scheduled improvements.



AUTOMOTIVE NEWS/JOE WILSSENS

Strip mill will benefit from computerized thickness controls — part of the improvement program

Beyond those changes, much work still needs to be done, Blackwell suggested. Costs need to be cut, employee teamwork has to be fostered and relationships with suppliers still must be improved, he said.

The company also will continue to diversify to lessen its dependence on the auto industry. In the past, as much as 90 percent of its output was sold to Ford; now that figure is closer

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Profits rise 38% on slim sales gain

By Michelle Krebs, Mary Connelly and Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTERS

DETROIT — Third-quarter profits for the Big 3 automakers turned out to be better than expected.

Combined earnings for Chrysler Corp., Ford Motor Co. and General Motors totaled $1.8 billion for the July-to-September quarter, up 38 percent from $1.3 billion in the third quarter of 1986.

Combined sales for the quarter amounted to $44.0 billion, up 4 percent from $42.4 billion in the year-ago period.

Analysts had predicted Ford earnings would be about even with or slightly more than the previous year's third quarter. Chrysler, they predicted, would have earnings about even with or slightly less than a year ago, and GM would have much lower earnings than in the previous year.

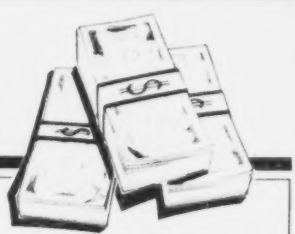
Actually, Ford and Chrysler posted slightly higher third-quarter profits. But GM reported earnings significantly higher than a year ago. The reason: GM instituted accounting changes that improved its results in the third quarter instead of the fourth, as most analysts had expected.

The accounting change enabled GM to report higher earnings than Ford for the first time since the first quarter of 1986.

For the first nine months of 1987, the Big 3 automakers combined earned $7.4 billion, up 21 percent from the $6.1 billion earned in the first nine months of 1986. Sales for the nine months totaled $146.9 billion, up 5 percent from $140.4 billion in the corresponding 1986 period.

see PROFITS, page 28

BIG 3 RESULTS



CHARLOTTE WINTER

THIRD QUARTER
(In millions of dollars)

	1987 SALES	1987 PROFIT	1986 SALES	1986 PROFIT
Chrysler Corp.	$ 6,168.6	$ 253.0	$ 5,168.8	$ 234.9
Ford Motor Co.	$ 15,246.8	$ 703.2	$ 14,365.8	$ 693.3
General Motors	$ 22,606.9	$ 812.3	$ 22,841.0	$ 345.1
TOTAL	$ 44,022.3	$1,768.5	$ 42,375.6	$1,273.3
NINE MONTHS				
Chrysler Corp.	$ 18,610.1	$ 951.4	$ 16,647.8	$1,080.0
Ford Motor Co.	$ 52,885.5	$3,693.0	$ 46,453.4	$2,500.0
General Motors	$ 75,403.6	$2,715.1	$ 77,286.4	$2,562.4
TOTAL	$146,899.2	$7,359.5	$140,387.6	$6,142.4

Incentive p just keep c

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — New incentive programs continue to flourish, with Pontiac and Chrysler Motors beefing up their efforts to boost sales of 1988 models and clear the lots of remaining 1986 and 1987 cars and trucks.

Audi of America, meanwhile, announced a dealer-incentive program for its 1987 4000 series.

Pontiac announced last week that it is adding selected 1987 cars in its multimillion-dollar direct-mail rebate program aimed at Pontiac owners and owners of competitive makes.

Coupon holders will receive $400 rebates on 1987 and 1988 Firebirds, 6000s and Bonnevilles and $300 on 1987 and 1988 Fieros and Sunbirds. The original program included only 1988 models. There is no dealer participation cost.

The division began mailing coupons to 3 million owners of Pontiac cars purchased between 1977 and 1986 and 3 million to 3.5 million owners of competitive makes.

In addition, the division has mailed coupons to 500,000 persons who said in a national marketing survey that they were planning to purchase a car during the next six months.

Chrysler Motors is offering incentives to dealers and salespeople on 1986, 1987 and selected 1988 Jeep and Renault products to clear out inventories for the launch of the Jeep/Eagle franchise in December.

"They inherited these (American Motors) products and they want to move them out," said one Jeep-Eagle dealer.

Dealers receive cash back when they reach specific sales targets set for 1986 and 1987 Alliance and Encore and 1987 GTA models. The dealer receives a total of $500 if he sells 1 or 2 of those cars, $750 for 3 or 4, and $1,000 for five units. Incentives for additional units are based on the same formula.

The program applies to units sold between Oct. 1 and Dec. 31. Consumers must purchase the car from dealer stock and take retail delivery before Dec. 31. There is no consumer incentive on any Jeep or Renault products.

Chrysler to close plant; Toledo spared

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Chrysler Motors will close one vehicle assembly plant in 1988, but it will not be the Toledo, Ohio, Jeep assembly plant acquired with its purchase of American Motors.

"You have to look at the capacity numbers and our product lineup and you know that we could do without a plant or a plant and a half," said Chrysler Corp. Chairman Lee Iacocca at a press conference last week.

Chrysler removed the Toledo plant from the danger list following announcement Thursday of a tentative contract agreement with the Jeep unit of UAW Local 12.

The tentative contract, which will be voted on by the 5,800 unionized Toledo workers Nov. 9, is a five-year agreement expiring Sept. 14, 1992. It includes a moratorium on closing the plant for the life of the agreement.

Iacocca said the company may decide by the end of the year which plant to idle. The plant will not be sold, he said.

Chrysler Motors Chairman

Greenwald said no plants "jump out at us" as likely candidates because "we are selling very well all of our products."

"Our manufacturing guys are very good at giving us some flexibility," Greenwald said. "If the market is beginning to weaken, maybe we can find a way . . . to build in two plants what we have always built in three and move some products around.

"That's what we are trying to think our way through. As a result, it isn't simply saying there is a plant, and it is going to close in three months. We may do some retooling and get some existing product ready for another plant."

Following Chrysler's acquisition of AMC in August, analysts suggested that one of AMC's aging plants in Toledo or Kenosha, Wis., might be vulnerable.

Following the

INDEX

Auction dates	31
Classifieds	32
Coming events	21
Extra section	E1
Marketing and media	18
News briefs	8
Opinion	10
Personnel	16
Production	47
Truck industry	12

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"We export to Australia and Taiwan and sell a large number of cars in Japan. We are working on exports to Korea. So Canada will come when the time is right."

Austin Rover is working on a mid-range car, code-named R8, to debut in Europe late in 1989 and in the United States in 1990.

Development is in cooperation with Honda. The car will be produced under the Honda and Rover/Sterling names in Europe and Japan.

is based on a program used with success by Ford in the United States.

"But we ask the customers after 24 months while the United States asks after 12 months," said Gansmueller.

The program starts what Ford managers call "a change of strategy for Ford in Europe." In most markets, Ford has been known to fight for the highest market share.

But with the new program, Gansmueller reports include answers and also give the average dealer score, divided into every detail.

The program was first tested in Britain and nearly 40 percent of the questionnaires were returned. The system has now been introduced in many of the countries in Western Europe, and by year-end, 15 countries will have the program.

There is no dealer cost involved.

leaders, arguing that the workers were never consulted on the decision to be dismissed.

Uriarte and the eight others who form the union's new national executive committee took over Oct. 2.

They represent Ford's three plants in Mexico City, Hermosillo and Chihuahua, unlike the old committee, whose power was concentrated in Cuautitlan.

(2)

VW moves ahead of Fiat to lead Europe's car-sales race

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Volkswagen AG moved past Fiat Auto to take first place in Western Europe car sales for the January-September period.

After finishing as Europe's sales leader in 1985-86, the Volkswagen group has assumed the top ranking for the first time this year, according to industry sales estimates compiled by Automotive News.

The surge to No. 1 has been largely on the strength of Audi and Seat, whose combined sales have increased nearly 30 percent this year.

Industrywide Western European sales in the January-September period totaled 9,458,200, 5.7 percent higher than in the same period last year.

Most auto executives here were expecting Western Europe to surpass 12 million units this year for the first time in history, but they are reviewing expectations in the wake of the stock market crisis of the past two weeks.

Among Europe's six major manufacturers, Peugeot SA achieved the largest growth in sales and market share during the first nine months. Only General Motors lost market share.

Sales by Japanese manufacturers were up fractionally through the third quarter, but market share was off. Japanese makers in September suffered their first year-to-year monthly decline since April.

Besides GM, Mercedes-Benz, Austin Rover, Volvo and BMW all lost market share in Western Europe for the nine-month period. However, only BMW dropped in actual unit sales.

VW-Audi-Seat sales were calculated at 1,412,000 through September — a 14.9 percent market share in Western Europe. The Volkswagen brand was up only 1.6 percent to 963,100, but Audi with its enormously popular new 80/90 compact was up 28.1 percent to 262,200 and Seat improved 32.3 percent to 186,700.

The VW group improved its first-place position by capturing nearly 30 percent of the West German domestic market. Overall new-car sales have recovered in West Germany after a slump earlier this year that resulted in VW falling from first place in sales in Europe.

Fiat Auto, which includes Alfa Romeo and Lancia, held 14.4 percent through September with sales of 1,365,000.

Fiat has continued its hold 60 percent of the Italian market and has pushed ahead of Peugeot SA in West Germany to take first place among non-German producers in that market.

Ford follows at 1,148,500, up 8.3 percent from 1986 and good for 12.1 percent of the European market. Ford has strengthened its grip on first place in the United Kingdom, increasing its share to nearly 29 percent compared with just over 27 percent last year.

Peugeot SA has made the largest jump in unit sales and market share of all European car groups. The French automaker was up 10.5 percent through the first nine months to 1,101,700. The increase gave the company an 11.6 percent share compared with 11.1 percent through the same period in 1986.

Its Citroen unit was up 15.4 percent across Europe to 430,500 units. Citroen, through September, improved sales 17 percent in its French home market and 35 percent in the United Kingdom.

GM has under-performed in the European market this year and has suffered a decline in market share. Sales through the third quarter were 1,022,500 — 1.9 percent higher than the first nine months of 1986 — while share declined from 11.2 percent to 10.8 percent.

In the United Kingdom, GM sales were off 6 percent in an overall market that has grown by 6 percent this year. GM is also down in France and in the Netherlands, where it is the market leader.

Renault sales through September rose 7.6 percent to 965,200, good for 10.2 percent of the European market. Renault has maintained a 30 percent market share at home, slightly behind Peugeot SA.

Among other European manufacturers, only BMW suffered a sales decline in 1987. The German company has seen unit volume drop 3.2 percent to 224,500, while its European-wide share has declined from 2.6 percent in 1986 to 2.4 percent this year.

BMW is down in France, Italy and in its home market. According to official registration figures in West Germany, BMW was off 2.1 percent to 108,228 in the first nine months. Three-series sales in Germany were 9.5 percent lower and 5-series registrations were down 2.2 percent, offsetting a better than threefold gain for the new 7 series.

After several months of growth following a sharp January-February sales decline, Japanese manufacturers were off 2.3 percent in September. For the first nine months, Japanese makers combined held 11.5 percent of the European market (1,083,700 units), down from 12.1 percent for the same period in 1986.

Nissan held the No. 1 position among Japanese marques in Europe with a 3 percent improvement in sales to 282,400, good for 3 percent of the entire market. Toyota, which has declined marginally in Europe this year, was second with a 2.8 percent share.

West Germany was Europe's largest national market, improving 3.1 percent to 2,189,400 through September. Sales sputtered early this year but have recovered and are now running ahead of last year's record 2.8 million pace. However, some analysts here expect a fourth-quarter slowdown.

The United Kingdom was up 6.2 percent to 1,637,100 and may be on course to top 2 million sales for the first time. Italy is also approaching its first 2-million sales year. Volume through September was 1,535,000, 8.8 percent higher than 1986.

The French market was up 6.5 percent to 1,452,300 units for the year, but was off 10 percent in September and appears likely to fall short of its own bid for 2 million sales.

Spain remains the hottest national market in Europe. Sales in September rose 15.5 percent over the previous September when the current boom was already well under way. Spanish new-car sales for the nine-month period grew 41.1 percent to 674,700. Volume this year could top 900,000.

EUROPEAN SALES

Manufacturer	9 months 1987	1987 share*	9 months 1986	Change 87 vs 86
VW-Audi-Seat	1,412,000	14.9	1,294,000	+ 9.1
Fiat Group**	1,365,000	14.4	1,263,200	+ 8.1
Ford	1,148,500	12.1	1,060,100	+ 8.3
PSA***	1,101,700	11.6	996,700	+10.5
Japanese (all)	1,083,700	11.5	1,078,900	+ 0.4
Nissan	282,400	3.0	274,100	+ 3.0
Toyota	267,500	2.8	268,500	− 0.4
Mazda	178,800	1.9	191,200	− 6.5
Mitsubishi	118,400	1.3	109,800	+ 7.8
Honda	102,500	1.1	113,400	− 9.6
General Motors****	1,022,500	10.8	1,003,700	+ 1.9
Renault	965,200	10.2	897,100	+ 7.6
Mercedes-Benz	337,300	3.6	333,400	+ 1.2
Austin Rover	334,400	3.5	333,900	+ 0.1
BMW	224,500	2.4	231,800	− 3.2
Volvo	202,600	2.1	201,300	+ 0.6
Others	260,800	2.8	253,900	+ 2.7
Total	9,458,200	100.0	8,948,000	+ 5.7

* Total does not add up to 100 percent because of rounding
** Includes Alfa Romeo
*** Peugeot, Citroen, Talbot
**** Opel, Vauxhall, Isuzu, GM U.S. Canada

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PROFITS

FROM PAGE 3

CHRYSLER CORP.

Chrysler Corp. reported an 8-ercent increase in third-quarter arnings compared to one year ago, record third-quarter sales.

Third-quarter profits totaled 253.0 million, up from $234.9 mil-on earned in the year-ago third uarter.

On a per-share basis, Chrysler rned $1.15 in the quarter, com-ared with $1.06 a year ago, ad-sted for a three-for-two stock lit in March.

Sales of $6.2 billion set a record r the third quarter and were up percent from $5.2 billion in the ear-ago quarter.

Worldwide factory sales for the uarter were 494,398, including 9,041 Jeep-Eagle vehicles sold nce Aug. 6. Chrysler acquired merican Motors Aug. 5 and mar-ets the former AMC vehicles hrough the Jeep-Eagle network.

Despite the inclusion of AMC roducts, Chrysler unit sales still ere lower than a year ago when orldwide sales amounted to 502,-52 units.

For the first nine months of the ear, Chrysler earned $951.4 mil-n, down 12 percent from $1.08 illion earned in the same period a ear ago.

For the nine months, earnings mounted to $4.38 a share, down rom $4.83 a share for the first nine onths of 1986. Chrysler's 1986 arnings included a gain of $131.9 illion from the sale of its stake in eugeot.

Sales rose 12 percent in the ine-month period. Chrysler re-orted sales of $18.6 billion in the rst nine months of 1987, com-ared with $16.6 billion in the first ine months of 1986.

Worldwide factory sales for the ine-month period were 1,622,522 nits, including 49,041 Jeep-Eagle ehicles. That was off 1 percent rom year-ago sales.

Chrysler Corp. Chairman Lee acocca said the quarterly gain in earnings was posted despite an industrywide car sales slump, a strike against Chrysler Canada, costly product launches and the completion of three acquisitions during the period.

Robert S. Miller, Chrysler Corp. vice chairman, said AMC made "a modest contribution" to Chrysler's profits in the third quarter. On an earnings-per-share basis, he said, the impact of the AMC purchase was "a wash" because AMC's modest profit was offset by the stock that was issued in connection with the purchase.

Chrysler Financial Corp. reported the highest third-quarter and nine-month earnings in company history.

Chrysler Financial said 1987 third-quarter net earnings were $55.3 million, up 14 percent from the $48.3 million earned in the third quarter of 1986. The nine-month net earnings were $177.2 million, a 32-percent increase over the $133.8 million recorded in the comparable nine-month period of 1986.

Chrysler Credit, the automotive finance subsidiary of Chrysler Financial, financed or leased 234,632 new and used vehicles in the United States during the third quarter. Chrysler Credit financed 34 percent of the new vehicles sold by Chrysler Motors dealers.

Chrysler Financial's earnings increase was attributed to improved productivity and higher earning assets from its automotive and diversified finance units.

FORD MOTOR CO.

Ford reported that third-quarter profits increased 1 percent over the same quarter a year ago on a 6-percent sales gain, setting new third-quarter records for sales and earnings. It also pushed profits for the first nine months of the year above 1986's full-year earnings.

Profits in the third quarter rose to $703.2 million, or $2.76 a share, from $693.3 million, or $2.61 per share, a year earlier.

Worldwide dollar sales were $15.2 billion, or $881 million higher than 1986's third quarter, even though factory unit sales declined 7 percent to 1,239,000 units from 1,334,775.

The company said that third-quarter net income was up $112 million, or 19 percent, compared with the same period in 1986 without the one-time gain in 1986 of $102 million due to the sales of Ford's North American paint operations and Ford Aerospace & Communications Corp.'s interest in Starnet Corp.

For the first nine months of the year, Ford earned $3.7 billion, or $14.34 per share, up 48 percent over the $2.5 billion, or $9.33 per share, for the same period in 1986.

Sales for the first nine months totaled $52.9 billion, up 14 percent from $46.5 billion for the first nine months in 1986.

In the United States, Ford earned $593 million in the third quarter, down $14 million from last year. Outside the United States, Ford earned $110 million compared with $86 million a year ago.

Ford's U.S. car share in the 1987-model year was 20.1 percent, the highest since 1979 and up 2.3 percentage points from 1986 — the largest gain in the United States for any manufacturer, domestic or foreign.

Its truck share was 28.5 percent in the 1987 model year, up 0.3 of a percentage point from last year.

Overseas, Ford of Europe's estimated car-market share for the first nine months of 1987 was 12.3 percent, an increase of 0.3 of a percentage point from a year ago.

Ford's estimated truck share in Europe through September was 10.9 percent, up 1.4 percentage points from last year.

Ford Motor Credit Co. posted a third-quarter profit of $172.3 million, representing a $16.8 million gain, or 11 percent increase, from the same period in 1986.

Profits for the first nine months of 1987 were a record $560.7 million compared with the previous record of $448.3 million established in the same period in 1986.

During the first nine months of 1987, the company financed 1.58 million vehicles in the United States, up from 1.45 million financed in the first nine months of 1986. Ford Credit arranged financing for 41 percent of all new Ford Motor Co. cars and trucks sold by its dealers in the United States.

At Sept. 30, Ford Credit assets were $48.7 billion, up $9.7 billion or 25 percent from a year ago.

GENERAL MOTORS

GM reported a third-quarter profit of $812.3 million, a 135-percent increase over the $345.1 million earned in the year-ago quarter.

Sales for the quarter totaled $22.6 billion, down 1 percent from last year's $22.8 billion. Worldwide factory sales in the third quarter were down about 10 percent at 1.64 million units.

On a per-share basis, third-quarter profits amounted to $2.28, compared with 80 cents in the 1986 third quarter.

Though GM showed operating income of $356.8 million, it was not from selling cars and trucks but rather from bookkeeping changes.

GM said it adopted during the quarter accounting practices that made more realistic assumptions regarding the useful lives of its plants, equipment and special tools. The modifications favorably impacted GM's pre-tax earnings by $894 million, or $1.82 per share.

Without the changes, GM earn- about double 1986's third-quarter operating loss of $251.5 million.

GM earnings for the first nine months totaled $2.7 billion, up 4 percent from $2.6 billion earned in the first nine months of 1986. On a per-share basis, GM earned $7.70 in the period, compared with $7.24 a year ago.

Sales for the period totaled $75.4 billion, a 2-percent decline from sales of $77.3 billion a year ago. Worldwide factory sales were off about 12 percent at 5,792,000 units.

GM's subsidiaries also helped boost the automaker's third-quarter profits.

General Motors Acceptance Corp. had earnings of $325.0 million for the third quarter, compared with $313.7 million earned in the same period a year earlier.

While GMAC's earnings for the quarter rose 4 percent, the phenomenal rate of growth that GMAC has experienced in recent years is slowing, as anticipated. Higher interest rates during the quarter narrowed the margins between what GMAC pays to borrow money and what it charges customers to borrow.

GMAC Chairman John Edman said narrower margins were partially offset by changes in depreciation rules on lease vehicles. That change increased third-quarter earnings by $65 million and nine-month earnings by $198 million. Had it not been for the change in depreciation rules, GMAC would have earned less money in the 1987 third quarter than it did in the year-ago quarter.

For the nine-month period, GMAC earnings totaled $1.2 billion, up 35 percent from the year-ago's $888.9 million.

GMAC financed or leased 862,-000 vehicles in the United States and 132,000 in other countries during the quarter.

GM Hughes Electronic Corp., GM's subsidiary made up primarily of Hughes Aircraft and Delco Electronics, reported third-quarter net income of $134.0 million, an increase of 6 percent from $126.4 million a year ago.

Earnings, excluding the goodwill paid by GM for Hughes Aircraft, amounted to $171.2 million in the quarter, compared with $163.6 million in the 1986 quarter. On a per-share basis, GMHE earned 85 cents compared with 82 cents.

Sales for the quarter totaled $2.52 billion, down 1 percent from $2.55 billion. Of the total, sales to GM amounted to $663.8 million in the quarter, down from $708.5 milion a year ago.

For the first nine months, the subsidiary reported net income of $412.8 million, up 10 percent from $375.6 million. Income excluding goodwill for the period amounted to $524.4 million, compared with $487.2 million in the year-ago period.

Sales for the period totaled $7.82 billion, off about 1 percent from 1986's $7.86 billion. Of the total, sales to GM amounted to $2.35 billion in the period, just off from $2.38 billion a year ago.

Electronic Data Systems Corp., GM's computer services subsidiary, reported net income of $82.3 million for the quarter, a 16-percent increase from $71.1 million in the year-ago quarter. On a per-share basis, that amounted to 68 cents in the quarter compared with 58 cents a year ago.

Sales for the quarter totaled $1.13 billion, down 3 percent from $1.16 billion in the 1986 quarter. EDS attributed the sales decline to the fact that two major projects for GM have been completed. Sales to

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Contact: **Donny Gibson** or **Grady Gibson**
Member of NAAA & WAAA

WASHINGTON

So. Seattle Auto Auction. The lease & Fleet Specialists. Tom Chase, 1-800-872-6800. P.O. Box 5189, Kent, Washington 98064.

WISCONSIN

Metro Milwaukee Auto Auction. Sale every Wednesday. FMC, all leasing, AMC. 414-835-4436, Caledonia, Wisconsin.

TEXAS

Auctions Unlimited, 2260 East I-30, Rockwall, Texas 75087. Dallas-Ft. Worth area. Sales every Monday & Wednesday 7 PM. 214-722-9495.

TEXAS

San Antonio Auto Auction (div. of GECAA), 1500 Ackerman Rd., San Antonio, Texas 78219. Sale every Weds. Contact: Frank Post or Michael Milikien, 512-661-4200.

TEXAS

Fort Worth Auto Auction, 2245 Jacksboro Hwy., Ft. Worth, TX 76114. Sale every Thursday. Contact: George Horton, 817-626-5494.

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Americans traveled more in '86; miles increased 13%, Hertz says

NEW YORK — Hertz Corp. estimates that in 1986 the average adult American traveled 15,258 miles, or 41.8 miles a day, at a cost of $5,251. The mileage included commuting, business, vacation and personal trips. Approximately 92 percent of the miles were by car or truck.

The study, Mobile America, is the fourth annual nationwide survey by Hertz. Costs include transportation and any required away-from-home food or lodging.

The nationwide mileage total was 3.65 trillion miles with an aggregate cost of $1.26 trillion. In 1985, it was 3.2 trillion miles at a cost of $1.05 trillion with each person averaging 13,476 miles, or 36.9 miles daily, at a cost of $4,406 per person.

The annual survey covers nearly all forms of transportation — trains, trucks, taxis, autos, airplanes, ships, buses and walking. The estimates also include family shopping and other incidental local trips. Personal boating and private flying are omitted, however.

The poll's distances refer to passenger miles rather than vehicle miles. Highlights of the 1986 survey include:

- Commuting: Some 110 million persons commuted an average 26.1 miles (round-trip) a day at an annual cost of $1,817 per person. In 1985 the cost was $1,355 a person.
- Business trips: Work required 47.2 million employees to take an average of 44.6 trips. Transportation costs averaged $2,930 each. In 1985, the cost was $2,448 each.

Cars and trucks accounted for nearly 75 percent of business-trip mileage, and commercial aircraft were used for 24 percent. Trains, buses and other conveyances accounted for the rest.

- Pleasure trips: Last year, 138.1 million adult Americans took an average of five vacation or pleasure journeys — from weekends to two weeks or more. Vacation travel totaled 1.155 trillion miles, up from 906 billion in 1985. Average transportation costs per person for those trips were $966 in 1986, up from $835 in 1985.

AUCTION DATES

American Motors

Nov. 3 — D-A Auto Auction, New Stanton, Pa.

Nov. 4 — Northeast Auto Dealers, Newburgh, N.Y.

Nov. 5 — Greater Chicago Auto Auction, Chicago, and Wolfe's Evansville Auto Auction, Evansville, Ind.

Nov. 6 — St. Louis Auto Auction, St. Louis

Nov. 10 — Statesville Auto Auction, Statesville, N.C.

Nov. 11 — Kansas City Auto Auction, Kansas City, Mo.

Nov. 12 — Corry Auto Auction, Corry, Pa.

Nov. 17 — D-A Auto Auction, New Stanton, Pa.

Nov. 18 — Northeast Auto Dealers, Newburgh, N.Y.

Chrysler Motors

Nov. 3 — Florida Auto Auction of Orlando, Ocoee, Fla.; Aptco Auto Auction, Taylor, Mich.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; NuCarPrep System, Santa Fe Springs, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Nov. 4 — A.D.E. of Birmingham, Birmingham, Ala.; Columbus Fair Auto Auction, Obetz, Ohio; South Seattle Auto Auction, Kent, Wash.; and Southern Auto Auction, Warehouse Point, Conn.

Nov. 5 — Fredericksburg Auto Auction, Fredericksburg, Va.

Nov. 6 — Manheim Auto Auction, Manheim, Pa., and St. Louis Auto Auction, Bridgeton, Mo.

Nov. 10 — American Auto Auction, Walpole, Mass.; Arena Auto Auction, Chicago; Golden Gate Auto Auction, Fremont, Calif.; Hatfield Auto Auction, Hatfield, Pa.; and Dallas Auto Auction, Grand Prairie, Texas

Ford Motor Co.

Nov. 3 — Harrisonburg Auto Auction, Harrisonburg, Va.

Nov. 4 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.; Southern California Auto Auction, Fontana, Calif.; and Concord Auto Auction, Acton, Mass.

Nov. 11 — Atlanta Auto Auction

Used Car Sales
Auction Averages

Oct., 1987	$6,001
Month ago	$6,043
Year ago	$5,196

Model Breakdown
Auction Averages

	OCT 1987	SEP 1987	AUG 1987
1987	$11,220	$11,357	$11,726
1986	$8,624	$8,808	$8,934
1985	$7,257	$7,321	$7,385
1984	$5,711	$5,764	$5,754
1983	$4,897	$4,940	$5,016
1982	$3,549	$3,607	$3,648
1981	$2,549	$2,583	$2,632
1980	$2,022	$2,044	$2,072
Overall Average	$6,001	$6,043	$6,070

Auto Auction, Phoenix, Ariz.; Ba Cities Auto Auction Inc., Haywaru, Calif.

Nov. 13 — Interstate Auto Auction, Mercer, Pa.

Nov. 18 — Concord Auto Auction, Acton, Mass.; Lakeland Auto Auction, Lakeland, Fla.; and Southern California Auto Auction, Fontana, Calif.

General Motors

Nov. 3 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Dallas; and South Seattle Auto Auction, Kent, Wash.

Nov. 4 — Atlanta Auto Auction, Red Oak, Ga.; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; and Omaha Auto Auction, Omaha, Neb.

Nov. 5 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; and St. Louis Auto Auction, Bridgeton, Mo.

Nov. 10 — Harrisonburg Auto Auction, Harrisonburg, Va., and Florida Auto of Orlando, Ocoee, Fla.

Nov. 11 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis North,

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Jaguar, Porsche hard hit as European auto shares dive

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Porsche and Jaguar, the two European automakers most dependent on the United States market, suffered major setbacks on the Frankfurt and London stock exchanges last week.

Uncertainty about the U.S. economy and the continued fall of the dollar against local currencies hurt all European makers with substantial American sales. Daimler-Benz, BMW, Volkswagen, Saab and Volvo also declined sharply last week. Fiat and Peugeot continued their slide to a slightly lesser degree last week.

Steven Reitman, auto industry analyst at Phillips & Drew in London, said he may trim earnings projections for the major exporters, but does not view the situation as cataclysmic.

"It is far too early to say that the (U.S. import) market is dead," said Reitman. "As it was, the German companies' plans for the U.S. market were quite conservative relative to 1986 sales."

Most analysts see a continuation of plans to sell more expensive mixes in the United States, a strategy that was already being implemented across the board.

Porsche and Jaguar each ship nearly 60 percent of their output to the United States, and their share prices proved highly sensitive to currency fluctuations last week.

Porsche shares lost 21 percent of their value on Tuesday alone and then continued to fall as the week progressed. Through early Friday, Porsche shares in Frankfurt had declined more than 32 percent in less than two weeks and were down 41 percent from their high for the year.

But Jaguar prices have fallen by far the most of any European maker since the stock market slide began Oct. 19. By midweek, shares had tumbled to 286 pence, exactly half the price at the start of trading on Black Monday nine days earlier. Jaguar stock had edged upward slightly through early Friday.

BMW, selling about 22 percent of its output in the United States, declined 30 percent in less than two weeks. Volkswagen and Volvo shares were down 29 percent, and Daimler, Saab and Fiat lost 26 percent of share value during that period. Peugeot, which sells less than one percent of production in the United States, fell 21 percent since Oct. 19.

Hans-Peter Wodnick, an automotive analyst at the Bank in Liechtenstein in Frankfurt, said that with the exception of Porsche, the German automotive stocks largely followed overall Frankfurt market trends late last week.

Wodnick said he is considering changes in earnings projections for German manufacturers.

The timing of the West German government's planned sale of its 16 percent stake in VW will almost certainly be affected by the volatile market. Finance Minister Gerhard Stoltenberg said early in the week that the sale would continue, though he did not reveal timing. By late in the week various reports from Bonn indicated that the government had decided to shelve its plan to sell its VW holdings to the public before the end of the year.

VW's decision to cancel investor presentations throughout Germany — including a press session here in Frankfurt — touched off further speculation that the stock sale has been put off.

The VW share price fell 10 percent last Wednesday after it was reported that state prosecutors are investigating new evidence of further illegal currency transactions. The new findings reportedly could result in additional losses beyond the 473-million-mark fraud-related losses already incurred.

Toyota and Honda report no change in plans

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Honda North America President Tetsuo Chino said Honda dealerships are reporting sales as usual without any apparent effect from the stock market crash.

Chino said the company has no plans to change any production or sales goals at this time: "It is just too early."

Toyota President Shoichiro Toyoda said "we are just observing to see the trend." Toyoda said the company is not changing any plans either.

Toyoda said there are no signs coming out of Japan's economy that would lead to a recession. He did acknowledge, however, that the movement in the world stock markets could dampen consumer buying and that would affect auto sales.

But Toyoda said he is not nervous: "It will not do to become nervous. We must be calm."

Both Honda and Toyota are having no difficulty selling cars in the U.S. market. Problems other than market reaction may affect production and sales of other Japanese makers. Reports in Japan indicate the Ministry of International Trade and Industry may be planning to reduce its quota of 2.3 million car exports to the United States. However, such a cutback would help companies that are struggling to meet the current quotas save face.

In the past two weeks, the values of auto stocks have dropped along with everything else. Automakers are waiting for the market to settle.

Analyst Maryann Keller, Furman Selz Mager Dietz & Birney, said that auto shares do not usually turn up until the market has bottomed out.

CRASH

FROM PAGE 1

Ford Motor Co. said it is reviewing its forecast.

Chrysler Chairman Lee Iacocca said 1988 sales should be off no more than 10 percent from 1987, but he added that's no guarantee they won't be. The company has not revised its official forecast.

Both Smith and Iacocca said production cuts are possible in the fourth quarter and beyond. Iacocca said Chrysler will wait to see sales for the first two November periods before making such cuts.

European importers in the United States — perhaps most vulnerable of any segment because their upscale models are purchased by the same affluent customers who buy stocks — last week reported some order cancellations but said this was not widespread.

Although the dollar continued to slump against the yen and mark, stock prices rallied in heavy trading late last week. The Dow Jones Industrial Average rebounded nearly 200 points from its nadir of 1738.74 on Black Monday, Oct. 19, to 1938.33 on Oct. 29.

The Dow's recovery of 11.48 percent from Black Monday was almost mirrored in the comeback of a few automotive stocks, especially Ford and Honda.

Stock market uncertainty continued to impact GM and Chrysler common shares, which stayed shy of their already reduced values by more than $1.00 per share after 10 days. Nissan and Toyota stocks were each off $1.00 as was Subaru common. Among truck stocks, Mack Trucks saw its stock rise slightly, while Volvo AB and Navistar share prices were off.

In the past two weeks, auto stocks on the Toyko exchange went down with everything else. Like American automakers, Japanese manufacturers said they are waiting for the market to settle before changing production.

Among the European automakers, stock prices last week fared worst among companies with heavy reliance on the U.S. market. Yet the import arms here reported little impact on sales so far.

Hans Jordan, Mercedes-Benz of North America vice president of marketing, said the company is concerned but is waiting for word from its field organization before revising its sales forecast.

Richard C. Marcy, Volkswagen of America vice president and head of Audi of America, acknowledged the market tumble probably softened its upscale market, but Audi has not trimmed its 1988 forecast yet.

Jaguar doesn't appear to be overly concerned because the average Jaguar buyer is not a yuppie but an established professional, said Thomas McDonnell, vice president of public affairs for Jaguar Cars Inc. Nonetheless, Jaguar share prices took a particularly hard beating among European auto stocks last week.

BMW of North America reported no major drop in sales and said it is planning no change in strategy. A company spokesman said the automaker saw some falloff in the New York area but the trend did not carry throughout the nation.

Joseph Nicolato, president of Volvo Cars of North America, said it is premature to make any marketing changes. He said dealers have reported that consumers are more conservative but no rash of cancellations.

Before the market crashed, Porsche Cars of North America announced production cuts on its four-cylinder models in anticipation of a slowdown in sales. A company spokesman said that Porsche dealers in selected markets have seen a falloff in showroom traffic. Like Jaguar, Porsche fared worse than most automakers in trading last week.

Saab-Scania of America President Robert Sinclair said some dealers reported that on the day of the crash, stores could have closed because of a lack of traffic, but within two days, traffic was back to normal.

At Austin Rover Cars of North America, the importer of the Sterling, Jed Connelly, director of sales, said dealers reported traffic slowed, first in New York and then in other markets. Nevertheless, the company is making no changes in advertising or ordering of cars.

Meanwhile, a number of auto analysts downgraded their sales forecasts as a result of the Wall Street jitters.

Maryann Keller, Furman Selz Mager Dietz & Birney, told the Society of Automotive Analysts in Tokyo last week that plummeting stock prices would cause a 1.5 million-unit decline in vehicle sales in 1988 from 1987 sales and that both U.S. and Japanese makers would be affected.

Among the other analysts who adjusted downward their 1988 forecasts were Ann Knight, Paine-Webber Inc.; Susan Jacobs, manager of automotive research at Merrill Lynch Economics; Jean-Claude Gruet, Salomon Brothers; and Michael Luckey, Shearson Lehman Brothers.

Lower sales obviously mean lower production and layoffs. For each assembly-line layoff, another two to three persons are laid off in supplier businesses. Layoffs will cause even shakier consumer confidence and will slow consumer spending more, analysts acknowledge. But they debate whether that will be enough to push the economy into a recession.

Meanwhile, in the showrooms, dealers reported a slowdown in traffic after the stock market crash. However, some said the slowdown began even before the stock market crashed, as people waited for the next round of industrywide incentives to begin. Many dealers had not expected a banner year anyway.

"Customers are afraid to get that money out of the bank and spend it," said Greg Swartz, general manager, Randolph Chrysler-Plymouth, Randolph, Mass. "They are waiting to see what happens."

In the heart of Manhattan, two major dealers reported no effect from the crash. Martin BMW-Volvo and the Potamkin organization, which has Mitsubishi, Toyota, Chrysler, Plymouth and Dodge among its city franchises, reported no change in sales.

However, in the New York suburbs, the car market definitely was a mixed bag.

Eli Bloom, president of Myrtle Motors (Pontiac), Middle Village, N.Y., said he saw a dramatic change in showroom traffic but he attributed some of it to the lack of incentives.

"I do anticipate, being in New York, to feel the effects of Wall Street problems in the next few months," he said. "So many people employed on Wall Street are getting [illegible] brokerage houses were laying off people in New Jersey."

John Chuchinko, president of the Bell organization, which holds 10 franchises in the New York area, reported spotty traffic.

The low end of his lines had not fallen off much, but traffic in the high-line cars, which for him include Saab, Porsche, Audi and BMW, had dropped and orders were canceled.

Victor Potamkin, chairman of the board of the organization that includes 42 franchises through the East, said he expected there will be an effect on cars in the $40,000 to $60,000 range but not on lower-priced cars.

What cars will be hit first and hardest is the subject of debate.

Analyst Keller, for example, predicted that luxury-car sales will be the first to suffer. "The buyer of a BMW, Jaguar or Porsche has seen his ability to make a down payment disappear in the stock market crash," she said.

Taking the opposing viewpoint was William Pochiluk Jr., of Autofacts Inc., who said disaster in the luxury market is less likely than in other segments, since most luxury cars are leased rather than financed or paid for in cash.

Donald DeScenza, analyst with Nomura Securities, said the superluxury market, including high-line Mercedes, BMW and Jaguar models, historically does not fall off during recessions.

A number of analysts suggested that high-line domestic cars, particularly Lincoln and Cadillac, will be hurt severely by the stock market problems.

Lincoln dealers across the country reported sales were off as much as 30 to 50 percent in October. They said sales had dropped before the market crash and even more after.

Contributing to this report were Automotive News Staff Reporters Michelle Krebs, Philly Murtha and Laura Clark, in Detroit; John A. Russell, in New York; Mary Ann Maskery, in Toyko; Francis J. Gawronski, in Los Angeles; Edward Lapham, in Hot Springs, Va.;

1988 SALES FORECAST

(Units in millions)

Analyst and Firm	Car	Truck	Total Volume
General Motors	10.0	5.0	15.0
Ford Motor Co.	10.1	5.0	15.1
Chrysler Corp.	10.0	4.9	14.9
Ann Knight PaineWebber Inc.	9.7	4.4	14.1
Chris Cedergren J.D. Power & Associates	10.5	4.5	15.0
Michael Luckey Shearson Lehman Brothers	9.8	4.2	14.0
Susan Jacobs Merrill Lynch Economics	9.5	4.4	13.9
Edward Sullivan Wharton Econometrics	10.2	4.4	14.6
Joseph Phillippi E.F. Hutton & Co. Inc.	9.5	4.5	14.0
Jean Claude Gruet Salomon Bros. Inc.	9.6	4.6	14.2
Jack Kirnan Kidder Peabody	10.0	4.6	14.6
David Healy Drexel Burnham & Lambert	9.7	4.8	14.5

Forecast numbers include those that have been revised and those that had not been revised as of last week. The automakers as well as some analysts were reviewing their forecasts for possible revisions.

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eek's auto production ghest since early May

y Barbaglia
E NEWS STAFF REPORTER

nestic automakers scheduled action of 160,061 cars last the highest total since the ended May 9 when 162,404 assembled.

t week's targeted output rose percent over the prior week's 98 but fell 6.74 percent from ear-ago week's 171,628.

far this year, 5,959,401 cars been completed, 9.24 percent w the 6,566,314 built last year is point.

ompanies split last week's esti- ed production as follows: Gen- Motors, 49.28 percent; Ford Motor Co., 26.43 percent; Chrysler Motors, 15.74 percent; Honda of America Manufacturing Inc., 4.21 percent; New United Motor Manufacturing Inc., 2.12 percent; Volkswagen of America, 1.25 percent; Nissan Motor Manufacturing Co. U.S.A., 0.82 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 0.15 percent.

Chrysler's St. Louis (No. 1) plant will close for two weeks on Nov. 9 for inventory adjustment. The plant is slated to reopen Nov. 23.

Chrysler slated overtime last Saturday at its St. Louis (No. 2) plant. The plant is also scheduled for daily overtime this week.

ruck output stays near 79,000; ear's build 7% ahead of 1986

Last week's scheduled domestic uck production of 78,881 dipped ightly (0.47 percent) from the evious week's 79,255 but in- eased 12.47 percent over the ar-ago week's 70,133.

Year-to-date, 3,207,761 trucks ave been built, 7.28 percent more han the 2,990,208 assembled last ear at this time.

Production of medium-duty trucks resumed last week at General Motors' Pontiac, Mich., plant. The line was idle for one week to adjust inventory.

Ford slated overtime last Saturday at its Lorain, Ohio, plant.

All Ford plants are scheduled for daily overtime this week.

Canadian truck production rises to 681,113; tops year-ago total

Year-to-date truck output in Canada inched past the 1986 total last week for the first time.

So far this year, 681,113 trucks have been built, slightly more (0.82 percent) than the 675,578 completed last year at this point.

Truck production was slated at 19,060 units last week, 6.72 percent more than the prior week's 17,859 and 80.17 percent more than the year-ago week's 10,579.

Scheduled Canadian car production of 24,125 units last week was the highest since the week ended Dec. 20, 1986, when 24,896 cars were built.

Last week's estimated output was 37.77 percent more than the previous week's 17,511 but 3.93 percent below the year-ago week's 25,113.

So far this year, 641,084 cars have been assembled, 26.80 percent below the 875,831 completed last year at this point.

Volvo's plant in Halifax, Nova Scotia, has closed permanently. Volvo's new plant, which is also in Halifax, will begin reporting production of 740 and 240 models later this fall.

CANADIAN CAR	Week Ended Oct. 31, 1987	Week Ended Nov. 1, 1986	Week Ended Oct. 24, 1987	Oct. Est	Jan. 1 to Oct. 31, 1987	Jan. 1 to Nov. 1, 1986
CHRYSLER	850	120	510	1,577	5,711	3,591
FORD MOTOR	10,986	11,115	7,459	33,058	357,109	437,408
GENERAL MOTORS	11,889	13,653	9,081	43,321	258,154	426,492
HONDA	400	0	461	1,696	12,121	0
VOLVO	0	225	0	339	7,989	8,340
Total Cars, Canada	24,125	25,113	17,511	79,991	641,084	875,831
U.S. TRUCK☆	Week Ended Oct. 31 1987	Week Ended Nov. 1, 1986	Week Ended Oct. 24, 1987	Oct. Est	Jan. 1 to Oct. 31 1987	Jan. 1 to Nov. 1, 1986
CHEVROLET	17,471	24,240	16,706	75,928	955,528	998,805
DODGE/PLYMOUTH	8,500	5,883	9,182	39,634	252,098	110,431
FORD	32,905	22,260	34,599	147,554	1,239,586	1,164,725
GMC	7,485	7,730	6,742	34,328	321,330	304,043
NAVISTAR	1,680	1,620	1,667	7,272	62,117	60,514
JEEP	4,600	4,358	4,639	20,251	187,689	158,462
NISSAN	3,490	1,692	2,970	11,672	76,403	94,412
AM GENERAL*	450	50	450	1,980	13,950	2,124
MISCELLANEOUS*	2,300	2,300	2,300	10,120	99,060	96,692
Total Trucks, U.S	78,881	70,133	79,255	348,739	3,207,761	2,990,208
CANADIAN TRUCK	Week Ended Oct. 31 1987	Week Ended Nov. 1, 1986	Week Ended Oct. 24, 1987	Oct. Est	Jan. 1 to Oct. 31 1987	Jan. 1 to Nov. 1, 1986
JEEP	750	520	915	3,638	29,702	23,890
CHRYSLER	7,522	8,993	8,057	32,445	325,897	335,209
FORD	3,648	0	3,499	14,507	124,537	127,789
GENERAL MOTORS	6,915	867	5,158	25,212	192,865	180,713
NAVISTAR	225	199	230	953	8,112	7,877
Total Trks., Canada	19,060	10,579	17,859	76,754	681,113	675,578
U.S., Canada Trks	97,941	80,712	97,114	425,493	3,888,874	3,665,786

☆—Includes window van production. *—Estimated.
Jeep includes commercials only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

U.S. CAR	Week Ended Oct. 31, 1987	Week Ended Nov. 1, 1986	Week Ended Oct. 24, 1987	Oct. Est	Jan. 1 to Oct. 31, 1987	Jan. 1 to Nov. 1, 1986
AMERICAN MOTORS	0	0	0	0	15,994	43,842
Renault Total	0	0	0	0	15,994	43,842
Alliance	0	0	0	0	15,994	40,495
Encore	0	0	0	0	0	3,347
CHRYSLER MOTORS	25,200	26,898	25,955	111,489	913,143	1,106,513
Plymouth Total	6,700	9,400	6,895	30,723	267,076	350,098
Horizon	750	3,430	892	3,624	38,101	145,409
Sundance	1,650	2,365	1,668	7,381	76,517	21,140
Reliant	3,700	2,334	3,643	16,307	108,541	129,400
Caravelle	500	799	557	2,449	38,033	37,521
Gran Fury	100	472	135	961	5,884	16,628
Chrysler Total	8,350	6,222	8,523	36,282	309,704	329,468
Laser	0	0	0	0	0	26,978
LeBaron K	900	1,167	929	4,073	56,417	73,771
LeBaron J	2,750	0	2,841	12,375	99,409	0
LeBaron GTS	750	862	836	3,526	33,584	55,129
N. Yorker E-Class	0	1,299	0	0	57,102	61,445
N. Yorker C-Class	1,600	0	1,375	4,697	7,364	0
Fifth Avenue	2,350	2,894	2,542	11,611	55,828	112,145
Dodge Total	10,150	11,276	10,537	44,484	336,363	426,947
Daytona	1,900	0	1,854	8,303	54,010	30,343
Omni	700	2,905	765	3,215	32,989	137,939
Shadow	1,800	2,257	1,850	8,041	79,694	19,921
Aries	3,600	3,783	3,673	15,803	100,411	105,486
Dodge 600	650	1,124	671	2,972	34,548	56,135
Dynasty	300	0	334	1,027	1,572	0
Lancer	500	683	486	2,194	20,885	41,979
Diplomat	700	524	904	2,930	12,254	35,144
FORD MOTOR	42,310	34,676	39,265	171,339	1,525,768	1,465,370
Ford Division	32,109	25,900	29,255	128,821	1,094,745	1,007,917
Escort	9,449	8,825	9,068	40,859	323,413	317,282
Mustang	4,622	2,303	4,594	19,922	179,759	150,076
Tempo	4,090	4,101	3,472	14,010	115,048	164,548
Taurus	10,475	7,681	8,540	37,002	343,480	265,528
Thunderbird	3,473	2,990	3,581	17,029	133,045	110,483
L-M Division	10,201	8,776	10,010	42,518	431,023	457,453
Mercury Total	6,931	4,741	6,320	25,751	278,969	[illegible]
Lynx	0	625	0	0	21,352	[illegible]
Capri	0	0	0	0	0	[illegible]
Topaz	1,031	1,413	971	3,868	37,192	[illegible]
Cougar	3,487	52	3,344	13,545	117,693	90,467
Sable	2,413	2,651	2,005	8,337	102,497	104,637
Lincoln Total	3,270	4,035	3,690	16,767	152,054	150,284
Continental	163	406	86	249	9,859	16,360
Lincoln	2,569	3,027	2,955	13,695	118,531	112,716
Mark VII	538	602	649	2,823	23,664	21,208
GENERAL MOTORS	78,869	93,712	77,629	329,910	2,911,921	3,487,353
Buick Total	12,418	17,881	12,041	51,544	474,269	648,555
Skyhawk	1,070	1,807	1,158	4,695	28,802	71,252
Century	3,687	3,854	3,208	11,893	134,085	189,352
Regal (rwd)	700	1,943	720	3,059	36,629	50,318
Somerset/Skylark	1,941	2,411	2,024	8,104	55,274	92,857
LeSabre (fwd)	2,400	4,423	2,341	12,484	124,176	132,391
LeSabre (rwd)	280	353	278	1,237	7,795	12,842
Electra (fwd)	1,935	2,395	1,938	8,501	76,478	77,713
Riviera	405	695	374	1,571	11,030	21,830
Cadillac Total	6,975	6,805	6,863	29,320	224,702	266,719
Cimarron	271	396	265	1,107	9,874	19,704
Allante	50	0	50	237	3,920	0
Brougham (rwd)	1,800	1,148	1,860	7,936	62,046	66,857
DeVille (fwd)	3,600	3,975	3,545	15,158	117,094	140,986
Eldorado	678	699	616	2,638	15,141	20,539
Seville	576	587	527	2,244	16,627	18,633
Chevrolet Total	32,041	33,808	31,112	133,484	1,141,245	1,100,632
Chevette	0	2,621	0	0	0	86,760
Camaro	2,550	3,381	2,420	10,579	102,683	150,516
Cavalier	8,174	9,572	7,434	32,013	259,211	335,545
Celebrity	5,748	8,360	5,581	23,625	251,387	216,003
Corsica/Beretta	7,900	1,102	8,521	36,953	284,598	4,244
Monte Carlo	1,719	2,575	1,646	7,512	61,843	95,491
Caprice	5,310	5,545	4,860	19,952	157,896	187,927
Corvette	640	652	650	2,850	23,627	24,146
Oldsmobile Total	12,821	17,065	12,293	53,650	515,972	807,295
Firenza	490	1,057	424	1,901	11,648	33,278
Calais	2,859	2,778	2,791	12,250	97,681	100,199
Cutlass Ciera	890	4,339	739	2,686	103,932	202,578
Cutlass Supreme	1,601	1,526	1,549	6,961	64,574	97,102
88 (fwd)	3,720	3,390	3,588	16,648	151,101	246,050
88 (rwd)	450	468	442	1,322	11,980	16,293
Olds 98	2,330	3,008	2,341	10,047	58,301	96,242
Toronado	481	499	419	1,834	13,157	15,553
Pontiac Total	14,614	18,153	15,320	61,912	555,733	664,152
Acadian*	0	320	0	0	0	13,797
Fiero	1,200	1,780	1,037	4,399	26,790	58,064
1000	0	744	0	0	0	16,658
Firebird	1,570	2,093	1,444	6,490	66,744	91,271
2000 Sunbird	2,155	1,843	1,841	7,944	72,422	114,995
Grand Am	5,140	5,303	5,856	23,716	209,332	192,324
6000	1,344	2,680	1,788	5,565	62,241	113,048
Bonneville	3,075	3,076	3,219	13,159	110,064	16,393
Safari/Parisienne	130	314	135	640	8,140	47,602
HONDA	6,735	7,134	7,787	30,841	272,055	186,686
Civic	1,543	1,723	1,459	4,615	75,653	9,246
Accord	5,192	5,411	6,328	26,226	196,402	177,440
MAZDA	237	0	204	848	1,287	0
NISSAN	1,310	2,929	1,321	6,111	103,962	42,047
NUMMI	3,400	4,276	3,608	15,652	162,817	164,007
Corolla	900	1,151	993	4,168	35,813	2,465
Nova	2,500	3,125	2,615	11,484	127,004	161,542
VOLKSWAGEN	2,000	2,903	2,029	7,705	52,454	70,496
Golf/GTI	1,300	2,003	1,329	4,625	40,011	70,496
Jetta	700	0	700	3,080	12,443	0
Total Cars, U.S.	160,061	171,628	157,798	673,894	5,959,401	6,566,314
Total Cars, Canada	24,125	25,113	17,511	79,991	641,084	875,831
U.S., Canada Cars	184,186	196,741	175,309	753,885	6,600,485	7,442,145
U.S., Canada Trks	97,941	80,712	97,114	425,493	3,888,874	3,665,786
U.S., Canada Cars and Trucks	282,127	277,453	272,423	1,179,378	10,489,359	11,107,931

*—All Acadians are built for sale in Canada. **—Estimated.
Monthly estimates may contain error of one or two units due to rounding.

11/16/87 C-2700-1

Automotive News

November 9, 1987

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Proton contract near for Bricklin

By Andrew R. McGill
AUTOMOTIVE NEWS STAFF REPORTER

KUALA LUMPUR, Malaysia — The builder of Malaysia's national car is "within weeks" of finalizing contracts for Malcolm Bricklin's Proton America to import 40,000-60,000 Proton Sagas a year to the United States, beginning next fall.

In an exclusive interview with Automotive News last week, Malaysian Prime Minister Mahathir Mohamad confirmed that "all the details have been worked out" for final contracts to be signed "within weeks," almost a year after Bricklin representatives and Malaysian officials signed letters of intent on the project last Dec. 3.

Providing Bricklin officials can make good on commitments to reduce current Proton building costs by 30 percent, through less expensive sourcing and greater production efficiency, sources close to the project said Bricklin could reach its targeted U.S. price of $5,600 for the base Proton sedan, which would be imported in a limited volume of about 5,000 units.

Prices would range up to about $9,500 for the luxury Aeroback sports sedan, which was introduced with great fanfare in Malaysia 10 days ago. Base, mid-line and premium versions of the sedan and the Aeroback, patterned after the Mitsubishi Lancer Fiori and each powered by Mitsubishi 1.5-liter engines, would go to the United States with volume concentrated on the higher end, Proton officials here said.

More luxurious Proton Aeroback, destined for America at about $9,500

In New York, Proton America President William Prior said a "ceremonial session" with Mahathir and Bricklin officials was held in Kuala Lumpur last month and that a formal sales agreement making Bricklin the exclusive U.S. distributor should be "wrapped up by the third or fourth week of November."

Prior likened the negotiations with Proton to the developmental process that led to Bricklin's successful importing of the low-cost Yugo.

Whether Bricklin would be as successful in the Proton deal came into question in recent months, amid reports of major differences between the Americans and Malaysians.

Mahathir, whose government owns 70 percent of the Proton project and views it as the cornerstone of Malaysia's move from an agricultural to industrial economy,

see PROTON, page 62

GM alters employee car plan

Some dealers say it cuts their profit

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

General Motors last week significantly expanded its discount program for employees, officially added suppliers to the list of those eligible for discounts and drew the fire of some dealers near its facilities by beginning a 10-week program that allows employees and retirees to purchase vehicles in dealer stock below dealer cost.

Several dealers near large GM plants or facilities complained that the 10-week program does not allow the dealer to include floorplanning expense in the price of the car purchased from stock. They also expressed concern that the stock vehicle program would continue in 1988, although GM said the program will be offered only from Oct. 23 to Dec. 31.

A GM spokesman said the 10-week program does not unfairly penalize any dealer who participates in the GM employee discount program. He said that on cars bought out of dealer stock, the participating dealer will be credited with the difference between the employee discount price of a similar factory-ordered car and the invoice price the dealer has already paid. The dealer receives 5 percent of the manufacturer's suggested retail price from GM.

Advertising costs included in the invoice would be credited to the

see DISCOUNT, page 65

Wal-Mart unit offers cars, faces opposition

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Sam's Wholesale Club is marketing new Dodges to its customers in Orlando, Fla., despite stiff opposition from dealers in Texas and Arkansas who put a stop to the controversial system in their states in which club members paid $100 over dealer invoice for new cars.

A Sam's spokesman declined to comment on the experimen' in which new-car dealers are sought to supply cars to Sam's outlets at already discounted fleet prices.

But Mike Juenemann, Sam's store manager in Orlando, confirmed that new Dodges are being marketed at the store. He declined to say which Orlando dealer is supplying them.

Although not included in an automaker subsidy program, the fleet cars were priced lower in the fleet department than on the retail side, said a Texas new-car dealer.

An unknown number of dealers signed contracts with Sam's — whose parent company is Wal-Mart stores — in Arkansas, and cars were sold at Sam's Springdale outlet.

"Sam's sent letters inviting dealers into an auto fleet contract where they would agree to sell vehicles at $100 over invoice," said Dennis E. Jungmeyer, executive vice president of the Arkansas Automobile Dealers Association.

"The company promised to promote the dealership to its members through mailings, display of cars and advertising at its outlets."

Under the contract, dealers supposedly returned the $100 to Sam's. Jungmeyer said he was uncertain how dealers could profit from the arrangement except for selling a few add-ons.

Dealers participating with Sam's said product exposure, profits on aftermarket items and manufacturer holdbacks lured them into the program.

Big 3 carmakers typically retain 2-3 percentage points of the dealer discount in invoicing cars to dealers and pay it back at the end of the year. That would represent $260 to $390 for the dealer on a car with a sticker price of $13,000.

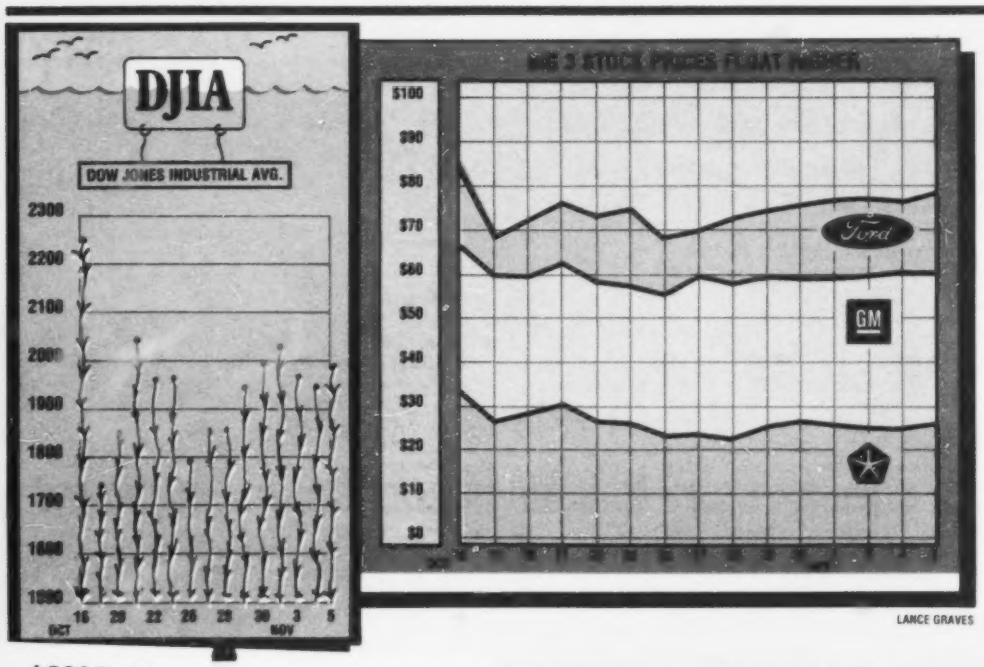
"It's our position that if Sam's can do it, then why not K-mart, Sears or Piggly-Wiggly (a grocery store chain)," said Jungmeyer.

The association complained to the Arkansas Motor Vehicle Commission, which said that Sam's use of the word "invoice" in its ad displays in conjunction with a dealer's name is unlawful.

Although Sam's isn't in violation of the statute, the dealership appearing on the same advertising device is, said J.H. Burnside, Vehicle Commission director.

Burnside said the commission ruled that Sam's is acting as a broker — also illegal in Arkansas.

see WAL-MART, page 63



LANCE GRAVES

All signs aren't blue since Black Monday

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Car manufacturers and industry analysts last week received mixed messages about the real impact of Black Monday and the subsequent stock market swings on car sales.

Consumers responding to the most recent Automotive News poll last week expressed a little more confidence about buying a new car than they did in the first poll taken right after the Oct. 19 crash. But the majority of the prospective 1988 car buyers said they would spend less money on a car than they would have before the crash.

Those slightly higher confidence levels were confirmed in October's domestic and imported light-duty-truck sales, which rose 8.75 percent, and in recovering U.S. car sales for the last 10 days of October.

U.S.-built car sales for the period almost matched last year's numbers (related story on Page 64). They were off less than one percent from last year's same 10-day period. That was an improvement over the mid-October 10-day period when sales were off 7.46 percent.

Total October sales of U.S.-built and imported cars were off 12.00 percent. Although combined car and truck sales were off 6.32 percent for the month, light-duty-truck sales were up 8.75 percent and Asian car sales held steady. Total imported-car sales inched up

see MARKET, page 61

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Japan may terminate auto quota in 1988 Page 2

Big 3 trim fourth quarter output Page 3

Vehicle sales hold up in October Page 64

1st dealer-bound Continental AUTOMOTIVE NEWS JOE WILSSENS

Ford Motor Co. Vice Chairman Harold Poling and a group of veteran employees guide a 1988 Lincoln Continental off the assembly line at the company's Wixom, Mich., plant. Poling appeared at ceremonies last week marking production of the first car for a Lincoln-Mercury dealer. A total of 875 Continentals built before that are being put into rental fleets and lease service in an attempt to catch problems before the Dec. 26 intro.

Big 3 trim 4th quarter production

Car schedules may be cut further if buyer confidence weakens

By Michelle Krebs and Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTERS

DETROIT — Domestic automakers are scheduled to build 5 percent fewer cars in this year's fourth quarter than last, though further production cuts are likely.

The Big 3 automakers have revised downward in recent weeks their production schedules for the quarter while the other domestic manufacturers are maintaining the schedules they set in September.

The 1,805,034 cars that manufacturers plan to build this quarter compare with last year's fourth-quarter production of 1,903,517 cars.

That would bring year-end production to 7,153,663 cars, down 9 percent from 7,829,697 in 1986.

General Motors last week knocked out another 2,200 cars from its original fourth-quarter production schedule. GM now plans to build 885,106 cars in the fourth quarter, a 9 percent drop.

GM announced the indefinite closing of its Framingham, Mass., plant because of slow sales of the A-body Chevrolet Celebrity and Oldsmobile Cutlass Ciera. Production at the plant ends Nov. 30, idling about 3,700 workers.

The closing is permissable under GM's new contract with the UAW because of a clause that allows layoffs due to slow sales.

In October, GM ended one shift at its Buick City plant in Flint, Mich., because of slow sales. It produces the Buick LeSabre and Oldsmobile Delta 88. It will end indefinitely a second shift at its Wentzville, Mo., plant in November, also due to slow sales. The plant builds the Buick Electra, Oldsmobile 98 and Oldsmobile Delta 88.

UPDATED FOURTH QUARTER AUTO PRODUCTION
1987 forecast vs. 1986 actual

	1987	1986	% change
GM	885,106	976,803	-9.39
Ford	472,624	437,136	+8.12
Chrys*	287,000	310,715	-7.63
Honda	77,420	77,095	+0.42
NUMMI	42,500	47,299	-10.15
Nissan	15,232	33,539	-54.58
VW	21,552	20,930	+2.97
Mazda	3,600	—	—
Industry	1,805,034	1,903,517	-5.17

*1986 number includes American Motors.

In addition, GM has moved up the permanent closing dates for its assembly plants in Pontiac, Mich., and Detroit. The Pontiac plant will close Dec. 11 and the Detroit Clark Street plant Dec. 18.

In Canada, GM will cut one of two shifts at the Oshawa, Ontario, assembly plant Nov. 30. The plant makes the A-body Ciera and the Pontiac 6000. Instead of laying off half of the plant's 5,900 workers until year-end, GM will rotate them on the remaining shift in two-week blocks. That way no one loses a job and workers return fully trained after Christmas. The plant will be converted in 1988 to produce a version of the new mid-sized GM10 car.

GM Chairman Roger B. Smith has said that further production cuts are a possibility if the stock market crash seriously damaged consumer confidence.

Similarly, Chrysler Chairman Lee Iacocca has said Chrysler will look at early-November sales before making production changes. Chrysler recently trimmed its fourth-quarter production schedule by 16,000 units. Chrysler plans to build 287,000 cars, down 8 percent.

Chrysler closed its St. Louis I plant, which produces the Dodge Daytona and Chrysler LeBaron coupe and convertible, for two weeks today to reduce inventory.

Chrysler said it will eliminate the second shift on the Kenosha, Wis., lines producing its rear-wheel-drive Fifth Avenues, Dodge Diplomats and Gran Fury. At the same time, however, Chrysler will add a second shift at the end of this month to the line which produces the Dodge Omni and Plymouth Horizon. About 1,000 workers will transfer and 400 hourly workers will go on indefinite layoff.

Even Ford Motor Co. knocked out a couple thousand units from its previous scheduled. Ford had no Saturday overtime for October; last year three plants worked it.

Nevertheless, Ford plans to produce 472,624 cars in the fourth quarter, 8 percent more than in the year-ago quarter.

The other makers are sticking with their previously announced schedules (Automotive News, Sept. 28).

Honda will produce about the same number of cars this year as last. Mazda production will be added to this year's fourth quarter. New United Motor Manufacturing Inc., GM's joint venture with Toyota, will build 10 percent fewer cars in the quarter than last because of slower sales.

Volkswagen upped this year's fourth-quarter schedule by 3 percent from last year's. And Nissan will produce 55 percent fewer cars because the plant shifted to more truck production.

V-8 returns for '90 in T-bird, Cougar

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

WIXOM, Mich. — Ford Motor Co. plans to bring back V-8 power for the 1990 Ford Thunderbird and Mercury Cougar following a one-year absence.

A V-8 is offered in 1988 models but was scheduled to be dropped when redesigned models come out next year. The 1989 Thunderbird and Cougar will be offered with naturally aspirated and supercharged 3.8-liter V-6s.

But the thinking toward the V-8 has changed as the cars have moved toward production, said Thomas Wagner, Lincoln-Mercury general manager.

"We thought that V-8 engines for a whole lot of reasons were not going to be at any level of popularity — CAFE (corporate average fuel economy standards), customer demand, things of that nature. But as it turns out, there is still a great demand for them," Wagner said.

"We sell over a third of our Cougars as V-8s, so we really have a need for it and it's coming on as a late starter (in 1989)."

The Cougar currently is offered with a 3.8-liter V-6 or the V-8. Thunderbird models carry those engines, as well as a turbocharged, 2.3-liter inline, overhead-cam four-cylinder. The turbo version will be discontinued, Wagner said.

One source close to the company said the supercharged Thunderbird is being called the "Super Coupe" within Ford, though no final name has been picked. The source said the car offers 0-to-60 performance close to that of the Mustang GT, with the V-6 providing better fuel economy and a lower price than the V-8.

In another development, Ford announced last week that it plans to produce all automatic transaxles for its Tempo-Topaz and Taurus lines at its plant in Batavia, Ohio. Currently, Batavia supplies 72 percent of the so-called ATXs for those cars with the rest coming from Mazda in Japan.

The switch will take place in 1990. While the added output won't increase the plant's size or employment, "it will ensure the continuation of sustained production at Batavia into the early 1990s," said Louis Ross, executive vice president in charge of Ford's North American automotive operations. Batavia had been the subject of reports that suggested Ford would stop producing ATXs there in 1989.

Ross visited the plant last week to present Ford's Q1 award, recognizing Batavia as one of the company's premier suppliers.

The plant currently produces 437,000 ATXs annually and has a capacity of 465,000.

Toyota eyeing Kentucky plant expansion

LOS ANGELES — Kaneyoshi Kusunoki, president of Toyota Motor Manufacturing, is expected today to announce plans to build engine and axle facilities at its plant in Georgetown, Ky.

The steadily slipping dollar is behind Toyota Motor Co.'s increasing commitment to U.S. manufacturing, as the leading Japanese automaker tries to cut costs by boosting North American sourcing.

Toyota's assembly plant there is scheduled to start pilot production of Camry models late next May, reaching full production of 200,000 models a year by 1989 or 1990.

In recent weeks there has been speculation in Japan that Toyota will add an engine and axle operation, although Toyota had declined comment. Japanese sources say it will help Toyota reach a local content of 75 percent in the United States.

If Toyota builds an engine and axle plant in the United States, it would be the second non-U.S.-based automaker to do so. Honda American Manufacturing already has a car and motorcycle engine operation in Anna, Ohio, and is increasing production toward a goal of 360,000 car powerplants a year by 1989.

Mazda has not committed itself to an engine plant near its Flat Rock, Mich.

But Mazda President Kenichi Yamamoto announced at the Tokyo auto show that Mazda would increase local content to 70-75 percent on U.S.-built cars by 1991. That implies that engines would either be sourced from Ford, a possibility already acknowledged by both companies, or from a U.S. engine assembly plant, although Flat Rock is not large enough as it stands to make a separate engine operation economical.

— Jesse Snyder

INDEX

Auction dates	49
Books of interest	41
Classifieds	50
Coming events	42
Dealing with dealers	36-37
News briefs	8
Opinion	10
Personnel	40
Production	66
Recreation on wheels	14
Sales, car	64
Sales, truck	64

63rd year—No. 5206

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Makers turn to fleet buybacks to boost sales

Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Domestic automakers may soon be getting competition from foreign manufacturers in the growing — and controversial — fleet repurchase and auction guarantee programs that place the risk of resale prices squarely in the lap of the automakers instead of their customers.

Roughly 325,000 of the so-called program vehicles — more than Cadillac sells in a year — will be sold this year through auctions by the domestic automakers.

The escalation of these incentive programs has fueled the growth and importance of the auction industry because makers have turned to them for quick disposal of their cars to dealers.

Under the programs, blocks of cars are sold to daily rental-car agencies, then repurchased months later at the sale price less depreciation or at a guaranteed resale price at auctions.

Automakers like the fleet programs because they expose large numbers of people to their cars and provide a way to smooth out the peaks and valleys of retail orders at plants. Dealers, however, are divided on whether the fleet incentive programs help or harm their business.

Nevertheless, the declining retail market has prompted a number of importers and their distributors — as well as their individual dealers — to join the domestics and experiment with their fleet programs.

Another trial is being conducted by Ford Motor Co., which is extending the industry's repurchase and auction guarantee programs beyond the usual customers — daily rental-fleet purchasers — to a corporate fleet.

"This is the third year of our test program with Hewlett-Packard," said a Ford official. "Obviously, we will be offering other companies similar programs. Most companies don't want to get into the auto business, so there is a need for managed fleet account disposal.

"It is a problem for companies to dispose of their fleets themselves."

The success of the domestic makers' fleet programs has merited serious examination from their import competitors, many of which did not have enough cars to sell at retail — much less to fleets — until recently.

Nissan, Volkswagen, Toyota and Mitsubishi all are now flirting with fleet incentive programs.

The number of program vehicles sold at auctions is expected to rise for several years before leveling.

General Motors' auction division will resell a mix of approximately 240,000 program and

see AUCTIONS, page 38

Recreational Vehicle Wholesale Deliveries

	August 1987	August 1986	% change	8 months 1987	8 months 1986	% change
Travel trailers - conventional	4,400	3,800	+ 15.8	44,000	40,600	+ 8.4
Park trailers	600	700	– 14.3	4,200	5,100	– 17.6
Travel trailers - fifth wheel	2,200	1,700	+ 29.4	18,000	15,600	+ 15.4
Folding camping trailers	3,700	3,000	+ 23.3	28,700	25,000	+ 14.8
Truck campers	900	600	+ 50.0	7,300	5,300	+ 37.7
Towable RV total	11,800	9,800	+ 20.4	102,200	91,600	+ 11.6
Conventional (type A)	3,800	2,700	+ 40.7	27,000	22,200	+ 21.6
Van Campers (type B)	700	300	+133.3	4,500	4,100	+ 9.8
Chopped vans (all)	2,400	2,500	– 4.0	19,300	19,700	– 2.0
Motor home total	6,900	5,500	+ 25.5	50,800	46,000	+ 10.4
Van conversions	14,200	13,500	+ 5.2	127,100	131,300	– 3.1
TOTAL ALL RVs	32,900	28,800	+ 14.2	280,100	268,900	+ 4.2

Source: Recreation Vehicle Industry Association.

Wholesale shipments rise

RESTON, Va. — Wholesale RV shipments increased 14.2 percent in August to 32,900 units, and shipments for the year were up 4.2 percent with a 280,100-unit total.

Seasonally adjusted, the August shipments represented an annualized rate of more than 417,000, and the eight-month figures were the highest since 1984, according to the Recreation Vehicle Industry Association.

Shipments of van conversions were up 5.2 percent in August, with a 14,200-unit total.

However, the up-again/down-again pattern of van conversion shipments this year has left the category largely unchanged. For eight months of 1987, converters shipped 127,000 units, off 3.2 percent from a year earlier.

Shipments of van chassis — with the seat-delete option — from manufacturers to converters, which portend future activity, were up substantially in August and for eight months.

Detroit's four major van manufacturers shipped 10,400 vans without seats to converters in August, up 96.2 percent over 1986.

For eight months, manufacturers shipped 137,400 such units to converters, up 24.3 percent over 1986.

The gains were largely in minivans, where manufacturers shipped 1,200 units in August, exactly double the number of a year earlier. For eight months, manufacturer shipments of minivans without seats totaled 25,100, up 17.8 percent from last year.

Full-sized van shipments with the seat-delete option totaled 9,200 in August, up 95.7 percent. For eight months they totaled 112,300, up 25.9 percent from last year.

Centurion to fill RV gap for Ford

Converter prepares vehicle to challenge GM's Suburbans

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Ford Motor Co. still has competitive gaps in its RV-oriented product line that some converters are beginning to fill.

Centurion Vehicles, White Pigeon, Mich., is readying a new, big four-door station wagon-type on-road/off-road vehicle to compete against General Motors' popular Suburbans.

Its vehicle, to be called the Classic 1000, will become available to Ford dealers by February.

The station wagon-style sport utility, currently being prototyped, is based on Ford's F-series pickup.

Robert Froschauer, president of Centurion, said his company is taking a Ford F-350 Crew Cab, cutting the 168-inch wheelbase chassis down to 140 inches, installing an extra set of seats and putting it all back together with essentially Ford Bronco-based parts.

Froschauer anticipates doing about 1,000 of those new vehicles in calendar 1988, though he feels demand will far exceed that.

Chevrolet/GMC Suburbans have been perennial favorites with the RV crowd because of their size, versatility and power.

In the 1987 model year, GM retailed 73,700 Suburbans, a high-priced, highly profitable vehicle, much favored by dealers over some of its other full-sized sport-utility models.

Like other Ford bailment pool companies, Centurion has been constrained by a lack of Ford chassis availability. It, like many other bailment accounts, has been on allocation this year.

In 1988, because of new opportunities created by Chevrolet's C/K pickups, Froschauer plans to develop his Chevrolet conversion business in a "much, much bigger way."

While continuing to upfit Ford SuperCabs and Crew Cabs, Centurion began shipping its first upfitted C/K pickups in November.

They include the half-ton extended cab, the one-ton extended cab models in both single-rear-wheel and dual-rear-wheel configurations and the Chevrolet Crew Cab.

Centurion offers basically the same standard interior and exterior conversion packages on both Chevrolet and Ford pickups. Packages include items like running boards, grille guards, roof-mounted horns, overhead consoles and center consoles.

In mid-November, it also will begin upfitting Chevrolet Suburbans, along with regular Bronco and Blazer conversions. Suburbans, too, are being decked out with running boards, grille guards, special sport paint packages, special wheels and tires and overhead consoles.

Centurion also manufactures a line of fifth-wheel tow vehicles for horse trailers and travel trailers, called the Cruiser GT.

It has been using Ford's 158 or 176-inch cutaway chassis as a platform for those fifth-wheelers, but will also begin using Chevrolet's cutaway chassis to produce them in January. The 454-cid V-8, which has been on "material hold," won't become available in GM's cutaways until January. It is rated at a maximum 10,000 pounds GVW.

Centurion also produces a line of automotive van conversions from Ford and Chevrolet vans, targeted at the low- to mid-price markets.

"We do a lot of things other people don't do," Froschauer said. "We have a lot of sheetmetal-working capability that we're using for our Classic and Cruiser conversions."

"Our biggest problem generally has been lack of chassis availability" in both Ford and Chevrolet products, he said.

If recent upheavals in the stock market affect the economy and Detroit's truck sales, though, Centurion and other converters are likely to find a much readier supply of chassis in 1988.

Monogram sees gains, adds dealers

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

SOUTH BEND, Ind. — Monogram Conversions plans to expand rapidly in the van conversion market, based on an aggressive dealer sign-up program.

Its roughly 200 dealers are concentrated in the Midwest and East. The expansion is targeted primarily at Southern and Southeastern markets.

The topsy-turvy economic climate could throw a curve to Monogram's 1988-model-year plans, but if it signs the dealers and covers the states it is attempting to cover, it will likely double its sales to 4,000 units, General Manager George Mahalick predicted.

At this point, he said, the company's dealers are retailing units and ordering new ones at the same level as last year. So it's business as usual for what normally is a slower time of year.

Monogram, with its Chevrolet and GMC bailment pool accounts, concentrates 100 percent of its van conversion efforts in General Motors models, Mahalick said.

Its philosophy is to offer as much value as it can "for the least amount of money," he said.

"A lot of people will say that, but the evidence is in how long they've been involved in the RV industry and their success in it," he said.

"We attempt to go out and offer as much product as we can to dealers. We don't look to make a fortune on each unit, but for something that will move at retail."

Mongram has a broad span of conversion packages at all the market's price points.

Michigan spotlights RVs
The 21st Detroit Camper and RV show was held Oct. 24-Nov. 1 at Cobo Hall. It was the largest public indoor display of RVs in the country. Michigan was second only to California in RV sales last year. Detroit is tops in travel trailer and fold-down camper sales nationally, according to Timothy J. DeWitt, executive director of the Michigan Association of Recreational Vehicles and Campgrounds.

Its full-sized conversion packages, for example, start at $2,098 (dealer cost), hitting the $3,000, $4,000 and $5,000 range with different feature combinations. With added optional equipment, they top out around $6,000 to $6,500.

The company's goal is to share its sales evenly among its price points.

Similarly, it has a broad spectrum of minivan packages in the $2,000 to $4,000 dealer-cost range. The average goes for about $3,000.

Minivan conversions have been very strong, Mahalick said, accounting for 35 to 40 percent of the company's sales.

They are normally stronger this time of year, but he said he feels that strength will carry through the rest of the 1988 model year.

"The minivan business, whether it is Astro or Safari, has definitely been growing. We are trying to analyze why so many people are moving into the minivan market," he said.

His feeling is that the minivan is drawing both its regular clientele and some full-sized-van prospects.

Monogram, as a sister division to Conquest, offers fairly similar product packages.

Mahalick said it is seeking to distinguish itself in subtle ways, by a heavier use of interior cherrywood, for example. (Conquest uses more oak.)

"We're attempting to do more and more of that (differentiation), but the marketplace is big enough so there's enough room for two sister companies" to operate successfully, he said.

The company's new 1988 products are different only from the standpoint of appearance, he added.

"Every year, there are some things of greater interest than others," he said. "Some years, it is CBs; other years, TVs. If the public is reacting to a certain electronic product, we try to incorporate it in our packages."

Georgia claims title of van-converter king

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Auto companies have put Tennessee on the manufacturing map, and some Georgia officials think van converters will do the same for their state.

In October, officials in northeast Georgia made the startling claim that their area had become the new "van conversion capital of America."

Their claim was based on a growing band of local converters and suppliers.

Even though the claim may be somewhat exaggerated, northeast Georgia's conversion business is growing. Regency Vans Inc., of Athens, Ga., for example, was Chrysler's fourth largest consignment pool conversion company in 1987, according to James E. Lynch, Chrysler manager of special vehicles.

Other smaller companies include National Traveller, of Bogart, Ga.; Executive Traveller, of Athens, Ga.; and Kinley Kustom, of Royston, Ga.

A lot of companies seem to be clustered in Lavonia, Ga., such as Auto Sales of Georgia, Motor Vehicle Sales, Tugalo River Custom Vans, Signet Vans and Quail Creek Vans.

As Herb Adams, an official with the Franklin County Chamber of Commerce in Carnesville, Ga., pointed out, "All of them are small shops that have developed, kind of grown into a good-sized industry.

"There is a multitude of these shops in this county. We don't know how many or how big they are or their exact economic impact on our county. But we're beginning to have a multitude of component suppliers moving in with small plants and distribution places for the conversion market."

Most recently, Coachmen Industries appointed Clint Rumble Southeastern sales manager for its Viking Formed Products operation.

Rumble will be based in Loganville, Ga., site of Viking's newest plant, with responsibility for all sales in Georgia, North Carolina, South Carolina, Alabama, eastern Tennessee and Florida.

Viking is a major manufacturer of tops for conversion vans and specialty products.

The Franklin County Chamber of Commerce recently staged its "First Annual Southeastern Van Conversion Show" at the Southeast Sports Complex in Carnesville, and got a strong turnout.

Some 28 conversion companies and 40 suppliers quickly bought out the 36,000 square feet of exhibit space available inside Carnesville's Sports Complex.

Officials, in fact, sold exhibit spaces outside the building as well.

The price was right. For $500, a converter got a 20- by 25-foot space for the three-day event, which included a dealers-only show the first two days and public display the third.

Suppliers got a 10- by 10-foot exhibit space inside the building for $375. Outside exhibit space went for $125.

More than 7,000 auto dealers were invited to attend, though considerably fewer showed up.

Although the community's events and claims may be somewhat overstated, it's still hard to ignore the South's growing appeal both as a manufacturing center and a good sales market.

Passive restraints available on more car lines for 1988

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Car buyers will find a wide array of models equipped with automatic seat belts or air bags when they go shopping for a 1988 vehicle.

A list of the cars offering automatic restraints either as standard or optional equipment has been prepared by the Insurance Institute for Highway Safety. The list shows that consumers will be able to purchase passive-restraint protection in models ranging from the Yugo GVLS to the Porsche 944 Turbo.

The Yugo GVLS comes equipped with automatic seat belts. The Porsche 944 Turbo and the 944S come with air-bag protection for both the driver and passenger as standard equipment.

General Motors will offer the largest choice of cars with automatic restraints. In all, 11 models will be built with automatic belts as standard equipment. GM will offer a driver-side air bag as an option on the Oldsmobile Delta 88.

While a number of manufacturers have elected to equip their more costly models with automatic seat belts or air bags, other automakers — such as Ford Motor Co. — also are offering the safety equipment on their lower-priced cars for 1988.

Ford is equipping the Escort with automatic belts as standard equipment. All Ford Tempo and Mercury Topaz models come equipped with automatic belts, although air bags can be ordered on both cars.

The large selection of 1988 cars available with passive restraints stems from a NHTSA rule requiring all new automobiles sold in the United States to be equipped with passive restraints by 1990. The rule allows manufacturers to reach this goal over four model years, requiring a greater percentage of new cars each year to be covered.

Last year the rule required that 10 percent of all new cars sold in the United States by each manufacturer have either automatic belts or a driver-side air bag. For the 1988 model year, NHTSA requires 25 percent of the new cars to be sold with either safety device.

In the 1989 model year, 40 percent of the new cars must be equipped with automatic restraints. In 1990 all cars must have the safety equipment.

AUTOMATIC RESTRAINT AVAILABILITY — 1988 MODEL YEAR

Manufacturer & Model	Air Bags: Driver	Air Bags: Passenger	Automatic Belts: Standard	Automatic Belts: Manufactured
Alfa Romeo				
Spyder			Standard	
Austin Rover				
Sterling			Option	
BMW				
6 series	Standard			
7 series	Standard			
Chrysler Motors				
Chrysler Conquest			Standard	
Dodge Daytona*	Standard			Standard
Dodge Diplomat*	Option			
Chrysler Fifth Avenue*	Option			
Chrysler LeBaron*	Standard			Standard
Plymouth Gran Fury*	Option			
Dodge Shadow*			Standard	
Plymouth Sundance*			Standard	
Ford Motor Co.				
Ford Escort			Standard	
Mercury Topaz	Option		Standard	
Ford Tempo	Option		Standard	
General Motors				
Buick LeSabre				Standard
Buick Regal (fwd)				Standard
Buick Skylark				Standard
Chevrolet Beretta				Standard
Chevrolet Corsica				Standard
Oldsmobile Calais				Standard
Oldsmobile Cutlass Supreme (fwd)				Standard
Oldsmobile Delta 88*	Option			Standard
Pontiac Bonneville				Standard
Pontiac Grand Am				Standard
Pontiac Grand Prix (fwd)				Standard
Honda/Acura				
Acura Legend LS	Standard			
Honda Accord 2-dr.				Standard
Honda Prelude				Standard
Hyundai				
Excel GL, GLS 4-dr. hatchback				Option
Isuzu				
Impulse			Standard	
Jaguar				
XJ-6			Standard	
XJ-SC			Standard	
Mazda				
626 LX 4-dr.*			Standard	
Mercedes-Benz				
All Models	Standard			
Mitsubishi				
Precis				Option
Starion			Standard	
Nissan				
Maxima			Standard	
Peugeot				
505 4-dr. 4-cylinder nonturbo				Standard
Porsche				
944 Turbo	Standard	Standard		
944S	Standard	Standard		
944	Option	Standard w/ driver bag		
Saab				
9000 hatchback			Standard	
All other 900 series hatchbacks*			Standard	
9000 (version unspecified)*	Option			
Subaru				
XT Coupe			Standard	
Selected 2-wheel drive 4-door and wagons			Standard	
Toyota				
Camry			Standard	
Cressida			Standard	
Volkswagen				
Golf				Option
Jetta				Option
Volvo				
780	Standard			
760 series	Standard			
740 series*	Standard			
740 GLE	Option			
Yugo				
GVLS				Standard
GVL				Option
GVX				Option

*Early production models will be equipped with [illegible] belts and starting about spring '88, the production will switch to air bags.

†Low production models, starting about spring 1988.

*Additional versions of the 626 are likely to have automatic belts because the model itself is not produced in sufficient quantity to meet the requirement that 30 percent of all cars models be equipped with automatic restraints under Federal law.

*On cars produced after Sept. 1, 1987.

Source: Insurance Institute for Highway Safety

Lower insurance premiums a passive-restraint lure

WASHINGTON — The nation's largest insurance companies are offering reduced premiums to many drivers who purchase vehicles with automatic restraints.

The Insurance Institute for Highway Safety said the discounts apply to premiums for medical payments for occupants of the insured automobile. In states with no-fault insurance, the discount applies to personal-injury protection for the occupants of the insured vehicle.

The institute explained that the discounts are not available in each state because of differences in state insurance regulations. The only states that do not offer the discounts are Hawaii, Massachusetts, North Carolina, Texas, Illinois and Kentucky, the institute said. In other states, regulatory authorities have not yet acted on the insurance companies' requests for discounts, the insurance group said.

For the past several years, the insurance companies have been one of the most active supporters of mandatory automatic crash protection. The companies have long maintained they can offer lower insurance rates — or maintain current rates — if the motor vehicle industry built vehicles with air bags and/or automatic belts.

LEADING AUTO INSURANCE COMPANIES WITH DISCOUNT POLICIES

Company	Air Bags: Driver	Air Bags: Full Front	Automatic Belts
Allstate	20%	30%	0%
Nationwide	25	40	10
Liberty Mutual	20	30	30
Aetna Casualty	20	30	30
USF&G	30	30	30
USAA	20	30	30
The Travelers	15	30	30
GEICO	30	30	30
American Family Mutual	30	30	30
Hartford Fire	20	30	30
Continental Casualty	30	30	30
Prudential P&C	20	30	0
Maryland Casualty	20	30	30
Erie Exchange	30	30	30
Hartford A&I	20	30	30

Source: Insurance Institute for Highway Safety

NHTSA proposes change in rules for operation of power windows

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — NHTSA has proposed several changes in the government safety standard governing power windows.

NHTSA intends to include light trucks (less than 10,000 pounds GVW) in the group of vehicles covered by the power window standard and will subject power sunroofs to the standard.

The agency said it proposes the elimination of rules covering the opening of power windows because "the greatest risk of injury by a moving power window occurs during the closing of such a window."

The agency wants to eliminate a requirement that power windows be operable from the outside on key-lock-equipped vehicles only. NHTSA said, "Several vehicle designs now use some kind of numeric or alphanumeric code sequence to lock and unlock the vehicle from the exterior. NHTSA is not aware of any reason to treat these systems any differently from key-locking systems."

NHTSA is asking for comments on those proposals and is specifically asking whether the agency should consider a ban on closing power windows through the use of any external controls.

Comments should be filed with the agency before Nov. 29.

Senate may allow states to raise some speeds

WASHINGTON — An amendment allowing state governments to raise the speed limit on non-interstate highways has been attached to a Senate appropriations bill for the Department of Transportation. The full Senate has yet to consider the measure.

The amendment would affect 42 states. To be eligible, the federal, state or local roads would have to be divided, have at least four lanes and be reached only by using access ramps.

Roads in urban areas with populations of 50,000 or more would not qualify for higher speeds.

Last year, the House and Senate voted to allow a 65-mph speed limit on rural interstate highways.

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AUCTION DATES

American Motors

Nov. 10 — Statesville Auto Auction, Statesville, N.C.

Nov. 11 — Kansas City Auto Auction, Kansas City, Mo.

Nov. 12 — Corry Auto Auction, Corry, Pa.

Nov. 17 — D-A Auto Auction, New Stanton, Pa.

Nov. 18 — Northeast Auto Dealers, Newburgh, N.Y.

Nov. 19 — Greater Chicago Auto Auction, Chicago, and Wolfe's Evansville Auto Auction, Evansville, Ind.

Nov. 20 — St. Louis Auto Auction, St. Louis

Nov. 24 — Statesville Auto Auction, Statesville, N.C.

Chrysler Motors

Nov. 10 — American Auto Auction, Walpole, Mass.; Arena Auto Auction, Chicago; Golden Gate Auto Auction, Fremont, Calif.; Hatfield Auto Auction, Hatfield, Pa.; and Dallas Auto Auction, Grand Prairie, Texas

Nov. 11 — Southwest Auto Auction, Phoenix, Ariz.; Butler Auto Auction, Gibsonia, Pa.; and Minneapolis Auto Auction, Plymouth, Minn.

Nov. 12 — Clanton's Auto Auction, Darlington, S.C.; Northway Exchange, Clifton Park, N.Y.; and Indianapolis Auto Auction, Indianapolis

Ford Motor Co.

Nov. 11 — Atlanta Auto Auction, Red Oak, Ga.

Nov. 12 — Dallas Auto Auction, Grand Prairie, Texas; Southwest Auto Auction, Phoenix, Ariz.; Bay Cities Auto Auction Inc., Hayward, Calif.

Nov. 13 — Interstate Auto Auction, Mercer, Pa.

Nov. 18 — Concord Auto Auction, Acton, Mass.; Lakeland Auto Auction, Lakeland, Fla.; and Southern California Auto Auction, Fontana, Calif.

Nov. 19 — Baltimore-Washington Auto Exchange, Baltimore; Greater Chicago Auto Auction, Chicago; Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; and Skyline Auto Exchange, Fairfield, N.J.

Nov. 24 — Harrisonburg Auto Auction, Harrisonburg, Va.; South Seattle Auto Auction, Kent, Wash.; and Salt Lake City Auto Auction, Salt Lake City

Nov. 25 — Columbus Fair Auto Auction, Obetz, Ohio

General Motors

Nov. 10 — Harrisonburg Auto Auction, Harrisonburg, Va., and Florida Auto of Orlando, Ocoee, Fla.

Nov. 11 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Southern California Auto Auction, Fontana, Calif.

Nov. 12 — Butler Auto Auction, Gibsonia, Pa.; Denver Auto Auction, Englewood, Colo.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; and Nashville Auto Auction, Nashville, Tenn.

Nov. 17 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

Nov. 18 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Golden Gate Auto Auction, Fremont, Calif.

Nov. 19 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; Southwest Auto Auction, Phoenix, Ariz.; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah

Nov. 24 — Florida Auto Auction of Orlando, Ocoee, Fla.

Nov. 25 — Southern California Auto Auction, Fontana, Calif.

Used Car Sales
Auction Averages

November to date	$5,981
Month ago	$6,029
Year ago	$5,194

Model Breakdown
Auction Averages

	NOV 1987	OCT 1987	SEP 1987
1987	$11,155	$11,220	$11,357
1986	$8,574	$8,624	$8,808
1985	$7,244	$7,257	$7,321
1984	$5,682	$5,711	$5,764
1983	$4,877	$4,897	$4,940
1982	$3,539	$3,549	$3,607
1981	$2,549	$2,549	$2,583
1980	$2,012	$2,022	$2,044
Overall Average	$5,981	$6,001	$6,043

AUCTION BRIEFS

Indianapolis Auto Auction officials are expecting more than 200 dealers and 400 spectators to attend the Nov. 18 General Motors dealers-only sale where a $5,000 cash prize will be awarded to the buyer of the 200,000th GM factory car.

"Preparations for the event started several months ago when GM realized it was nearing the sale of 200,000 factory cars sold at auction and wanted to do something special to show its gratitude to dealers," said Gary Pedigo, general manager of the Indianapolis Auto Auction.

Other cash prizes amounting to $5,000 will be awarded throughout the day to mark the occasion. The auction has sold nearly 12,000 GM factory cars since the beginning of the year.

Pedigo said there will be about 800 GM factory cars running under the gavel, and only GM will know which is the 200,000th car. The announcement of the winner will be made at the close of the auction.

"Two hundred thousand vehicles is a milestone for GM, and we are glad to be a part of their celebration," he said.

Richard J. Hart has joined the **Newburgh Auto Auction**, Newburgh, N.Y., as fleet and lease manager. He formerly was with Budget Rent-A-Car.

Indiana Auto Auction, Fort Wayne, Ind., is building a new six-lane auction facility on an 85-acre site.

Company vice president Dale Flora said the facility will include a 44,000-square-foot building; a three-lane, computerized check-in area; a reconditioning center; a car wash; and a restaurant.

The new complex will be opened in March 1988 and have a test track, parking and storage space for several thousand cars and room for future expansion.

Flora said the present location did not have enough available land for expansion. "We have outgrown this facility," he said. "The city just grew up around us and we didn't have enough parking for existing lanes. We needed more room."

Car collector James C. Leake will auction his entire collection of antique, classic and special-interest cars Nov. 21-22 at Expo Square, Tulsa, Okla.

Leake's collection of early Rolls-Royce autos, which will be auctioned by **Kruse International**, of Auburn, Ind., will give collectors an opportunity to purchase 10 percent of the existing Rolls-Royces manufactured between 1905 and 1912.

Among the Rolls-Royces to be auctioned are a 1905 Rolls-Royce 30-horsepower, six-cylinder model with body by Jarvis; a 1905 Rolls-Royce Light Twenty Tourer with body by Harrington of Hove; and a 1911 Rolls-Royce Silver Ghost Victoria Touring Car.

An important part of the sale will be the Leake Bus Collection, which includes a 1904 Milnes Daimler double-decker bus, a 1905 Logan bus and a 1920 Leyland Lioness Charabanc bus.

American classics will be represented by a 1933 Chrysler Custom Imperial, a 1929 Ford A Town Car with body by Briggs, a 1932 KB Lincoln convertible coupe with body and a 1903 Locomobile Steamer.

"It has taken me 50 years to put together my collection," Leake said, "and I am especially proud of my Rolls-Royces, for one of my 1905s has had only three owners in its lifetime."

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Clanton's Auto Auction, P.O. Box 51, Darlington, South Carolina, 803-393-2861. Sale every Thurs., Regular Consignment, 11 a.m. & Early Bird, 9 a.m. (repos & lease units).

TENNESSEE

Memphis Auto Auction, 2650 Mt. Moriah Rd, Memphis, Tenn. 38115. 901-794-7700. Sale every Tuesday at 1 PM. Mid-South's newest auto auction.

NOTICE

Because of the Thanksgiving Day Holiday . . . The deadline for our Nov. 30 issue will be Thursday, Nov. 19, No Later Than 5 P.M.

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Fort Worth Auto Auction, 2245 Jacksboro Hwy., Ft. Worth, TX 76114. Sale every Thursday. Contact: George Horton, 817-626-5494.

TEXAS

Auctions Unlimited, 2260 East I-30, Rockwall, Texas 75087. Dallas-Ft. Worth area. Sales every Monday & Wednesday 7 PM. 214-722-9495.

TEXAS

San Antonio Auto Auction (div. of GECAA), 1500 Ackerman Rd., San Antonio, Texas 78219. Sale every Weds. Contact: Frank Post or Michael Milikien, 512-661-4200.

WASHINGTON

So. Seattle Auto Auction. The lease & Fleet Specialists. Tom Chase, 1-800-872-6800. P.O. Box 5189, Kent, Washington 98064.

WISCONSIN

Metro Milwaukee Auto Auction. Sale every Wednesday. FMC, all leasing, AMC 414-835-4436, Caledonia, Wisconsin.

DOMESTIC CAR SALES

	Oct. 21 to Oct. 31, 1987	Same Period, 1986	Oct. 1987	Same Month 1986	Jan. 1 to Oct. 31, 1987	Same Period, 1986
Alliance	472	2,706	1,371	6,908	21,954	58,262
Eagle	234	331	522	661	3,567	6,378
Total Eagle	706	3,039	1,893	7,569	25,521	64,640
Horizon	1,012	3,508	1,893	8,780	41,577	94,112
Sundance	2,293	1,661	5,104	3,809	65,542	9,507
Turismo	151	779	536	3,296	16,425	42,019
Reliant	4,237	3,518	10,516	10,540	85,402	109,628
Caravelle	960	1,109	2,587	3,575	31,159	33,418
Gran Fury	296	536	720	1,456	6,671	15,058
Total Plymouth	8,949	11,111	21,356	31,456	245,894	303,742
Laser	0	340	0	2,253	4,308	26,282
LeBaron K	1,469	1,792	3,582	6,191	48,678	85,114
LeBaron J	4,006	0	10,229	0	70,002	0
LeBaron GTS	648	1,365	1,584	6,637	26,964	60,407
Fifth Avenue	3,295	2,770	7,902	9,712	47,525	94,826
New Yorker C	825	0	1,422	0	1,517	0
New Yorker E	1,109	1,503	2,637	5,526	45,925	47,483
Total Chrysler	11,352	7,770	27,356	30,319	244,919	316,800
Omni	883	3,028	1,645	7,961	32,984	82,762
Shadow	2,549	1,587	5,421	3,599	65,961	8,700
Charger	144	1,073	505	4,243	17,570	46,783
Daytona	1,563	280	3,792	2,068	33,279	34,258
Aries	4,202	2,899	9,678	9,146	80,371	86,729
Lancer	286	903	883	4,785	19,935	43,685
Diplomat	527	1,149	1,253	3,758	10,633	30,913
Dynasty	240	0	468	0	501	0
Dodge 600	1,335	1,321	3,109	4,934	30,569	55,403
Total Dodge	11,729	12,240	26,754	40,494	291,803	389,233
CHRYSLER MOTORS	32,736	34,160	77,359	109,838	808,137	1,074,415
Escort	12,267	8,942	29,966	26,800	335,606	339,622
Mustang	5,099	2,053	13,458	8,740	149,090	148,679
Tempo	4,284	6,599	9,776	21,073	181,220	223,236
Taurus	9,779	11,657	21,572	29,634	296,133	190,738
Thunderbird	4,096	1,343	10,912	6,060	113,541	122,635
LTD	0	0	0	0	0	23,587
Crown Victoria	3,648	3,581	9,545	10,120	101,128	110,071
Total Ford Div.	39,163	34,175	95,229	102,427	1,176,718	1,158,568
Lynx	2,002	1,114	4,818	4,144	59,195	56,878
Topaz	1,336	1,791	3,238	5,843	53,657	56,039
Sable	3,310	4,016	8,036	9,882	86,970	78,015
Cougar	3,194	899	7,684	3,843	96,248	105,197
Capri	0	136	0	589	0	11,278
Marquis	0	0	0	0	2,510	10,180
Grand Marquis	3,936	4,010	10,444	9,712	96,830	98,754
Total Mercury	13,778	11,968	34,220	34,013	395,410	416,341
Continental	116	856	387	2,013	10,521	16,242
Lincoln	5,376	4,922	12,078	14,394	104,435	103,841
Mark VII	1,069	923	2,585	2,295	22,809	18,206
Total Lincoln	6,561	6,701	15,050	18,702	137,765	138,289
Total L-M Division	20,339	18,669	49,270	52,715	533,175	554,630
FORD MOTOR CO.	59,502	52,844	144,499	155,142	1,709,893	1,713,198
Skyhawk	1,372	1,949	3,080	7,245	33,008	67,648
Somerset/Skylark	1,470	2,122	3,961	8,291	59,888	101,413
Century	4,565	7,055	10,335	23,536	130,342	212,317
Regal	3,214	2,020	7,032	7,362	46,897	71,166
LeSabre	3,577	4,662	9,702	15,010	122,400	106,956
Electra	2,182	2,644	6,183	9,279	66,188	94,344
Riviera	497	412	870	2,558	14,715	19,857
Total Buick	16,877	20,864	41,163	73,281	473,438	673,701
Cimarron	241	426	649	1,522	11,152	20,809
Allante	115	0	242	0	1,893	0
Seville	863	666	1,694	2,355	17,556	17,063
Cadillac	8,517	6,543	20,750	18,369	175,006	199,590
Eldorado	817	588	1,603	2,129	16,861	21,066
Total Cadillac	10,553	8,223	24,938	24,375	222,468	258,528
Chevette	41	2,398	140	6,583	16,762	58,523
Nova	2,118	1,885	5,722	7,931	127,269	159,321
Cavalier	8,236	6,067	19,823	19,478	255,457	316,908
Citation	0	0	0	0	0	1,033
Camaro	2,578	3,060	6,378	9,263	104,800	148,128
Celebrity	9,070	11,242	23,995	26,763	264,824	344,891
Corsica/Beretta	6,096	2,537	15,929	2,537	182,107	2,537
Monte Carlo	2,295	2,281	6,179	7,903	54,619	99,118
Chevrolet	4,722	5,816	11,219	16,624	151,523	194,033
Corvette	1,016	887	2,644	2,482	21,107	28,706
Total Chevrolet	36,172	36,173	92,029	99,564	1,178,468	1,353,198
Firenza	635	725	1,649	2,123	15,051	31,118
Calais	2,908	2,386	6,797	6,736	89,647	102,094
Cutlass Ciera	6,663	8,366	15,950	24,765	214,574	288,459
Cutlass Supreme	2,762	3,438	6,062	10,718	83,466	173,756
Olds 88	4,313	5,158	11,408	18,490	148,175	232,115
Olds 98	2,313	3,024	6,305	7,841	59,667	94,893
Toronado	502	348	1,028	1,591	14,357	14,282
Total Oldsmobile	20,096	23,445	49,199	72,264	624,937	936,717
Fiero	815	1,146	1,789	4,094	37,920	61,409
1000	35	275	105	1,060	4,720	16,422
Sunbird	1,842	1,841	4,008	6,008	68,897	93,183
Firebird	1,609	1,906	3,949	5,412	65,060	83,129
Grand Am	7,665	7,402	20,387	17,968	182,761	169,531
6000	3,971	5,692	9,672	15,291	102,150	173,331
Gr. Prix/Bonn. G.	372	848	908	3,236	12,429	66,986
Bonneville H	3,491	1,888	5,437	4,505	84,372	5,416
Paris./Safari	279	438	734	1,677	8,811	59,828
Total Pontiac	20,079	21,436	49,989	59,251	567,120	729,235
GENERAL MOTORS	103,777	110,141	257,318	326,735	3,066,431	3,951,379
HONDA	14,662	15,916	28,046	27,106	262,513	180,008
Civic	1,348	3,077	2,063	5,508	73,164	9,714
Accord	13,314	12,839	25,983	21,598	189,349	170,294
MAZDA	0	0	154	0	154	0
NISSAN	3,531	3,051	8,188	6,623	109,307	37,231
TOYOTA	2,200	0	4,119	827	34,146	827
VOLKSWAGEN	2,241	2,628	4,189	5,364	54,033	63,488
DOMESTIC TOTAL	218,649	218,740	523,872	633,535	6,044,614	7,020,505
IMPORT TOTAL	0	0	273,607	272,601	2,610,179	2,654,528
INDUSTRY TOTAL	0	0	797,479	906,236	8,654,793	9,675,033

Vehicle sales hold up in October, but Black Monday impact unclear

By Philly Murtha and Joseph J. Bohn
AUTOMOTIVE NEWS STAFF REPORTERS

A sharp increase in light truck sales during October helped offset a decline in the car side of the market to give domestic and imported manufacturers a fairly respectable overall sales performance.

The effects of Black Monday, as the stock market's initial crash has come to be called, have yet to be determined.

Some dealers said that sales in the latter part of the month may have reflected orders taken prior to the stock market's plunge.

Domestic manufacturers didn't announce new-model pricing until late in October, so that dealers were unable to process some of the paperwork on new-model orders taken earlier.

Where the U.S. market was, Oct. 1987

	Total Sales	Pct. of Total
SUBCOMPACT	60,030	7.53
COMPACT	146,459	18.37
INTERMEDIATE	203,557	25.52
STANDARD	109,151	13.69
SPECIALITY	4,675	0.59
IMPORT	273,607	34.30
TOTAL	797,479	100.00

Meanwhile, sales of 1,168,423 U.S. and imported cars and light trucks were off only 6.32 percent in October from last year's 1,247,307 total.

Combined domestic and imported new-car sales fell 12.00 percent in October to 797,479 from 906,236 in like 1986.

Total light-duty truck sales of 370,944 were up 8.76 percent in the month from 341,072 a year earlier.

The burnout from Black Monday barely touched the month's total imported-car sales which edged up 1,006 units, or 0.37 percent, to 273,607 compared with 272,601 a year ago. Imports accounted for 34.30 percent of the October market this year.

U.S.-built car sales slumped 17.32 percent during the month. There were 523,872 cars sold this October compared with last October's 633,635.

Only Nissan, Honda and Toyota's U.S.-built cars managed to top last year's performance.

Domestic manufacturers generally appeared to be gathering strength as the month wore on.

After starting October with a 39 percent decline during the first 10-day period, they reduced that to a 7 percent decline in the second 10-day period and finally finished the month almost even with a year ago in the third 10-day period.

There was a sales payback anticipated from the conclusion of low interest financing and rebate incentives that ended Sept. 30.

But generally the month turned out to be better than some dealers and manufacturers had feared.

General Motors had a 32.27 percent share of the car market during October; Ford Motor Co., an 18.12 percent share; and Chrysler (including Eagle Division), a 9.70 percent share.

Honda carved out 3.52 percent of the car market; Nissan, 1.03 percent; and Volkswagen and Toyota, 0.52 percent each.

Mazda retailed 154 cars built at its Flat Rock, Mich., plant for 0.02 percent of the domestic market.

October 21-31 sales of U.S.-built cars were 0.04 percent or 41 units shy of last October's final period. There were 218,649 cars retailed during this period compared with 218,740 in like 1986.

The selling rate in October averaged 19,403 units per day this year compared with 23,468 a day in 1986. There were 27 selling days in the month for both years.

Only Honda among the eight U.S. carmakers reported a sales gain for the month, although final 10-day sales had fallen off 7.88 percent.

Honda sold 940 more U.S.-built Civics and Accords this year than last for a 3.47 percent increase.

Although Cadillac boasted a 2.31 percent increase for the month and a 28.33 percent rise for the final 10 days of October, GM's sales declined 21.72 percent for the month.

Ford's final 10-day sales surged 12.60 percent but could not catch up total month sales which fell 6.86 percent.

Nissan, Toyota and Honda all fared well with gains in sales of U.S.-built cars during the month.

Honda's sales were up 3.47 percent; Nissan's sales rose 23.63 percent; and Toyota, which just began selling U.S. cars here at this time last year, reaped a 398.07 percent gain in October sales.

Mazda reported its first sales from Flat Rock production. Volkswagen's sales, continuing their decline, were off 21.90 percent in October.

Sales of new imported cars man-

continued →

U.S. CAR SALES BY MARKETING UNITS

	Oct. 1987	Oct. 1986	10 Mos., 1987	10 Mos., 1986
Alfa Romeo	492	865	5,516	6,755
American Honda	71,523	68,563	597,185	544,091
BMW	7,403	8,275	74,804	79,252
Buick	41,163	73,281	473,438	673,701
Cadillac	24,938	24,375	222,468	258,528
Chevrolet	102,356	110,842	1,292,432	1,493,410
Chrysler	28,123	30,870	254,921	317,714
Dodge	30,889	45,529	342,281	447,611
Eagle	3,153	7,795	36,274	68,306
Ford	98,629	102,427	1,196,532	1,158,568
Hyundai	20,714	17,578	226,191	130,545
Isuzu	2,472	4,324	33,075	28,988
Jaguar	1,970	2,490	18,310	19,878
Lincoln	15,050	18,702	137,765	138,289
Maserati	75	97	769	1,127
Mazda	20,522	17,472	169,291	176,283
Mercedes	7,609	10,235	75,406	77,232
Mercury	35,235	35,061	408,230	429,308
Mitsubishi	5,193	3,686	56,086	39,694
Nissan	41,282	45,201	457,790	459,997
Oldsmobile	49,199	72,264	624,937	936,717
Peugeot	615	1,546	7,507	11,614
Plymouth	24,878	36,079	291,447	358,040
Pontiac	53,031	59,251	597,110	729,235
Porsche	1,480	2,114	20,794	24,756
Saab	3,902	3,949	39,037	40,717
Sterling	1,433	0	12,215	0
Subaru	17,728	14,884	147,097	152,167
Toyota	59,480	54,304	494,113	502,995
Volvo	6,438	8,915	96,036	103,254
VWoA	16,898	21,133	200,966	238,624
Yugo	3,606	4,129	42,768	27,637
TOTAL	797,479	906,236	8,654,793	9,675,033

Chevrolet includes Sprint and Spectrum. Honda combines imports and domestics and Acura. Dodge includes Colt, Conquest, Vista. Plymouth includes Colt, Conquest, Vista. VWoA combines imports and domestics and Audi. Nissan includes Sentras built in the U.S. Mercury includes Merkur XR4TI and Merkur Scorpio. Ford includes Festiva. Chrysler includes Conquest. Pontiac includes Lemans.

IMPORTED CAR SALES

	Oct. 1987	Oct. 1986	10 Mos., 1987	10 Mos., 1986
Acura	10,024	7,146	90,291	36,437
Alfa Romeo	492	865	5,516	6,755
Audi	1,944	5,800	37,183	52,411
BMW	7,403	8,275	74,804	79,252
Chevrolet	10,327	11,278	113,964	140,212
Chrysler	767	551	10,002	914
Dodge	4,135	5,035	50,478	58,378
Ford	3,400	0	19,814	0
Eagle	1,260	226	10,753	3,666
Honda	33,453	34,311	244,381	327,646
Hyundai	20,714	17,578	226,191	130,545
Isuzu	2,472	4,324	33,075	28,988
Jaguar	1,970	2,490	18,310	19,878
Maserati	75	97	769	1,127
Mazda	20,368	17,472	169,137	176,283
Mercedes-Benz	7,609	10,235	75,408	77,232
Mercury	1,015	1,048	12,820	12,967
Mitsubishi	5,193	3,686	58,086	39,694
Nissan	33,094	38,578	348,483	422,766
Peugeot	615	1,546	7,507	11,614
Plymouth	3,522	4,623	45,553	54,298
Pontiac	3,042	0	29,990	0
Porsche	1,480	2,114	20,794	24,756
Saab	3,902	3,949	39,037	40,717
Sterling	1,433	0	12,215	0
Subaru	17,728	14,884	147,097	152,167
Toyota	55,361	53,477	459,967	502,168
Volkswagen	10,765	9,969	109,750	122,766
Volvo	6,438	8,915	96,036	103,254
Yugo	3,606	4,129	42,768	27,637
TOTAL	273,607	272,601	2,610,179	2,654,528

Sales charts compiled by Karen Dobkowski

SALES

aged to edge up 0.37 percent over last October and, as noted, accounted for 34.30 percent of October's car sales here. Honda's upper scale Acura garnered a 40.27 percent gain over last October. Hyundai's sales were ahead by 17.84 percent.

October sales of higher end imported cars were more affected than other segments. Audi sales were down 66.48 percent and Peugeot sales plunged 60.22 percent in October. Porsche month sales fell 29.99 percent; Mercedes-Benz sales dropped 25.66 percent and Jaguar's sales were off 20.88 percent from last October.

U.S.-built car sales almost recovered in the final 10 days of October. Last October, carmakers were coming off explosive September and early-October sales which brought some of the highest sales numbers in auto history for any 10-day period.

For the final 10 days, Ford and Nissan shared sales kudos.

Ford's sales rose 12.60 percent; Nissan's were up 15.73 percent.

GM sales declined 5.78 percent; Chrysler's were off 4.17 percent; Honda's were down 7.88 percent; Volkswagen's fell 14.73 percent.

The light truck industry, meanwhile, managed another solid increase and another monthly record in its October sales.

The truck market is still benefitting strongly from the crossover of car buyers into trucks.

Light-duty truck sales of 370,944 in the month were up 8.76 percent from a year ago, while calendar year eight-month sales of 3,926,688 were up 1.41 percent from last year's record pace.

Domestic companies accounted for just about all the gains.

Their combined 305,059 sales in October were up 10.53 percent from a year earlier while the imports' 65,885 sales were up a scant 1.25 percent.

Domestic companies captured an 82.24 percent share of the market in October, up from an 80.92 percent in like 1986.

Import companies' market share dropped to 17.76 percent from 19.08 percent a year earlier.

It was a generally good month for everyone in the domestic truck industry, except Jeep.

Ford and Chrysler picked up market share as well as substantial sales gains in the month.

Ford's October sales of 113,641 were up 16.51 percent from a year earlier while Chrysler's sales of 56,474 were up 16.52 percent.

Chevrolet and GMC also had fairly similar, but more moderate, sales increases.

Chevrolet's sales of 93,898 were up 7.71 percent; GMC's 23,749 sales were up 7.03 percent.

Jeep sales of 17,297 were off 16.16 percent in the month.

Among the imports, Nissan, Isuzu, Mitsubishi and Suzuki had sales gains in the month; sales of Toyota, Mazda, and Subaru trucks were off. Range Rover, still new to the market, is continuing to build momentum.

LIGHT-DUTY TRUCK SALES

	Oct. 1987	Oct. 1986	10 Mos. 1987	10 Mos. 1986
Vans	15,825	14,140	156,434	148,978
Aerostar	11,979	11,738	136,589	122,499
Club Wagon	2,578	2,532	22,319	22,227
Ranger	20,066	15,745	260,862	232,698
Bronco	5,146	3,115	41,553	40,392
Bronco II	8,558	7,505	100,905	85,737
Pickups	49,489	42,765	453,209	471,750
Ford	**113,641**	**97,540**	**1,171,871**	**1,124,281**
Vans	12,144	11,185	95,185	118,678
Sportsvan	1,013	1,056	10,080	13,722
Astro	13,824	11,696	126,164	121,991
S-10	13,433	12,393	191,878	177,561
S-10 Blazer	9,273	9,481	131,932	138,524
El Camino	1,163	1,393	12,759	18,871
Blazer	3,476	2,840	25,479	36,432
Suburban	5,932	3,891	47,805	52,162
Pickups	33,640	33,243	347,545	384,477
Chevrolet	**93,898**	**87,178**	**988,827**	**1,062,418**
Vans	3,850	5,282	56,297	63,111
Ram Wagon	2,061	2,722	25,656	34,818
Voyager	13,179	7,712	115,409	89,780
Caravan	15,008	8,625	123,951	95,152
Mini Ram Van	1,057	1,086	11,318	12,462
Ram 50	4,648	6,812	58,177	62,134
Raider	1,670	1,239	16,930	2,305
Ramcharger	1,722	1,492	19,915	19,863
Dakota	5,663	5,358	86,016	9,891
Pickups	7,816	8,138	80,681	89,091
Chrysler	**56,474**	**48,466**	**594,350**	**478,807**
Vans	3,499	3,251	31,902	33,577
Safari	3,008	2,246	26,871	25,443
S-15	2,617	2,586	41,796	40,610
S-15 Jimmy	2,654	2,576	31,440	33,764
Jimmy	815	752	8,881	7,787
Caballero	112	168	1,552	2,266
Suburban	1,707	1,567	15,572	16,527
Pickups	8,615	8,498	94,759	97,461
P Model	510	420	4,563	3,703
W-4	112	125	1,254	1,037
GMC	**23,749**	**22,189**	**258,590**	**262,177**
Wrangler/CJ	2,631	2,765	24,469	28,678
Wagoneer	947	1,743	10,306	9,956
Cherokee	9,859	10,239	88,350	87,204
Grand Wagoneer	1,343	2,089	11,097	13,062
Comanche	2,614	3,782	31,882	27,670
J-10/J-20	103	47	1,217	1,322
Jeep	**17,297**	**20,635**	**187,321**	**188,892**
Toyota	22,211	28,455	290,234	318,981
Nissan	17,984	11,644	185,113	187,508
Mazda	7,591	12,883	108,292	131,301
Isuzu	7,055	6,364	76,581	71,714
Mitsubishi	4,751	2,794	43,205	28,660
Suzuki	5,916	4,477	71,175	36,723
Subaru	48	472	1,251	3,467
Range Rover	329	0	1,878	0
Imports	**65,885**	**65,089**	**747,729**	**778,492**
Industry Total	**370,944**	**341,072**	**3,926,688**	**3,872,987**

Compiled by Kasey Dabkowski

DISCOUNT

FROM PAGE 1

dealer's account. However, floorplanning costs for each car are the responsibility of the dealer, said the GM spokesman. He confirmed that floorplanning costs could affect dealer profits, but he added that it is up to the dealer to sell the vehicle to the individual.

Still, many plant city dealers were upset with the news.

"They have taken the retail automobile dealer and made him a wholesaler; this is a substantial reduction in profit potential for me," said a dealer near a large GM plant in Michigan. Sales to GM employees make up 70 to 80 percent of his business.

Though the 10-week program is not mandatory, many plant-city dealers said that they want to keep GM employees happy since they represent a large share of their business. They also fear that if they do not offer the program, employees will shop elsewhere.

Between Oct. 23 and Dec. 31, GM employees and retirees can purchase vehicles from dealer stock under the same plan as a car ordered from the factory.

Previously, the price of a vehicle purchased from dealer stock was negotiated between the dealer and the employee or retiree. The employee or retiree then received 5 percent of the sticker price on the vehicle (less freight costs) from GM, which he could use as a down payment.

Under the 10-week program, however, the employee can purchase a car from dealer stock at a price below the dealer net price. That price is set by GM. Typically, employee discount participants receive a discount of 18 percent from the manufacturer's suggested retail price; more expensive models — such as a Chevrolet Corvette — carry a 20 percent discount.

The dealer then receives 5 percent of the manufacturer's suggested retail price on stock vehicles under the 10-week program. The same figure applies to cars ordered from the factory during and after the 10-week program.

The difference between the regular program and the 10-week program is that normally the dealer is able to negotiate a price that includes all of his costs on the vehicle in stock. Those costs are not incurred when a vehicle is ordered from the factory. Under the 10-week program, the price is set by GM.

"In reality, GM is paying 3½ percent in gross profit (on each vehicle ordered from stock in an employee purchase plan). Can you expect to survive on that? Probably not," said Bill Hesser, owner of Hesser Olds, Janesville, Wis. Forty percent of his new-car sales are to GM employees. GM operates an assembly plant in Janesville.

The 10-week program applies to all 1987 and 1988 vehicles except the 1987 Chevrolet Corsica and Beretta, purchased new and delivered within the program period. Dealers cannot trade cars with other dealers to fill those orders.

Several dealers near large GM plants or facilities have written to the National Automobile Dealers Association to protest the 10-week policy.

Ron Tonkin, the Portland, Ore., megadealer who was recently elected first vice president of NADA, said last week he had received a letter signed by several plant-city dealers and will take the letter to the NADA executive committee on Wednesday.

"To say these dealers are upset is mild," Tonkin said. He declined to disclose the details of the letter.

GM also announced to dealers permanent changes in its employee purchase program, most of which were a result of its new contract with the UAW.

Effective Nov. 3, GM expanded its employee purchase program to the immediate family members of a GM employee or retiree. Immediate family members include the employee's/retiree's spouse, children, parents, siblings and spouse's parents.

A GM spokesman said last week that the company employs 366,000 hourly employees and 123,000 salaried employees in the United States.

Since dealers accept lower profit margins on employee-discount vehicles, the expansion of the program to include family members could also erode profits of dealers near GM facilities because it gives discounts to people who normally would not receive them.

But a GM spokesman argued that the expansion of the program could give GM dealers more sales opportunities.

The number of vehicles one family can purchase under the employee purchase program in one model year has been increased from two to four.

The GM employee, retiree or an eligible family member must hold the title in his or her name for six months or until the end of the model year, whichever is longer, before selling it to another person.

GM said it will audit the program to ensure that employees and their families are abiding by program rules; if they violate the rules, the individual could be ineligible for a GM discount for up to two model years.

Ford Motor Co. allows only the employee or retiree, their spouse, their children, their parents and their spouse's parents to purchase vehicles under the employee purchase program. A family unit can purchase two vehicles each model year under the Ford program.

Ford employees, retirees and eligible family members may purchase the vehicle at dealer cost either by factory order or from dealer stock. Under the new Ford UAW contract, hourly employees may have monthly payments for their discount vehicles deducted from their paychecks. Previously, that choice was offered only to salaried employees.

GM already had a payroll deduction program in effect for salaried and hourly employees.

Chrysler Motors includes employees, retirees and surviving spouses and employees' children, parents and spouse's parents in its employee purchase plan. The Chrysler employee, retiree or surviving spouse can purchase two vehicles per model year; the other members of the family are allowed to purchase a total of one car.

No used or demonstrator vehicles can be purchased under the Chrysler employee purchase program. Chrysler does not have a official program for suppliers. Such allowances are granted on an individual basis.

The employee's purchase price is equal to the factory invoice price less the 3 percent holdback allowance. Chrysler then pays the dealer an undisclosed fee for handling the sale. On imported Chrysler vehicles, the buyer pays the invoice price.

The expansion of the GM program, according to dealers, is more realistic than the former setup since many employees sold vehicles to members of their families at the employee discount price after six months or the end of a model year.

GM employees, retirees and surviving spouses may purchase only two used company vehicles per year. That rule has not changed.

GM has also instituted a purchase program for key employees of more than 30,000 GM supplier companies. GM put no figure on the number of supplier employees eligible for discounts on GM vehicles. In the past, discounts were given to selected supplier employees on an individual basis. The new program is GM's first official purchase program for employees of its suppliers.

A GM spokesman said principal officers of supplier companies and employees who contact GM on a regular basis on behalf of the supplier have been informed of their eligibility.

The supplier employee can order the vehicle or purchase it from dealer stock. The price the supplier employee will pay the dealer equals the dealer net price plus 4 percent of the net price. GM will give the dealer 2 percent of the invoice price. The supplier discount program was not a part of the new UAW contract.

Supplier employees are not eligible for the 10-week program on dealer stock vehicles. Members of supplier employee's family are not eligible for the GM discount program. A supplier employee must keep the vehicle in his or her name for six months or until the end of the model year, whichever is longer, before selling it.

GM has eliminated the rule that required employees to buy a vehicle under the employee discount program at a dealership within a 20-mile radius of their homes.

Dealers in plant cities contacted by Automotive News said the permanent expansions to the programs could help sales; however, some wondered if the increased volume would offset the reduction in per-unit profit.

Mitsubishi net income rises 4% in first half

TOKYO — Mitsubishi Motors Corp. reported a 4.2 percent increase in unconsolidated net income for the first half of its fiscal year ended Sept. 30.

The company also listed a 96 percent increase in ordinary profit from 5.4 billion yen in 1986 to 10.6 billion yen ($75 million) in 1987.

That was offset, however, by a decline of 32 percent in operating profits from 20.4 billion yen to 13.9 billion yen ($98 million).

Analysts point to the need for Mitsubishi to post a large ordinary profit prior to its application next year for listing on the Tokyo Stock Exchange.

Much of the profit listed currently is presumed to come from aggressive selling of securities.

Mitsubishi also reported increases in sales in both the domestic and export markets. The company's forecast for 1987 is now 1.4 million units, an increase of 120,000 over 1986.

Kazuo Sekino, director of accounting and finance, attributed much of the export increases to good sales of pickup trucks in the United States and to an increase in sales of Mirage models in Europe.

PRODUCTION

U.S. CAR	Week Ended Nov. 7, 1987	Week Ended Nov. 8, 1986	Week Ended Nov. 1, 1987	Oct. Total	Jan. 1 to Nov. 7, 1987	Jan. 1 to Nov. 8, 1986
AMERICAN MOTORS	0	0	0	0	15,994	43,842
Renault Total	0	0	0	0	15,994	43,842
Alliance	0	0	0	0	15,994	40,495
Encore	0	0	0	0	0	3,347
CHRYSLER MOTORS	21,650	28,806	26,126	112,733	935,719	1,129,411
Plymouth Total	6,250	10,180	7,024	31,134	273,650	357,698
Horizon	750	3,714	790	3,757	38,891	147,539
Sundance	1,250	1,824	1,670	7,412	77,887	23,105
Reliant	3,550	2,832	3,835	16,376	112,226	131,734
Caravelle	500	1,192	552	2,484	38,585	38,320
Gran Fury	100	618	177	1,105	6,061	17,000
Chrysler Total	6,250	7,145	8,650	26,749	316,254	334,590
Laser	0	0	0	0	0	26,978
LeBaron K	900	1,204	940	4,086	57,357	74,638
LeBaron J	2,750	0	2,857	12,488	102,266	0
LeBaron GTS	350	870	778	3,542	33,962	55,891
N. Yorker E-Class	0	1,659	0	0	57,102	62,644
N. Yorker C-Class	1,650	0	1,740	4,765	9,154	0
Fifth Avenue	600	3,412	2,335	11,868	56,413	114,439
Dodge Total	9,150	11,481	10,452	44,850	345,815	437,123
Daytona	1,900	0	1,904	8,303	55,914	30,343
Omni	700	3,595	692	3,302	33,681	140,544
Shadow	1,650	2,001	1,830	8,060	81,374	21,978
Aries	3,600	3,466	3,604	15,744	104,015	109,069
Dodge 600	650	1,155	704	3,020	35,252	57,159
Dynasty	300	0	330	1,040	1,902	0
Lancer	200	655	562	2,272	21,147	42,562
Diplomat	150	609	826	3,109	12,530	35,468
FORD MOTOR	41,374	37,728	41,479	169,624	1,566,311	1,499,244
Ford Division	30,414	27,808	31,065	126,886	1,124,115	1,035,293
Escort	9,451	9,239	9,297	40,653	332,712	326,531
Mustang	4,449	3,090	4,493	19,779	184,079	152,914
Tempo	4,346	4,195	3,673	13,765	118,977	168,620
Taurus	9,033	8,136	10,411	35,904	352,449	273,543
Thunderbird	3,135	3,148	3,191	16,785	135,898	113,685
L-M Division	10,960	9,920	10,414	42,738	442,196	463,951
Mercury Total	7,476	5,284	6,585	25,246	286,099	309,049
Lynx	0	1,377	0	0	21,352	52,256
Capri	0	0	0	0	0	12,344
Topaz	1,794	1,225	951	3,835	38,906	50,169
Cougar	3,122	229	3,195	13,209	120,523	107,077
Sable	2,560	2,453	2,439	8,202	105,083	87,203
Lincoln Total	3,484	4,636	3,829	17,492	156,097	154,902
Continental	262	459	187	400	10,145	16,823
Lincoln	2,660	3,477	2,926	14,084	121,548	116,180
Mark VII	562	700	716	3,008	24,404	21,899
GENERAL MOTORS	82,027	95,538	78,980	328,632	2,994,059	3,582,699
Buick Total	13,360	20,974	12,172	51,126	487,383	668,152
Skyhawk	1,085	1,952	850	4,471	29,667	72,989
Century	3,290	5,662	3,741	11,932	137,429	194,907
Regal (rwd)	700	1,778	730	3,040	37,359	52,310
Somerset/Skylark	1,685	2,618	1,954	8,103	58,972	95,590
LeSabre (fwd)	2,400	5,198	2,311	12,312	126,487	136,446
LeSabre (rwd)	365	329	262	1,223	8,142	13,191
Electra (fwd)	3,445	2,607	1,962	8,515	79,950	80,260
Riviera	390	830	362	1,530	11,377	22,459
Cadillac Total	6,611	7,672	6,636	28,853	230,974	274,929
Cimarron	70	724	242	1,092	9,915	20,780
Allante	50	0	50	209	3,970	0
Brougham (rwd)	1,800	1,186	1,807	7,955	63,853	68,125
DeVille (fwd)	3,370	4,227	3,429	14,869	120,293	144,961
Eldorado	636	921	609	2,560	15,708	21,533
Seville	685	614	499	2,168	17,235	19,430
Chevrolet Total	34,631	31,061	32,921	133,810	1,176,756	1,131,513
Chevette	0	2,771	0	0	0	89,424
Camaro	2,640	3,306	2,589	10,455	105,362	153,867
Cavalier	8,798	8,940	7,875	31,786	267,700	344,560
Celebrity	6,473	6,371	6,168	23,578	258,260	222,192
Corsica/Beretta	8,754	1,162	8,622	37,649	294,074	5,535
Monte Carlo	1,865	2,527	1,758	7,555	63,748	97,836
Caprice	5,470	5,333	5,269	19,936	163,325	193,301
Corvette	640	651	640	2,851	24,267	24,798
Oldsmobile Total	13,013	16,326	12,859	53,355	529,023	524,200
Firenza	475	781	537	1,958	12,170	34,195
Calais	3,115	2,514	2,745	11,911	100,682	102,776
Cutlass Ciera	1,170	4,422	915	2,721	105,127	207,385
Cutlass Supreme	1,454	1,702	1,621	6,944	66,048	98,809
88 (fwd)	3,797	2,918	3,779	16,627	154,957	249,040
88 (rwd)	450	424	448	1,320	12,428	16,761
Olds 98	2,123	2,977	2,395	10,092	60,489	99,098
Toronado	429	586	419	1,782	13,524	16,136
Pontiac Total	14,412	19,505	14,392	61,488	569,923	684,005
Acadian*	0	112	0	0	0	14,117
Fiero	1,200	1,771	1,099	4,295	27,889	59,844
1000	0	550	0	0	0	17,218
Firebird	1,560	2,070	1,349	6,177	68,083	33,394
2000 Sunbird	2,340	2,337	2,428	8,150	75,035	117,118
Grand Am	6,000	6,214	5,063	23,611	215,255	198,746
6000	1,232	2,684	1,337	5,558	63,466	115,730
Bonneville	1,925	3,368	3,012	13,082	111,926	19,869
Safari/Parisienne	155	379	104	615	8,269	47,971
HONDA	6,950	7,245	6,643	30,779	278,913	192,065
Civic	1,517	1,712	1,536	4,640	77,163	10,924
Accord	5,433	5,533	5,107	26,139	201,750	181,141
MAZDA	276	0	250	807	1,576	0
NISSAN	1,310	3,030	1,320	5,981	105,282	44,997
NUMMI	3,500	5,024	3,597	15,882	166,514	188,383
Corolla	1,000	1,352	1,057	4,337	36,970	3,616
Nova	2,500	3,672	2,540	11,545	129,544	184,767
VOLKSWAGEN	2,000	2,027	1,859	7,243	54,313	72,499
Golf/GTI**	1,300	2,027	1,159	4,807	41,170	72,499
Jetta**	700	0	700	2,636	13,143	0
Total Cars, U.S.	159,087	179,398	160,254	671,661	6,116,691	6,733,140
Total Cars, Canada	23,914	27,559	20,957	77,851	661,830	900,944
U.S., Canada Cars	183,001	205,957	181,211	749,532	6,780,511	7,634,084
U.S., Canada Trks.	94,735	83,882	98,774	445,798	3,982,442	3,748,187
U.S., Canada Cars and Trucks	277,736	289,839	277,985	1,195,330	10,762,953	11,382,271

*—All Alliances are built for sale in Canada. **—Estimated.
Monday estimates may contain some of last or two weeks due to rounding.

October worst for cars since '82

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Domestic auto production for October of 671,681 was the lowest for that month since October 1982 when 415,197 cars were built.

Last month's output was 17.39 percent more than the September total of 572,184 but 8.15 percent below the year-ago month's 731,245.

Automakers assembled their six-millionth car of the year last Tuesday, one month behind 1986.

So far this year, 6,118,681 units have been built, 9.13 percent below the 6,733,140 completed last year at this point.

Last week's targeted build of 159,087 cars dipped slightly (0.73 percent) from the previous week's 160,254 and fell 11.32 percent from the year-ago week's 179,398.

Companies split last week's scheduled output as follows: General Motors, 51.56 percent; Ford Motor Co., 26.01 percent; Chrysler Motors, 13.61 percent; Honda of America Manufacturing, 4.37 percent; New United Motor Manufacturing Inc., 2.20 percent; Volkswagen of America, 1.26 percent; Nissan Motor Manufacturing Co. U.S.A., 0.82 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 0.17 percent.

GM announced it will suspend production of its Chevrolet Celebrity and Oldsmobile Cutlass Ciera models built at its Framingham, Mass., plant on Nov. 30, due to sluggish sales. About 3,700 hourly employees will be placed on indefinite layoff until the plant resumes output; however, GM gave no indication as to when the plant will reopen.

Ford slated overtime last Saturday at its Kansas City, Mo., plant.

All Ford plants except Edison, N.J., are scheduled for daily overtime this week.

Chrysler's St. Louis (No. 2) plant is slated for daily overtime this week.

Canadian trucks climb to October record

Canadian truck production of 76,390 in October was the highest ever for that month.

Last month's output surpassed the previous October record of 67,285 built in 1985.

October's truck production was 18.35 percent more than September's 64,545 and 42.79 percent above the year-ago month's 53,497.

Last week's scheduled truck build of 17,971 dipped 2.46 percent from the prior week's 18,424 but was 75.88 percent above the year-ago week's 10,218.

So far this year, 698,448 trucks have been assembled, 1.87 percent more than the 685,622 completed last year at this point.

October car production of 77,851 was the lowest for that month since October 1982 when 54,212 cars were built.

Last month's output was 19.19 percent more than the preceding month's 65,316 but was 28.84 percent below the year-ago month's 109,402.

Scheduled production of 23,914 cars last week was 14.11 percent more than the previous week's 20,957 but 13.23 percent below the year-ago week's 27,559.

Year-to-date, 661,830 cars have been built, 26.54 percent below the 900,944 assembled last year at this time.

Production was halted last Wednesday at Chrysler Motors' Bramalea, Ontario, plant, which assembles the Eagle Premier. The shutdown reflects quality problems, and Chrysler did not indicate when the plant will reopen.

General Motors will cut one of two shifts at its Oshawa, Ontario, plant on Nov. 30 due to slow sales of the Oldsmobile Cutlass Ciera and Pontiac 6000. No workers will be laid off as GM will rotate them on the remaining shift in two-week intervals.

Best month ever for U.S. trucks

Domestic truck production in October was the highest for any month ever.

Output of 369,408 trucks passed the previous record of 364,473, built in October 1978.

Last month's build was 12.40 percent more than the September total of 328,658 and 15.71 percent more than the year-ago month's 319,243.

Last week's targeted production of 76,764 was 2.02 percent below the previous week's 78,350 but 4.21 percent more than the year-ago week's 73,664.

General Motors slated overtime last Saturday at its Baltimore and Detroit plants.

Ford scheduled Saturday overtime at its Wayne, Mich., and Lorain, Ohio, plants.

Daily overtime is slated this week for all Ford truck plants.

CANADIAN CAR	Week Ended Nov. 7, 1987	Week Ended Nov. 8, 1986	Week Ended Nov. 1, 1987	Oct. Total	Jan. 1 to Nov. 7, 1987	Jan. 1 to Nov. 8, 1986
CHRYSLER	840	116	1,237	1,960	6,938	3,711
FORD MOTOR	10,413	13,618	8,430	30,395	364,966	448,523
GENERAL MOTORS	12,161	13,600	10,853	43,420	289,279	440,145
HONDA	500	0	437	1,737	12,658	0
VOLVO	0	225	0	339	7,569	8,565
Total Cars, Canada	23,914	27,559	20,957	77,851	661,830	900,944

U.S. TRUCK☆	Week Ended Nov. 7, 1987	Week Ended Nov. 8, 1986	Week Ended Nov. 1, 1987	Oct. Total	Jan. 1 to Nov. 7, 1987	Jan. 1 to Nov. 8, 1986
CHEVROLET	16,964	24,574	17,295	96,297	972,306	1,023,169
DODGE/PLYMOUTH	8,550	6,022	9,203	40,361	261,351	115,514
FORD	30,822	24,527	32,692	147,995	1,270,185	1,189,310
GMC	7,743	8,601	6,912	33,921	328,500	312,390
NAVISTAR	1,845	1,575	1,636	7,291	63,918	62,092
JEEP	4,600	4,352	4,670	20,319	192,359	92,820
NISSAN	3,400	1,663	3,212	11,422	79,615	58,104
AM GENERAL*	450	50	450	1,980	14,400	2,174
MISCELLANEOUS*	2,300	2,300	2,300	10,120	101,360	98,992
Total Trucks, U.S.	76,764	73,664	78,350	369,408	3,283,994	3,062,565

CANADIAN TRUCK	Week Ended Nov. 7, 1987	Week Ended Nov. 8, 1986	Week Ended Nov. 1, 1987	Oct. Total	Jan. 1 to Nov. 7, 1987	Jan. 1 to Nov. 8, 1986
JEEP	750	500	731	3,328	30,433	24,410
CHRYSLER	6,498	7,594	8,123	33,750	333,066	342,820
FORD	3,648	1,054	3,597	14,147	128,044	128,593
GENERAL MOTORS	6,850	870	5,761	24,716	198,561	181,793
NAVISTAR	225	200	232	947	8,344	8,078
Total Trks., Canada	17,971	10,218	18,424	76,390	698,448	685,622
U.S., Canada Trks.	94,735	83,882	98,774	445,798	3,982,442	3,748,187

*—Includes window van production. **—Estimated.
Daily estimates may contain some of last or two weeks due to rounding.
Sales information includes estimates for Kia, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain some of last or two weeks due to rounding.

Fleetwood plant up for sale by GM

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — General Motors will spend $13 million to maintain its Fleetwood body assembly plant in the hope that it can be sold by summer.

Fleetwood and its companion Clark Avenue plant here, which build rear-wheel-drive Cadillacs, are now scheduled to close Dec. 18, five days ahead of the original schedule.

Larry Tibbitts, plant manager of Fleetwood and Clark, said GM's Argonaut Realty is looking for a buyer for the Fleetwood plant. If the plant is not sold by summer, GM will tear it down, he said.

GM will spend an additional $27 million to actually shut down the Fleetwood, Clark and Conner plants, he added. Conner provides the two assembly plants with stampings.

A proposal has been made to move Cadillac engineering to the Clark plant; however, it has not been approved, plant managers said. There are no plans to move Cadillac's headquarters from the Clark plant, they said. Old portions of the Clark Avenue facility are being demolished.

The Fleetwood and Clark plants currently employ about 1,500 workers each and operate on a single shift. The shutdown had long been expected.

Production of the Fleetwood Brougham will be transferred to GM's Arlington, Texas, plant. Pilot production has begun, and actual production is slated to begin in February or March 1988.

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Roman Motors canceled

Recruits dealers after pact voided

By John A. Russell
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — The cornerstone agreement that Roman Motor Corp. and its partners claimed gave them the rights to distribute Romanian-built motor vehicles in the United States was officially canceled in mid-1986.

Executives of Roman Motor signed that agreement, yet continued to appoint dealers.

That original agreement was signed in Paris on Nov. 28, 1985, by a representative of Auto Dacia, the Romanian government-owned foreign trading company, and executives of Sveltec, the Swiss partner of Roman Motor. It granted sweeping distribution rights to the Swiss company.

However, it was never approved by the management of Auto Dacia.

On May 15, 1986, executives of Sveltec, Roman Motor (at that time doing business as Auto Dacia of America) and Auto Dacia met in Bucharest. They signed a protocol that declared the Paris agreement "null and void."

Since the signing of that protocol, neither Sveltec nor Roman Motor has offered any other contract to support their claims for U.S. distribution rights for the Romanian-built Aro, Dacia and Olcit vehicles.

However, Roman Motor continued to appoint dealers through 1987. A dealer list obtained by Automotive News indicated that Roman Motor eventually collected as much as $1.7 million from as many as 60 dealers.

It was also learned that an unknown amount of money was collected from other investors.

The Nov. 28, 1985 agreement has been used by Roman Motor as recently as last month. In response to the discovery process in litigation filed by eight dealers in federal court in Texas, this document was among others submitted. Paul Brumley, attorney for the dealers who filed the suit, said last week that this was the only document submitted that tied Sveltec to Auto Dacia.

Automotive News has obtained a copy of the critical May 15, 1986 protocol through the Romanian Embassy. The contents of the protocol were confirmed by Ion Stamatescu, managing director of Auto Dacia, in a telex through the embassy. Stamatescu said "All of its provisions are in force without any change."

The protocol was signed for Sveltec by Ole R. Spaten, then an officer of the company, and Oscar Jost, chairman. It was signed for

see ROMAN MOTOR, page 70

Opel Omega: Quality has been atrocious and parts scarce, say German dealers

Goliath stumbles in Europe: A tale of trouble for GM

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — General Motors has been singing the praises of its European car operations as a counterpoint to sour strains in the United States.

But even as GM is about to end a long string of losses in Europe, it is still facing myriad problems: falling market share; fresh complaints about quality; severe factory delivery problems; troubled labor relations; a lingering dispute over the standard dealer contract in Germany that could wind up in court; and talk of a power struggle between Adam Opel headquarters in Russelsheim, West Germany, and GM-Europe's new base in Zurich, Switzerland.

The problems also take in chronic understaffing in Zurich and reputed low morale on the high-tech factory floor in Russelsheim, where, according to the president of Adam Opel's German dealer association, "the disorganization is incredible."

After months of remaining publicly silent, Opel dealers have described to Automotive News a series of quality deficiencies on the hot-selling Opel Omega/Vauxhall Carlton — Europe's 1987 Car of the Year and one of three cars that Opel is expected to export to the United States.

What is more, cars are stacking up in service departments because the factory does not have enough replacement parts. Dealers complain that GM's historically slow and unreliable deliveries have taken a sharp turn for the worse this year, despite a new computerized ordering system that was supposed to solve the problems.

Meanwhile, GM was the only one of six European high-volume manufacturers to lose market share throughout Western Europe during the first nine months of 1987.

Because of labor opposition, GM could not implement a plan to put its Zaragoza, Spain, plant on three shifts to meet demand for the Corsa subcompact built exclusively there. German dealers say the shortage of Corsas cost Opel a full 1 percent share of the world's third largest market.

Opel dealers also complain that GM has not been on the leading edge in introducing technologies crucial to image in performance-conscious European markets. Moreover, in West Germany, where the public profile for auto company chief executives is believed to be highly important to car sales, GM Chairman Roger Smith has been under criminal investigation.

see GM-EUROPE, page 66

Amway expanding car sales program

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

GRAND RAPIDS, Mich. — Amway Corp., the wholesale purveyor of soap, car wax and other household products, is now marketing new cars at $150 above dealer invoice under a system that uses Ford, General Motors and Chrysler dealers to supply the vehicles.

Mike Butler, president of Minnesota-based National Fleet Network, said Amway Auto Network has 1,500 auto dealers in 26 states and plans to expand into 35 states.

"The program is not a buying club or service," he said. "It is a program that originally started out through a group of dealers as a way to help Amway distributors purchase their vehicles."

Membership to Amway Auto Network is open to anyone who pays the $24.95 fee to join. National Fleet Network administers the program for Amway.

Butler said the program will be expanded to only those states where it will comply with state laws.

"There are states where it (Amway Auto Network) can't be done due to certain state regulations," he said. "Texas and Arkansas have brokering laws and we don't want to start a program in a state where it wouldn't comply."

Amway boasts a network of 750,000 distributors — most working out of their homes — in the United

see AMWAY, page 65

Auto inventory climbs

Domestics lead way to 72-day supply

By Geoff Sundstrom and Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTERS

Combined inventories of imported and domestic cars on Nov. 1 were the highest for that date since 1982.

The combined imported and domestic car stockpile on Nov. 1 was 2,124,674 cars, a 72-day supply.

The high inventories coincided with a drop in the combined selling rate for imported and domestic cars during October. The combined daily sales rate for the month was 29,536, the lowest recorded for October since 1982, when Automotive News began gathering data on import inventories.

A combination of fewer incentive programs, a downward sales trend for the year and fears growing out of the stock market collapse contributed to the boost in inventories.

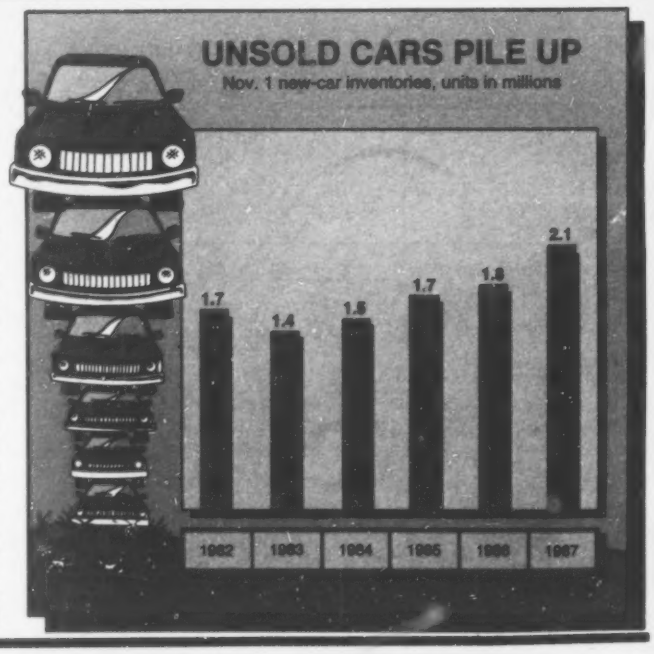
Big 3 cleanup incentives expired early in October.

There was a 58-day supply of imported cars and trucks on Nov. 1, or 743,244 units. That breaks down into a 56-day supply of imported cars (565,743 units) and a 66-day supply of trucks (177,501 units). There were 80 days' worth of unsold domestic cars, or 1,558,931 units.

The average Nov. 1 supply of cars for the last six years is 56 days, although Japanese imports have tended to be considerably lower.

The inflated inventories on Nov. 1 were generally attributable to slower domestic car sales. Although import inventories are up,

see INVENTORY, page 8



Autolatina price hike defies Brazilian decree — Page 2
More incentives bloom at GM — Page 3
Industry leaders look at '88 — Page E1

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GM-UAW make it official

General Motors Chairman Roger Smith, left, and UAW President Owen Bieber shake hands at the signing of a new three-year contract covering 370,000 GM workers. The agreement, which contains innovative job-security provisions, was reached without a strike deadline being set. The GM agreement is patterned after the UAW-Ford Motor Co. pact, which negotiators also reached without the threat of a strike.

More incentives bloom at Chevy

Rebates now include additional Cavalier, Chevette owners

By Laura Clark and Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTERS

DETROIT — Dealer and consumer rebates continue to flourish at General Motors.

Last Wednesday, Chevrolet expanded its rebate program to all owners of eligible Cavaliers and Chevettes — not just those who received coupons in the mail. It also expanded eligibility for rebates and free service for truck owners who test-drive a Chevy. Earlier in the week, it began mailing more rebate coupons on trucks to small businesses.

Meanwhile, trip incentives were launched for dealers of Buicks, Chevrolet trucks and GMC trucks.

Under the new Chevy program, owners of 1982 through 1986 Cavaliers and 1981 through 1986 Chevettes may receive a $500 rebate on any of the division's domestic and most imported 1987 and 1988 cars and light trucks except Celebrity, which receives a $750 rebate.

The program, called "Somebody Special," runs from Oct. 23 to Dec. 31 for Cavalier owners and from Nov. 12 to Dec. 31 for Chevette owners.

The Sprint ER, Sprint Metro and Spectrum Express are not included in the Cavalier owners' rebate program. Owners must have purchased their Cavalier or Chevette new and must still own the vehicle at the time of purchase to be eligible for any of the rebates.

A 3-year/30,000-mile free scheduled maintenance offer is also being made to all owners of 1981-to-1986 Chevrolet cars and light-duty trucks, except owners of 1982-to-1986 Cavaliers, 1981-to-1986 Chevettes and 1979-to-1986 full-size and compact Chevrolet pickups.

The division also is offering $100 to any owner of a 1979-to-1986 Chevrolet, Ford or Dodge full-size pickup who test drives a C/K pickup truck and buys it or any of those rival makes between Nov. 1 and Dec. 31.

Chevrolet also will give a 3-year/30,000-mile free scheduled maintenance certificate to any of those truck owners who purchases a C/K pickup within the program period. The scheduled-maintenance bonus is also being offered to any owner of a 1979-to-1986 Chevrolet S-10, El Camino, Luv, Ford Ranger or Courier pickup truck upon the purchase of any Chevrolet S-10 pickup truck between Nov. 1 and Dec. 31.

If a consumer owns more than one eligible vehicle, he must choose one rebate for each purchase.

In the previous program, Chevrolet mailed coupons to 4.9 million owners of Cavaliers, Chevettes, Chevy and Ford full-sized and compact pickups and Dodge full-size pickups. There now are as many as 13.5 million owners who could collect rebates.

Dealers said consumers who received rebate coupons often discarded them. Owners of eligible vehicles who did not receive coupons often complained that they, too, should receive rebates. Chevrolet officials said the new requirements alleviate both problems.

The division, meanwhile, began a direct-mail rebate for owners of small businesses. The "Fleet Commander" program offers $400 to $1,000 on virtually all trucks — Blazers, vans, chassis-cabs and pickups.

Businesses with less than 10 company vehicles that don't qualify for fleet discounts will receive the mailing.

The rebates vary by model and transmission. The rebates on vehicles equipped with the four-speed automatic overdrive transmission tend to be highest. Chevrolet is offering these business people an additional $1,000 on trucks with the 6.2-liter diesel engine.

The program, which runs from Nov. 13 to Dec. 31, covers 1987 and 1988 models. Buyers must take delivery from dealer stock by Dec. 31.

The program can be combined with other special promotions. A business can use the rebates on more than one vehicle that it purchases.

Buick announced a trip award for dealers meeting individual sales objectives of 1988 and prior year Buicks between Nov. 3, 1987, and March 2, 1988.

Each participating Buick dealer will be assigned to one of 200 competitive groups; each group is made up of dealers with similar goals. Groups will vary in size.

The dealer who achieves the highest percent of his retail sales objective wins a 10-day trip to Monte Carlo, including tickets to the Grand Prix and the Cannes Film Festival.

The dealer with the second highest percentage wins a trip to Bermuda. Dealers meeting individual objectives win $200 worth of merchandise.

Dealers who want to participate will be charged $100 from their open account; the $100 will be donated to Special Olympics.

GM started a dealer trip program for GMC light- and medium-duty and Chevrolet medium-duty truck sales and service. Individual goals for the program, called "Discover the Legends," will be announced Nov. 18.

To receive points, dealers must deliver trucks between Nov. 1, 1987 and April 30, 1988. The service portion runs Dec. 1, 1987 to May 31, 1988.

Suzuki dealers in Japan to get Grand Am, Corsica

By David Versical and Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTERS

The declining value of the dollar is prompting General Motors to step up export plans for Japan and Europe.

GM said last week that it will begin selling Pontiac Grand Ams and Chevrolet Corsicas and Berettas through Suzuki dealerships in Japan early in 1988. GM also expects to double its sales of North American-built cars in Europe during the 1988 model year.

GM's actions come on the heels of Ford Motor Co.'s announcement last month that it will begin exporting the Ford Taurus to Japan. Ford expects to eventually send several thousand units annually.

U.S. automakers, which had been restricted in their export potential by the strong dollar, are renewing their push toward exports as a weaker dollar makes their products less expensive overseas. The companies also contend their new generation of smaller, more nimble vehicles will be more appealing to overseas buyers.

In Japan, the Grand Am and Corsica/Beretta will be sold under the GM label through Suzuki's Cultus sales network. Suzuki said that within three years, it expects to be selling 3,000 units annually through 200 dealerships. The goal for the first year is 500.

GM currently sells about 3,000 cars a year in Japan through its longtime independent distributor, Yanase & Co. That relationship will continue, and Yanase will work with Suzuki in setting up the network for the Grand Am and Corsica/Beretta.

George Peterson, president of AutoPacific Group, a consultant firm in Newport Beach, Calif., said GM's new offerings in Japan will help meet a demand for certain specialty cars. "Several products are being sold in Japan as left-hand drive, and the young Japanese yuppie is buying them as an image statement," Peterson said.

The arrangement echoes the deal GM and Suzuki have in the United States. GM, which bought a 5.3 percent equity stake in Suzuki in 1981, currently sells a Suzuki-built product as the Chevrolet Sprint.

In Europe, GM expects to sell more than 10,000 North American-built vehicles in the current model year, up from 5,400 in 1987. Major markets include West Germany, Belgium and Sweden. GM expects the Pontiac Bonneville, Buick Century and Corsica/Beretta to be strong sellers.

Meanwhile, Daimler-Benz AG of West Germany outlined new sales goals last week in light of the import growth in the Japanese market. Gerhard Liener, vice president, said the company could "very likely sell 40,000-50,000 units in the long run." The company expects to sell 18,000 units in 1987, up from 13,666 in 1986.

Liener did not say when it will reach 50,000 sales in Japan.

Aerostar to offer fwd, stretched models

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Ford Motor Co. plans to offer a four-wheel-drive version of the Aerostar minivan in the 1989 model year.

Ford is planning to introduce an extended version of the Aerostar at the same time. It will be about 18 inches longer than the current model.

A 4wd edition of that extended van likely will be available no sooner than the following year, sources close to Ford said.

The Aerostar's 4wd package will be similar to the "on-demand" system that has been offered on the Ford Tempo and Mercury Topaz since the 1987 model year, sources said. The differences will essentially reflect the real-wheel-drive configuration of the Aerostar. The feature is expected to cost about $800, but it is not clear whether it will be offered as an option or in a separate model.

The Aerostar will continue to be powered by a 3.0-liter V-6 in 1989. But sources said Ford is planning to make a larger engine available in the following year.

Sources said the changes are being made to keep the Aerostar fresh and to target the Chrysler minivan series. Ford's 4wd version is expected to win some customers in northern and mountain states, where buyers might otherwise lean to the front-wheel-drive Chryslers.

Aerostar was introduced in May 1985 as a 1986 model.

Aerostar is currently being built on two shifts in St. Louis.

The company is planning a four-door Bronco as part of a revision of that series in about three years, sources said.

INDEX

Auction dates	55
Classifieds	56
Coming events	48
Dealing with dealers	46-47
Extra section	E1
Inventories	8
News briefs	8
Obituaries	8
Opinion	10
Personnel	35
Production	71
Sales, import car	52
Service management	14-15
Truck industry	18

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Detroit Diesel, Penske forming joint venture

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — General Motors and Penske Corp. will announce this week a joint venture for the design, manufacture and worldwide sales of heavy-duty diesel engines.

Penske Corp. will own 60 percent of the new company, to be called Detroit Diesel Corp., and GM will own 40 percent, according to a high-ranking Detroit source involved in the negotiations.

Under the terms of a preliminary agreement, the joint-venture company will control the heavy-duty engine activities at the current Detroit Diesel Allison Division facility here.

The new company also will be responsible for worldwide sales and service activities for the medium-duty engines currently distributed by Detroit Diesel.

The agreement will become effective Jan. 1, 1988, subject to government approval, according to the source.

Detroit Diesel's current product lineup includes diesel engines and heavy-duty transmissions for trucks, buses, construction, lumbering, mining and petroleum equipment plus marine and industrial applications. It also manufactures locomotive parts and precision bearings.

The factory in Redford Township (Mich.) produces heavy-duty diesel engines for over-the-road, off-highway, industrial and marine applications. Those powerplants include series 53, 71, 92, 149 and the new series 60 engines.

The series 60 engine was introduced last March, targeted primarily at the heavy-duty truck market. Detroit Diesel spent $300 million developing the engine.

GM will retain responsibility for the 8.2-liter diesel engine built in Romulus, Mich.; the 6.2-liter diesel engine manufactured in Moraine, Ohio; and the Allison transmission operation in Indianapolis. Currently, Detroit Diesel Allison has 43 domestic and seven Canadian distributorships, as well as sales offices in Australia, Singapore and several European countries.

Its money-losing diesel engine operations here had been offered for sale through a prospectus handled by investment banker Salomon Brothers (Automotive News, Nov. 2).

The deal with the company controlled by former race-car driver Roger Penske emerged after evaluation of other proposals, including a management group buyout proposal.

A joint venture with Deere & Co., similar to the ultimate Penske deal, collapsed in March.

Penske Corp., headquartered in Red Bank, N.J., owns a number of vehicle-related businesses, including a Detroit Diesel distributorship known as Penske Power.

Penske's billion-dollar Retail Automotive Group retails more than 30,000 new vehicles a year and recently acquired the Potamkin organization's Manhattan Cadillac dealership.

That gives Penske two of the highest volume Cadillac franchises, one on each coast, as well as ownership of Longo Toyota, the biggest Toyota dealership, located in El Monte, Calif.

Clenet's unique 4x4 stirs Chrysler interest

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Motors has its eye on California designer Alain Clenet's newly developed four-wheel-drive sport utility vehicle.

Clenet, best known for the neo-classic car bearing his name, said a prototype of the so-called Asha is running, following 2½ years of development.

Late last week, Clenet's Asha Corp. and C&C (Cars & Concepts) of Brighton, Mich., signed a letter of intent by which C&C would produce the vehicle, should it prove commercially feasible.

Clenet said he has developed a concept with low manufacturing costs that enables the 4x4 to be sold in the $7,000 to $10,000 range.

"We have talked with Clenet and the conversations are still going on," a Chrysler spokesman said. "We talk to a lot of people about different projects. Nothing has been decided with regard to the Asha."

Chrysler confirmed the discussions with Clenet after information about the possible venture was distributed to some press representatives in an unauthorized press release.

Clenet's Asha Corp. in Santa Barbara, Calif., and Chrysler said they do not know the source of the unauthorized press release.

Asha Corp. on Nov. 9 asked the U.S. Securities and Exchange Commission to halt trading of its stock following the disclosure and a sharp rise in the share price.

Asha's stock is traded on the Denver and Spokane, Wash., stock exchanges.

Asha Corp. was formed to develop the 4x4 designed by Clenet and his partner and noted auto artist, Mark Stehrnberger.

In an earlier interview (Automotive News, Oct. 27, 1986), Clenet said the vehicle will weigh between 2,300 and 2,500 pounds and is about the size of a Jeep CJ.

"All 4wd vehicles in the world are following in the tradition started by Jeep, using a rigid axle and a short wheelbase," Clenet said at that time.

The Asha, he said, "has more in common with a motorcycle than a Jeep or a tank."

In 1986, Clenet said it was possible that the vehicle would be completed in time for a late 1988 introduction as a 1989 model.

Clenet said last year that the secret to the low-cost design is longitudinal mounting of the engine and a transaxle combination in the center of the vehicle. Clenet said that with the transaxle pointing fore and aft, the output shafts are connected to small differentials at the front and rear to power all four wheels.

The system is designed to be full-time 4wd. Independent MacPherson struts provide the suspension all the way around. Clenet said this use of a front-wheel-drive powerplant eliminates the need for a transfer case and, when coupled with a suspension similar to those on fwd cars, manufacturing costs will be greatly reduced.

According to his plan, the vehicle would be powered by a 2.5-liter four-cylinder engine in normally aspirated and turbocharged versions providing 130 to 180 horsepower.

GM announces new chairmen at Vauxhall, Holden subsidiaries

John Bagshaw, chairman and managing director of General Motors' Vauxhall Motors division in the United Kingdom, has moved to the top job at GM's Holden subsidiary in his native Australia. He replaces Charles Chapman, who is retiring.

Bagshaw

Bagshaw, 62, has been replaced by Paul Tosch, 47, who temporarily retains his current duties as head of GM's Bedford commercial vehicles unit in Britain.

Vauxhall's sales and market share have declined recently in the United Kingdom, where it ranks third behind Ford and Austin Rover. However, GM officials insist that has no bearing on Bagshaw's departure.

Indeed, the 29-year GM veteran was seen as a driving force in Vauxhall's sales revival during the 1980s. He served as the division's marketing director beginning in 1981 and later was director of passenger car operations.

Before taking the top job at Vauxhall in February 1986, Bagshaw was executive director of sales, service and parts for General Motors' European passenger-car operations, then based in Russelsheim, West Germany.

Tosch, an American, had been with Bedford since January 1986. Previously, he was chief engineer for the Buick-Oldsmobile-Cadillac Group's Flint Product Team.

OBITUARIES

William Harvey III

DETROIT — William Harvey III, general manager of Motors Holding Division of General Motors for 26 years, died Nov. 5. He was 62.

Mr. Harvey spent his entire 38-year GM career with Motors Holding, which provides financial and management assistance to enable persons to become GM dealers. He joined Motors Holding in 1948 and served in field and headquarters assignments before becoming general manager Nov. 1, 1959. He retired in February 1986.

William Meakim Packer Jr.

PONTIAC, Mich. — William Meakim Packer Jr., 62, president of three new-car dealerships in Michigan and Florida, died Nov. 6. He was president of the Hundred Club, a non-profit organization that provides for dependents of police officers and firefighters who lose their lives in the line of duty. Packer Corp., of which he was president, also includes National Auto Leasing Co., Pontiac. Packer Corp.'s dealerships handle Pontiac, Cadillac and Honda.

DOMESTIC DAYS' SUPPLIES

	Nov. 1, 1987	Oct. 1, 1987	Nov. 1, 1986
Alliance	135	108	74
Eagle	95	208	58
Total Eagle	124	119	69
Horizon	56	112	49
Sundance	76	58	65
Turismo	84	44	71
Reliant	82	60	55
Caravelle	78	68	40
Gran Fury	83	74	80
Total Plymouth	78	62	56
Laser	0	0	69
LeBaron K	102	80	33
LeBaron J	107	91	—
LeBaron GTS	227	127	47
Fifth Avenue	76	72	67
New Yorker C	91	—	—
New Yorker E	198	130	49
Total Chrysler	112	95	52
Omni	55	91	48
Shadow	77	60	64
Charger	79	43	55
Daytona	147	94	49
Aries	80	59	65
Lancer	298	147	54
Diplomat	121	91	53
Dynasty	62	—	—
Dodge 600	64	75	44
Total Dodge	94	73	55
CHRYSLER MTRS.	97	79	54
Escort	75	45	58
Mustang	61	53	48
Tempo	68	40	62
Taurus	99	47	59
Thunderbird	75	46	68
Crown Victoria	49	44	68
Total Ford Div.	75	46	60
Lynx	91	45	60
Topaz	75	55	67
Sable	81	55	54
Cougar	92	47	30
Capri	0	0	69
Grand Marquis	33	37	51
Total Mercury	70	47	54
Continental	77	44	46
Lincoln	52	46	35
Mark VII	47	43	64
Total Lincoln	52	46	42
Total L-M Division	64	47	49
FORD MOTOR CO.	72	46	56
Skyhawk	112	74	69
Somerset Regal	153	71	73
Century	90	44	34
Regal	73	98	57
LeSabre	110	63	82
Electra	97	61	57
Riviera	82	54	60
Total Buick	100	60	58
Cimarron	141	66	71
Allante	233	497	—
Seville	61	83	61
Cadillac	53	53	63
Eldorado	74	63	59
Total Cadillac	59	58	63
Chevette	106	62	76
Nova	147	50	87
Cavalier	84	62	97
Camaro	133	80	108
Celebrity	89	84	66
Corsica/Beretta	138	52	24
Monte Carlo	129	151	85
Chevrolet	80	42	81
Corvette	85	155	84
Total Chevrolet	105	65	82
Firenza	90	67	107
Calais	91	57	77
Cutlass Ciera	63	34	40
Cutlass Supreme	99	116	71
Olds 88	86	62	57
Olds 98	74	59	76
Toronado	78	54	66
Total Oldsmobile	79	54	59
Fiero	160	79	129
1000	67	69	141
Sunbird	92	51	106
Firebird	101	67	97
Grand Am	48	77	43
6000	87	75	48
Gr. Prix/Bonn. G	86	94	85
Bonneville H	110	74	—
Paris./Safari	96	63	82
Total Pontiac	79	72	70
GENERAL MTRS.	90	62	66
HONDA	10	11	11
NISSAN	40	29	46
TOYOTA	46	33	—
VOLKSWAGEN	89	57	93
DOM. TOTAL	80	57	60
Subcompact	54	44	—
Compact	67	54	—
Intermediate	95	82	—
Standard	72	55	—
Specialty	121	116	—

INVENTORY

FROM PAGE 1

import-car sales as a whole continued at a record-setting pace for October.

The domestic-inventory unit count for October was the highest since Aug. 1, and the domestic days' supply was the highest since March 1. This year's domestic inventory is the heftiest for Nov. 1 since 1979. It is a complete reversal from a month earlier; on Oct. 1, stocks of new domestic cars were the slimmest in 12 months — 1,396,454 units for a 57-day supply.

Ford Motor Co.'s stock of U.S.-built cars on Nov. 1 was 13.92 percent larger than a month ago. Ford began November with a 72-day supply vs. a 46-day stock last month. A year ago, Ford carried a 56-day supply.

General Motors' stocks were equal to a 90-day supply on Nov. 1, up from a 62-day supply last month. GM began November last year with a 68-day supply of cars.

At the beginning of November this year, the days' supply of Cadillac Allantes fell to 233 from 497 on Oct. 1.

Chevrolet Corsica/Beretta, however, climbed to a 138-day supply vs. 52 on Oct. 1.

Chrysler Motors' stocks continued to rise. The company started November with a bulging 97-day supply vs. a 79-day supply a month ago. Last year, Chrysler had a 54-day supply on Nov. 1.

Honda began the month with a 10-day supply of U.S.-built cars compared with 11 days' worth a month earlier. It also had a 10-day supply of imports, compared to 14 a month earlier.

Toyota's stock of U.S.-built cars increased to 46 days vs. 33 days last month. But those cars make up only a fraction of its total inventory; Toyota's import-car stockpile stood at 27 days on Nov. 1, up from 24 the previous month.

Nissan's inventory of domestically produced cars rose to a 40-day supply vs. 29 days last month. Its imports stood at a 108-day supply, vs. 83 a month earlier.

Volkswagen's supply of U.S.-built cars grew to 89 days from 57 days on Oct. 1. It also had 69 days' worth of imported cars, up from 55 a month earlier.

Inventory numbers for domestics include finished cars at factories, those enroute to dealers and those on dealer lots. For imports, the cars are counted once they reach U.S. ports.

The domestic Nov. 1 inventory was split: GM, 54.88 percent; Ford, 24.57 percent; Chrysler, 17.81 percent; Volkswagen, 0.88 percent; Nissan, 0.77 percent; Honda, 0.64 percent; Toyota, 0.45 percent; and Mazda, which started production at Flat Rock, Mich., a month ago, a negligible share.

On Oct. 1, the domestic-car shares were: GM, 54.94 percent; Ford, 24.08 percent; Chrysler, 17.98 percent; Nissan, 1.02 percent; Honda, 0.77 percent; Volkswagen, 0.74 percent; and Toyota, 0.47 percent.

The domestic shares by size class on Nov. 1 were: subcompact, 11.21 percent; compact, 23.31 percent; intermediate, 44.25 percent; standard, 19.88 percent; and specialty, 1.35 percent.

The 56-day supply of imported cars compares with a 48-day supply on Oct. 1 and a 42-day supply on Nov. 1 last year.

Chevrolet's supply of imported cars was up significantly in October as sales fell. Unsold Chevrolet captives were up to a 163-day supply on Nov. 1, compared to a 90-day supply on Oct. 1.

Audi's supply of cars jumped from 47 days on Oct. 1 to 119 days. Most of that supply had yet to find its way to dealer lots, however, as the all-new 80/90 series was launched on Nov. 1.

Jeep-Eagle's inventory of imported Renault Medallion models fell slightly from a 279-day supply on Oct. 1 to a 272-day inventory on the first of this month. The Eagle inventory is far and away the largest in the business.

Acura, BMW, Honda, Hyundai, Toyota, Jaguar and Range Rover stayed just ahead of demand, according to the Nov. 1 figures.

Import-truck inventories edged up last month. Truck importers had a 66-day supply at the beginning of November. Import-truck stocks held a 53-day supply on Oct. 1. The year-ago figure for Nov. 1 shows a 69-day supply.

Toyota and Isuzu both suspended shipments of sport-utility trucks last month because of uncertainty surrounding a U.S. Customs Service ruling. Mitsubishi continued to ship sport-utility vehicles to the United States but expected to store the vehicles in a foreign trade zone until the customs issue is cleared up.

Despite the suspended shipments, Isuzu's inventory of trucks hit a 101-day supply, up from a 91-day supply recorded Oct. 1. Chrysler's import trucks had an inventory good for 100 days of sales.

The Nissan truck figure includes those built in the United States.

IMPORT DAYS' SUPPLIES

	Nov. 1, 1987	Oct. 1, 1987	Nov. 1, 1986
Chevrolet	163	90	95
Chrysler/Mitsubishi	129	82	112
Acura	22	19	31
Honda	10	14	13
Isuzu	112	68	79
Mazda	46	44	48
Mitsubishi	85	67	104
Nissan	108	83	54
Subaru	53	59	40
Toyota	27	24	22
JAPAN	56	49	42
Audi	119	47	77
BMW	30	61	51
Mercedes-Benz	46	48	16
Merkur	93	49	108
Porsche	99	58	37
VW	69	55	89
GERMANY	59	54	56
Alfa Romeo	54	103	42
Festiva	87	51	—
Hyundai	26	20	22
Jaguar	20	18	18
Peugeot	81	85	61
Pontiac	78	31	—
Eagle/Renault	272	279	374
Saab	52	46	35
Sterling	75	73	—
Volvo	72	43	35
Yugo	58	53	41
Other Countries	53	40	32
Total Import Cars	56	48	42
Isuzu	101	91	119
Mazda	62	49	42
Mitsubishi	64	63	118
Nissan*	83	74	130
Range Rover	24	20	0
Suzuki	45	32	19
Toyota	41	35	46
Chrysler	100	39	81
Total Imp. Trucks	66	53	69
Total Imp. Vehicles	56	49	48

*Includes domestic trucks.

Corrections

The Insurance Institute for Highway Safety gave incorrect discounts for Prudential P&C in the chart in the Nov. 9 issue listing leading auto insurance companies with discount policies for using passive restraints. The correct discounts are 30 percent for the driver air bag, 30 percent for the full front air bags and 20 percent for automatic belts.

The Subaru Jo-Car pictured on Page 1 of the Nov. 2 issue was incorrectly identified as a Suzuki.

Acustar boss has a different approach to quality control

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

NOVI, Mich. — Quality is more closely related to the skill of the employees on an assembly line than to the quality control department.

Quality control professionals sometimes lose sight of the quality of a finished product when they focus too intensely on the methods of improving quality, according to Leroy H. Runk, president of Acustar Inc., Chrysler Corp.'s component manufacturing subsidiary.

Runk made his comments at a recent seminar of the Automotive Division of the American Society of Quality Control here.

"The easy approach is to say that 'world-class quality' is the price of admission and is the result of total dedication to quality, process control, simultaneous engineering, etc., etc. It is one thing to know the buzzwords and another to implement them," Runk said.

"The profession of quality control is reaching its zenith. There is a prescribed approach to quality, and both the practitioners and practitionees know the words to say. In some cases, system acceptability is confused with quality acceptability."

Runk: "Quality is inversely proportional to the strength of the quality control department."

During his years with Chrysler, Runk was a quality engineer and on several occasions found that plant quality improved when the quality control team was given less say in the operation of the plant.

"Early in my career, I was a quality engineer working in a plant with the highest quality," he said. "Any time there was a problem in the plant, the quality control department was called in. Then it was determined that the plant would be closed in about a year. They peeled the quality control team from that plant and put the talent in the new plant.

"What happened? Quality in the old plant improved 40 percent in the next five months. For the first time, the people who were responsible for the product truly felt responsible for the product," he added.

Based on his experience, Runk formulated this maxim: "Quality is inversely proportional to the strength of the quality control department."

In the same way that line employees must be responsible for their products, so must the company, Runk said.

Last May, Chrysler formed Acustar as a wholly owned subsidiary. The company functions as an autonomous company and must compete with other component suppliers for Chrysler and other industry business.

"The idea is that the company is responsible for its own future," Runk said.

It has been suggested within Acustar that it must hire quality control employees in order to compete since Acustar does not have a quality control department at its headquarters. Runk doesn't agree.

"My view is that if we are serious, we stop lines when we are making junk, sort 5,000 parts to find three bad parts, rebuild machines when they need it and refuse to accept materials that don't meet our standards," Runk said.

"We aspire to be a world-class automotive supplier and the pre-requisite is quality," he added.

"Our concern is that the working stiffs see experts too closely controlling them. We can take the Mother Theresa or the Tammy Bakker approach. We choose the Mother Theresa approach. Mother Theresa facilitates progress by digging into the trenches and multiplying her influence."

At Chrysler's component operations, Runk said, quality improved 18 percent in the 1985 model year, 22 percent in 1986 and 25 percent in 1987, comparing year-to-year warranty reports.

To explain those figures, if the company built 100,000 parts in 1985 and 1,000 were defective, then in 1986, only 780 would be defective, based on a 22 percent improvement.

Acustar's goal is to improve quality by another 25 percent in the 1988 model year.

"A 20 to 25 percent chunk is always a goal," Runk said. "We'll never get to a point where there isn't improvement that can be made."

RUST

Dealers divided on extra treatments

DETROIT — Automotive News recently made an informal survey of auto dealers to see if manufacturers' claims of improved sheet-metal corrosion resistance jibe with field experience.

Most respondents said corrosion resistance has improved. However, they were divided on the need for additional rustproofing.

A Northeast Chevrolet dealer said, "The cars of today do not have the rust problems that had been prevalent in the past. We rustproof only if a customer insists."

A Northeast Saab dealer said, "Saab automobiles appear to be more resistant to corrosion. Additional rustproofing is not necessary."

A Northwest Ford service manager said some trucks are showing rust problems and recommended that new-car customers purchase rustproofing treatment.

AUTOMOTIVE NEWS JOE WILSSENS

Dealers: New-car sheet metal has improved since this car was built in the 1970s

A Mountain States Chevrolet dealer said, "Underseal is a good investment. We feel that paint and sheet metal have improved with the 1988 product."

A Buick dealer in that area also said rustproofing is a good investment.

And a Northwest Lincoln-Mercury dealer said manufacturers' rustproofing is sufficient.

Ford and Chrysler offer their dealers rustproofing treatment to sell to customers.

General Motors does not sell a rustproofing treatment to its dealers, and its car and light-truck warranty advises customers that additional rustproofing treatment is not necessary.

Shop volume up for 4th month in a row

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — The Automotive News Service Index showed its fourth consecutive year-to-year monthly increase in September.

Service and parts business at new-car dealerships during September rose 5.0 percent over the September 1986 figure.

In August, the Service Index increased 0.8 percent over the year-ago month; in July it climbed 6.1 percent; and in June it was up 5.9 percent.

Shop business during the first nine months of 1987 was up 2.9 percent over the same period in 1986.

Dealers attributed the rise in service business in September to increases in cost per repair and to higher shop volume as a result of strong new-car sales.

A Southern Volkswagen dealer said business "increased in dollars while the number of repair orders declined. We have a higher labor rate."

A Chevrolet dealer from the Rocky Mountain area also said his sales and gross profit increased while the number of repair orders went down.

A Northeast Chevrolet dealer said, "Last year's favorable interest rates and high sales have provided increased service business."

SERVICE INDEX
105.0*

	Sept. '87 vs Sept. '86	9 mos. '87 vs 9 mos. '86
Gross Profit on All Labor and P&A Sales	+5.3%	+5.8%
Repair Orders Written	−1.5%	−2.2%
Total Labor Sales (Customer & Warranty)	+6.7%	+2.3%
Shop Parts Sales (Customer & Warranty)	+10.7%	+3.7%
Sales of All P&A	+3.7%	+5.0%

* Survey by Automotive News shows that dealers' service and parts business in September 1987 was 105.0 percent of business in September 1986. Service business in the first 9 months of 1987 was 102.9 percent of business in the corresponding period in 1986.

Shop parts sales (customer paid and warranty) led all indicators during September with an increase of 10.7 percent over September 1986.

Total labor sales (customer paid and warranty) climbed 6.7 percent; gross profit on all labor, parts and accessories sales rose 5.3 percent; and sales of all parts and accessories were up 3.7 percent over the year-earlier month.

Repair orders written fell 1.5 percent in September.

Parts and accessories sales to off-premises customers also declined in September, down 0.9 percent.

Sales of all parts and accessories were up 5.0 percent; shop parts sales increased 3.7 percent; and total labor sales were up 2.3 percent.

Parts and accessories sales to off-premises customers were up 6.0 percent for the first nine months of this year compared to the same period last year.

Chrysler alters prices on service contracts

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Chrysler Motors has cut prices on some service contracts to better supplement the powertrain warranties offered by Jeep-Eagle and competing manufacturers. The dealer price of Chrysler's most popular service contract, however, has been increased.

Chrysler has also added Jeep-Eagle dealers as authorized dealers for its service contracts. Chrysler service contracts are available for most makes of new and used cars.

Chrysler has cut dealer and suggested retail prices on a number of its service contracts, according to James S. Freers, manager of Chrysler service contracts.

The dealer price for Chrysler's 5-year/50,000-mile Custom Plan covering powertrain and major components was cut 8 percent. The additional charge for four-wheel-drive models covered by the plan was reduced 14 percent.

The Custom Plan is favored by customers of makes other than Chrysler. Prices were reduced because competing car companies have in many cases increased their powertrain-warranty coverage, Freers said.

The price-cuts also take into account the addition of Jeep-Eagle dealerships as Chrysler service contract dealers, a spokesman noted.

Chrysler declined to disclose the dealer prices. However, as an example of the suggested retail price reductions, a Custom Plan for a Renault Medallion had been $595 for a 6-year/60,000-mile contract. That plan now has a suggested retail price of $565 for a 7-year/70,000-mile contract.

Although the majority of Chrysler service contracts are sold for Chrysler-built cars, other dealers can order a service contract for their customers through a Chrysler-Plymouth, Dodge or Jeep-Eagle dealer. Chrysler authorizes repairs at competing dealerships and independent garages.

The dealer price of the Exclusive Coverage service contract for 1988 New Yorker and New Yorker Landau models has been reduced 32 percent, compared with prices for 1987 New Yorker models. The 1987 prices still apply to 1987 New Yorkers because the standard warranty coverage doesn't match that of the new model.

The suggested retail price of Exclusive Coverage for a 1988 New Yorker or New Yorker Landau is $445 compared with $695 for a 1987 New Yorker, a 36 percent price cut.

The company has increased the dealer price by 15 percent on its 7-year/70,000-mile Added Coverage Plan. That plan is Chrysler's biggest seller, according to Freers, and covers such components as steering, brakes, air conditioning and front-suspension systems. In effect, the plan "wraps around" Chrysler's 7-year/70,000-mile powertrain warranty.

The suggested retail prices for the Added Coverage Plan did not change.

Chrysler also introduced a low-priced 3-year/30,000-mile Added Coverage Plan aimed at customers who trade their cars frequently. The suggested retail price of that plan is $195.

Chrysler also will continue to offer a basic powertrain service contract. "A few dealers said they would like to continue with powertrain coverage so we've extended it. Eventually, we think it will go away," Freers said.

In addition to making service contract price changes, Chrysler discontinued the sale of the service contracts previously offered by American Motors on AMC, Jeep and Renault products. Existing contracts will be honored by Chrysler, a spokesman said.

Jeep-Eagle dealers are now eligible to become authorized dealers for Chrysler service contracts.

Although the length of warranties has been increased, Freers noted that the service-contract business through October 1987 was up over the same period last year. Through October, service-contract penetration was up 10 percent for new-car customers and 13 percent for used-car customers, he said.

Senate bill would double gas guzzler fine

By Bill Sternberg
CRAIN NEWS SERVICE

WASHINGTON — Eight senators are pushing legislation that would double the gas-guzzler tax on certain imported cars. The money would be used to expand a tax break for employer-provided mass transit fringe benefits.

Sen. Alfonse D'Amato, R-N.Y., plans to offer an amendment on the Senate floor to quadruple the limit on tax-free transit benefits from the current $15 a month.

To recoup the estimated $400 million this would cost the government over the next five years, the amendment would double the special excise tax levied on new cars that do not meet federal gas mileage standards.

"It's a terrific issue," said an aide to D'Amato. "What better group is there to tax? Who's going to fight for Lamborghini owners?"

Manufacturers, importers and dealers of the cars subject to the gas-guzzler tax are not as enthusiastic about the proposal.

"Our feeling is it would not be a good idea," says Kathleen Varley, vice president for public affairs at the American International Automobile Dealers Association. "It will depress sales dramatically."

Automobiles that are currently subject to the gas-guzzler tax include certain models from Aston Martin, BMW, Mercedes-Benz, Ferrari, Jaguar, Porsche, Volvo and Lamborghini.

The tax ranges from 0.7 percent to 3.5 percent of the sales price, or about $1,500 in the case of a BMW 750, Mercedes 560 SEL or Jaguar XJ-S.

Domestic cars have never triggered the tax. Four-wheel drive and off-road vehicles are exempt.

"I think it's excessive taxation," said Adam Stern, manager of a Lamborghini dealership in Manhattan. Buyers of low mileage cars already have to spend more for gas at the pumps and should not be penalized again at the time of purchase, he said.

Prospects for D'Amato's amendment are uncertain. Eight senators — including both from New York, California and Connecticut — are circulating a letter urging their colleagues to support the measure.

While few senators are likely to stand up in support of Lamborghini owners, many might think of other uses for the estimated $400 million the proposal could raise.

The amendment would be attached to a so-called budget reconciliation bill, the fate of which is tied up with high-level negotiations to reduce the federal deficit.

Certain lawmakers have long fought to put employer-provided transit benefits on an equal footing with parking benefits, which are fully non-taxable.

Under the current law, the tax-free reimbursement a business can provide to workers who use mass transit is capped at $15. Moreover, if an employer pays more than $15, the entire benefit becomes taxable.

The version of the reconciliation bill that has already passed the House contains a provision added by Rep. Charles Rangel, D-Manhattan, removing the $15 "cliff."

Under this provision, the first $15 subsidy would remain tax-free, even if an employer pays more.

D'Amato's amendment would go even further by making the first $60 a month tax-free as a way to encourage more businesses to offer larger transit fringe benefits to their workers.

Differences between the House and Senate bills will have to be resolved in a conference committee. If the Senate rejects D'Amato's amendment, mass transit advocates will have less flexibility in the conference committee.

There is some speculation, therefore, that D'Amato may offer, discuss and then withdraw his amendment if it looks like it is going to be a loser.

CARS SUBJECT TO GAS GUZZLER TAX IN 1988

	MPG	Current Tax
Aston Martin		
V-8 coupe	11.0	$3,850
Lagonda	11.0	3,850
BMW		
528	21.7	500
535	20.1	850
735	19.0	1,050
750	16.4	1,500
Mercedes-Benz		
300-TE	21.3	650
300-SEL	20.8	650
420-SEL	18.9	1,050
560-SEL	17.1	1,500
560-SEC	17.1	1,500
560-SL	17.6	1,300
Ferrari		
328 GTS/GTB	17.3	1,300
3.2 Mondial/ Cabriolet	17.3	1,500
Testarossa	13.5	2,700
Jaguar		
XJ-S	16.7	1,500
XJ-SC	16.7	1,500
Porsche		
911 Turbo	21.7	500
928 S4	20.8	650
Volvo		
740	21.2	650
760	21.2	650
780	21.2	650
Lamborghini		
Countach	8.8	3,850

Source: EPA

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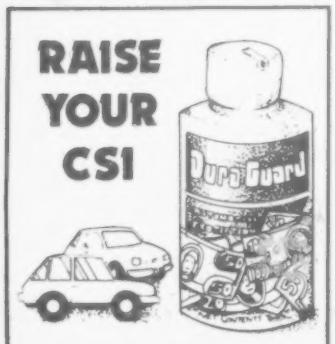

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IMPORT SALES BY MODEL

	Oct. 1987	Oct. 1986	10 Mos. 1987	10 Mos., 1986
ACURA	10,024	7,146	90,291	36,437
Integra	4,133	3,275	46,664	19,472
Legend	5,891	3,871	43,627	16,965
ALFA ROMEO	492	865	5,516	6,755
GTV-6	6	40	66	541
Milano	316	525	2,368	2,172
Spider	170	300	3,082	4,042
AUDI	1,944	5,800	37,183	52,411
4000S	127	835	8,889	10,778
4000CS Quattro	109	411	2,792	3,352
5000S	656	3,343	16,230	27,715
5000CS Turbo	170	721	3,294	5,546
5000CS Turbo Quattro	586	252	4,108	2,545
80	58	0	58	0
90	63	0	63	0
Coupe GT	175	238	1,749	2,475
BMW	7,403	8,275	74,804	79,252
318i	1	9	16	894
524 TD	0	58	28	1,716
325	4,551	5,510	49,538	50,215
528e	806	1,444	8,062	11,551
535i/535iS	526	312	5,723	6,946
6-Series	140	271	1,737	2,319
7-Series	1,113	671	8,105	5,611
M3	175	0	745	0
M5	47	0	320	0
M6	44	0	530	0
CHEVROLET	10,327	11,278	113,964	140,212
Spectrum	4,966	8,127	65,209	85,698
Sprint	5,361	3,151	48,755	54,514
CHRYSLER/MITSUBISHI	8,424	10,209	106,033	113,590
Colt	5,831	6,467	69,138	79,836
Conquest	767	775	10,375	5,210
Vista	1,826	2,967	26,520	28,544
EAGLE/RENAULT	1,260	226	10,753	3,666
18i	0	226	0	2,274
Fuego	0	0	0	1,392
Medallion	1,260	0	10,753	0
FORD Festiva	3,400	0	19,814	0
HONDA	33,453	34,311	244,381	327,646
Civic/CRX	13,857	15,046	105,293	176,366
Accord	10,271	12,365	83,177	87,869
Prelude	9,325	6,900	55,911	63,411
HYUNDAI	20,714	17,578	226,191	130,545
ISUZU	2,472	4,324	33,075	28,988
I-Mark	1,767	3,294	27,017	18,496
Impulse	705	1,030	6,058	10,492
JAGUAR	1,970	2,490	18,310	19,878
XJ6	1,507	2,024	13,747	16,079
XJS	463	466	4,563	3,799
MASERATI	75	97	769	1,127
MAZDA	20,368	17,472	169,137	176,283
323	7,602	6,191	62,700	58,577
626	5,264	6,408	64,546	72,355
MX-6	2,866	0	6,087	0
929	1,744	0	2,454	0
RX-7	2,892	4,873	33,350	45,351
MERCEDES BENZ	7,609	10,235	75,408	77,232
190	1,286	1,741	15,194	16,987
260E	672	120	5,081	120
300	1,961	2,921	19,735	21,235
300SDL Turbo	396	1,148	5,732	5,101
300SEL	23	0	23	0
420SEL	1,633	1,464	12,682	12,630
560SEL	495	1,191	4,993	7,900
560SL	930	1,224	9,682	9,515
560SEC	144	173	1,421	1,794
Tourist	69	253	865	1,949
MERKUR	1,015	1,048	12,820	12,967
XR4Ti	595	1,048	8,167	12,967
Scorpio	420	0	4,653	0
MITSUBISHI	5,193	3,686	58,086	39,694
Starion	309	484	4,583	4,635
Cordia	496	358	3,572	4,155
Tredia	304	559	4,566	7,925
Mirage	924	1,379	12,490	11,444
Galant	940	906	9,296	11,535
Precis	1,767	0	17,814	0
Van/Wagon	453	0	5,765	0
NISSAN	33,094	38,578	348,483	422,766
Sentra	10,438	12,326	94,800	142,597
Pulsar	4,290	2,597	55,388	38,742
Stanza	5,411	6,026	57,284	56,652
Maxima	8,253	9,105	80,803	96,189
200SX	1,818	4,334	27,467	39,419
300ZX	2,032	3,901	29,406	45,364
Hawaii	852	289	3,335	3,803
PEUGEOT	615	1,546	7,507	11,614
PONTIAC LeMans	3,042	0	29,990	0
PORSCHE	1,480	2,114	20,794	24,756
924S	201	413	2,752	2,406
944	355	547	5,628	6,374
944S	62	92	1,789	92
944 Turbo	237	282	2,272	5,699
911 Coupe	277	306	3,533	3,512
911 Turbo	110	77	1,310	1,135
911 Cabriolet	107	158	1,889	1,703
928S	131	239	1,621	2,135
SAAB	3,902	3,949	39,037	40,717
900	927	1,069	8,564	12,281
900S	1,181	1,304	12,701	12,679
900 Turbo	829	735	7,691	7,122
9000S	326	0	3,138	0
9000 Turbo	609	763	6,240	7,913
Tourist	30	78	703	722
STERLING	1,433	0	12,215	0
SUBARU	17,728	14,884	147,097	152,167
Hatchback	941	941	6,732	14,156
3-Door	1,470	1,286	12,146	9,847
4-Door Sedan	3,426	3,805	34,690	43,293
XT	1,142	1,969	15,763	20,739
Station Wagon	9,215	6,883	68,177	64,132
Justy	1,534	0	9,589	0
TOYOTA	55,361	53,477	459,967	502,168
Corolla	13,502	12,410	86,829	121,038
Tercel	9,894	7,231	80,520	59,047
Celica	6,064	8,189	66,978	87,840
Supra	2,470	3,555	25,372	26,688
Camry	18,111	13,553	146,652	118,985
Cressida	1,748	3,430	18,781	34,191
Land Cruiser	506	384	3,593	3,393
Van	770	1,919	11,380	17,019
4Runner SR 5	299	466	1,547	4,707
MR2	1,137	1,822	13,763	24,178
Hawaii	860	518	4,552	5,082
VOLKSWAGEN	10,765	9,969	109,750	122,766
Cabriolet	780	985	12,514	12,152
Jetta	3,036	6,087	44,400	81,127
Vanagon	1,053	1,044	9,374	10,574
Quantum	800	1,063	6,184	9,604
Scirocco	652	790	6,392	9,309
Fox	4,444	0	30,886	0
VOLVO	6,438	8,915	96,036	103,254
240 Series	2,616	3,895	45,010	49,779
740 Series	2,496	3,979	37,119	42,333
760 Series	1,236	891	12,173	9,206
780	64	0	394	0
Tourist	24	150	1,340	1,934
YUGO	3,606	4,129	42,768	27,637
IMPORT TOTAL	273,607	272,601	2,610,179	2,654,528

Compiled by Kami Dellacroce

AUCTION DATES

Chrysler Motors

Nov. 17 — Florida Auto Auction of Orlando, Ocoee, Fla.; Aptco Auto Auction, Taylor, Mich.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Hatfield Auto Auction, Hatfield, Pa.

Nov. 18 — A.D.E. of Birmingham, Birmingham, Ala.; Columbus Fair Auto Auction, Obetz, Ohio; South Seattle Auto Auction, Kent, Wash.; and Southern Auto Auction, Warehouse Point, Conn.

Ford Motor Co.

Nov. 18 — Concord Auto Auction, Acton, Mass.; Lakeland Auto Auction, Lakeland, Fla.; and Southern California Auto Auction, Fontana, Calif.

Nov. 19 — Baltimore-Washington Auto Exchange, Baltimore; Greater Chicago Auto Auction, Chicago; Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; and Skyline Auto Exchange, Fairfield, N.J.

General Motors

Nov. 17 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

Nov. 18 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Golden Gate Auto Auction, Fremont, Calif.

Used Car Sales
Auction Averages

November to date	$5,975
Month ago	$6,010
Year ago	$5,172

Model Breakdown
Auction Averages

	NOV 1987	OCT 1987	SEP 1987
1987	$10,762	$11,220	$11,357
1986	$8,533	$8,624	$8,808
1985	$7,228	$7,257	$7,321
1984	$5,666	$5,711	$5,764
1983	$4,864	$4,897	$4,940
1982	$3,529	$3,549	$3,607
1981	$2,547	$2,549	$2,583
1980	$2,009	$2,022	$2,044
Overall Average	$5,975	$6,061	$6,043

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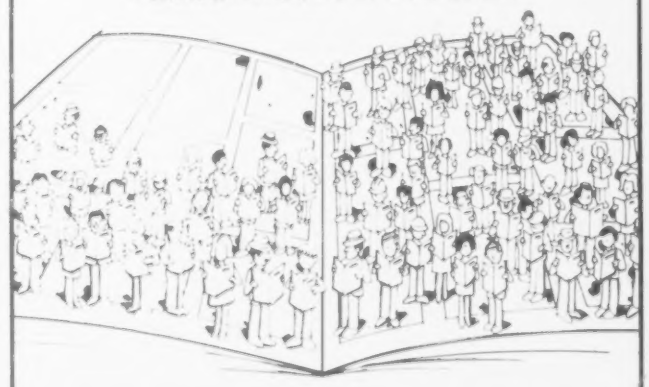

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PRODUCTION

U.S. CAR	Week Ended Nov. 14, 1987	Week Ended Nov. 15, 1986	Week Ended Nov. 7, 1987	Nov. to Date	Jan. 1 to Nov. 14, 1987	Jan. 1 to Nov. 15, 1986
AMERICAN MOTORS	0	1,500	0	0	15,994	45,342
Renault Total	0	1,500	0	0	15,994	45,342
Alliance	0	1,500	0	0	15,994	41,995
Encore	0	0	0	0	0	3,347
CHRYSLER MOTORS	18,450	27,293	22,686	41,136	955,205	1,163,517
Plymouth Total	6,200	10,095	6,548	12,748	280,148	370,678
Horizon	750	3,881	779	1,529	39,670	152,153
Sundance	1,700	2,022	1,477	3,177	79,714	25,229
Reliant	3,200	2,919	3,662	6,862	115,538	135,966
Caravelle	450	905	532	982	39,067	39,712
Gran Fury	100	368	98	198	6,159	17,618
Chrysler Total	4,000	6,069	6,618	10,618	320,622	342,335
Laser	0	0	0	0	0	26,978
LeBaron K	1,000	1,316	997	1,997	58,454	76,142
LeBaron J	0	0	2,685	2,685	102,201	0
LeBaron GTS	450	1,127	411	861	34,473	57,061
N. Yorker E-Class	0	1,478	0	0	57,102	64,703
N. Yorker C-Class	1,650	0	1,731	3,381	10,885	0
Fifth Avenue	900	2,148	794	1,694	57,507	117,451
Dodge Total	8,250	11,129	9,520	17,770	354,435	450,504
Daytona	0	0	1,767	1,767	55,781	30,343
Omni	650	3,773	692	1,342	34,323	145,139
Shadow	2,000	2,159	1,738	3,738	83,462	24,179
Aries	4,000	3,011	3,756	7,756	108,171	112,935
Dodge 600	650	967	729	1,379	35,961	58,414
Dynasty	400	0	388	788	2,390	0
Lancer	250	813	213	463	21,410	43,317
Diplomat	300	406	237	537	12,917	36,177
FORD MOTOR	41,283	38,444	41,489	82,772	1,607,709	1,536,866
Ford Division	29,986	28,311	30,306	60,292	1,153,993	1,063,065
Escort	9,519	8,076	9,433	18,952	342,213	334,656
Mustang	4,606	4,023	4,378	8,984	188,614	156,789
Tempo	4,033	4,247	4,154	8,187	122,818	172,996
Taurus	8,827	8,724	9,000	17,827	361,243	281,433
Thunderbird	3,001	3,241	3,341	6,342	139,105	117,191
L-M Division	11,297	10,133	11,183	22,480	453,716	473,801
Mercury Total	7,132	6,063	7,582	14,714	293,337	314,829
Lynx	0	1,229	0	0	21,352	53,458
Capri	0	0	0	0	0	12,344
Topaz	1,397	1,222	1,680	3,077	40,189	51,294
Cougar	2,976	968	3,334	6,310	123,711	87,983
Sable	2,759	2,644	2,568	5,327	107,850	109,750
Lincoln Total	4,165	4,070	3,601	7,766	160,379	158,972
Continental	415	407	262	677	10,560	17,225
Lincoln	3,124	3,052	2,709	5,833	124,721	119,233
Mark VII	626	611	630	1,256	25,098	22,514
GENERAL MOTORS	53,436	92,606	80,024	163,460	3,075,492	3,877,549
Buick Total	13,273	21,121	12,891	26,164	500,187	690,041
Skyhawk	1,085	1,833	1,059	2,144	30,726	75,006
Century	3,378	5,797	3,170	6,548	140,687	200,849
Regal (rwd)	700	1,899	640	1,340	37,999	54,085
Somerset/Skylark	1,510	2,658	1,548	3,058	58,345	98,208
LeSabre (fwd)	2,400	5,261	2,333	4,733	128,820	142,139
LeSabre (rwd)	365	328	297	662	8,439	13,520
Electra (fwd)	3,445	2,573	3,452	6,897	83,402	82,867
Riviera	390	772	392	782	11,769	23,367
Cadillac Total	6,791	7,550	6,987	13,778	236,141	282,586
Cimarron	70	700	81	151	9,996	21,184
Allante	50	0	50	100	4,020	0
Brougham (rwd)	1,980	1,295	2,096	4,076	66,129	69,311
DeVille (fwd)	3,370	4,106	3,446	6,816	123,739	149,438
Eldorado	636	858	663	1,299	18,371	22,544
Seville	685	591	651	1,336	17,886	20,109
Chevrolet Total	35,335	30,286	33,202	68,537	1,210,662	1,162,122
Chevette	0	2,786	0	0	0	82,232
Camaro	2,640	3,265	2,504	5,144	107,866	157,073
Cavalier	9,419	8,830	7,598	17,017	275,929	353,756
Celebrity	6,298	5,633	6,644	13,042	264,849	227,766
Corsica/Beretta	8,750	1,354	8,568	17,318	302,638	6,850
Monte Carlo	1,866	2,418	1,816	3,682	65,564	100,362
Caprice	5,622	5,348	5,426	11,048	168,903	198,034
Corvette	640	652	646	1,286	24,913	25,449
Oldsmobile Total	14,184	16,504	12,826	27,010	543,020	840,410
Firenza	475	785	515	990	12,685	34,936
Calais	3,290	2,524	3,064	6,354	103,921	105,290
Cutlass Ciera	2,165	4,363	1,154	3,319	107,276	211,588
Cutlass Supreme	1,454	1,832	1,492	2,946	67,540	100,515
88 (fwd)	3,797	3,026	3,746	7,543	158,703	251,968
88 (rwd)	450	481	434	884	12,662	17,185
Olds 98	2,124	2,838	1,982	4,106	82,472	102,148
Toronado	429	557	439	868	13,963	16,780
Pontiac Total	13,853	17,145	14,118	27,971	583,482	702,390
Acadian*	0	147	0	0	0	14,229
Fiero	1,215	1,792	1,095	2,310	28,909	61,615
1000	0	558	0	0	0	17,693
Firebird	1,560	2,202	1,461	3,021	69,544	95,464
2000 Sunbird	2,594	2,541	2,155	4,749	77,444	119,453
Grand Am	5,280	3,357	6,008	11,288	220,543	233,915
6000	1,129	2,719	1,248	2,377	64,611	118,414
Bonneville	1,925	3,430	1,991	3,916	113,917	23,257
Safari/Parisienne	150	399	160	310	8,424	48,350
HONDA	6,950	7,268	6,734	13,684	285,647	201,055
Civic	1,500	1,645	1,496	2,996	78,642	12,786
Accord	5,450	5,623	5,238	10,688	207,005	188,279
MAZDA	326	0	257	583	1,883	0
NISSAN	1,310	3,418	1,188	2,498	106,470	48,037
NUMMI	3,500	4,179	3,660	7,160	170,174	173,407
Corolla	1,000	1,129	1,083	2,083	38,053	4,968
Nova	2,500	3,050	2,577	5,077	132,121	168,439
VOLKSWAGEN	2,000	1,950	2,006	4,006	56,319	74,526
Golf/GTI**	1,300	1,950	1,306	2,606	42,476	74,526
Jetta**	700	0	700	1,400	13,843	0
Total Cars, U.S.	157,255	176,658	158,044	315,299	6,274,893	6,920,309
Total Cars, Canada	23,102	22,554	21,052	44,154	682,070	928,458
U.S., Canada Cars	180,357	199,212	179,096	359,453	6,956,963	7,848,767
U.S., Canada Trks.	98,350	83,221	92,939	191,289	4,078,996	3,833,347
U.S., Canada Cars and Trks.	278,707	282,433	272,035	550,742	11,035,959	11,682,114

*—All Acadians are built for sale in Canada. **—Estimated.
Monthly estimates may contain error of one or two units due to rounding.

Production cuts due early in '88

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Because of slow sales, Chrysler Motors will cut back production at the beginning of 1988, and Volkswagen of America may close its U.S. plant for up to four weeks early next year.

General Motors plans to idle its Detroit-Hamtramck plant for three weeks in January to retool for the 1989 Buick Riviera.

UAW officials at two Chrysler assembly plants said last week that the company expects to reduce production schedules in January due to lagging sales of some models.

William Douglas, president of UAW Local 1183 at the Chrysler Newark, Del., assembly plant, said the plant will shut down for the holidays Dec. 23 and resume output on one shift instead of two on Jan. 18. The change will affect 1,700 hourly workers.

Newark assembles the Plymouth Reliant and Dodge Aries, Chrysler LeBaron sedan and Chrysler Town & Country station wagon.

Aaron Taylor, president of UAW Local 7 at the Chrysler Jefferson Avenue assembly plant in Detroit, said the union has been notified that the line speeds at the plant may be reduced in January from 67 jobs per hour to 55 jobs per hour, affecting 300 to 500 employes.

The Jefferson Avenue plant builds the Reliant and Aries, the Dodge 600 and the Plymouth Caravelle.

Volkswagen is considering shutting down its Westmoreland, Pa., plant for up to four weeks early next year due to slow sales of Golf, GTI and Jetta models.

The first shutdown would likely take effect in early January, extending the normal holiday closing by as much as two weeks, a plant spokesman said. VW also may close the plant for an additional two weeks in March.

A decision is expected next month.

GM will extend the Christmas holiday for 2,500 workers at its Detroit-Hamtramck plant to re-tool for the 1989 Buick Riviera.

The plant, which assembles the Riviera, Oldsmobile Toronado and the Cadillac Eldorado, Allante and Seville, is slated to resume output Jan. 25. However, production of the Riviera is not scheduled to begin until the fall of 1988.

Last week's targeted domestic auto production of 157,255 dipped slightly (0.50 percent) from the previous week's 158,044 and was 10.98 percent below the year-ago week's 176,658.

So far this year, 6,274,893 cars have been assembled, 9.33 percent below the 6,920,309 completed last year at this point.

Companies shared last week's scheduled output as follows: GM, 53.06 percent; Ford Motor Co., 26.25 percent; Chrysler, 11.73 percent; Honda of America Manufacturing Inc., 4.42 percent; New United Motor Manufacturing Inc., 2.23 percent; VWoA, 1.27 percent; Nissan Motor Manufacturing Co. U.S.A., 0.83 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 0.21 percent.

Overtime was slated last Saturday at GM's Lordstown, Ohio, plant.

All Ford plants except Edison, N.J., are scheduled for daily overtime this week.

Chrysler's St. Louis (No. 2) plant was slated for overtime last Saturday. The plant is scheduled for daily overtime this week.

Canadian car output climbs for week

Canadian auto production of 23,102 cars last week was 9.74 percent more than the previous week's 21,052 and 2.43 percent more than the year-ago week's 22,554.

So far this year, 682,070 cars have been assembled, 26.54 percent below the 928,458 completed last year at this point.

Truck production was targeted at 18,155 units last week, 9.93 percent more than the prior week's 16,515 and 72.71 percent more than the year-ago week's 10,512.

Year-to-date, 715,147 trucks have been built, 2.62 percent more than the 696,884 assembled last year at this time.

As reported earlier, Chrysler Motors' Bramalea, Ontario, plant is idle because of quality problems. Chrysler has not announced when the plant will reopen.

Truck build rises to 80,195

Domestic truck production totaled 80,195 units last week, 4.93 percent more than the prior week's 76,424 and 10.30 percent above the year-ago week's 72,709.

Year-to-date, 3,363,849 trucks have been assembled, 7.25 percent more than the 3,136,463 built last year at this time.

Overtime was slated last Saturday at GM's Moraine, Ohio, plant.

Ford scheduled overtime last Saturday at its Lorain, Ohio, plant. All Ford truck plants are scheduled for daily overtime this week.

CANADIAN CAR	Week Ended Nov. 14, 1987	Week Ended Nov. 15, 1986	Week Ended Nov. 7, 1987	Nov. to Date	Jan. 1 to Nov. 14, 1987	Jan. 1 to Nov. 15, 1986
CHRYSLER	100	145	583	683	6,781	3,827
FORD MOTOR	11,110	8,909	8,849	19,959	374,512	462,141
GENERAL MOTORS	11,392	13,320	11,220	22,612	279,730	453,745
HONDA	500	0	400	900	13,058	0
VOLVO	0	160	0	0	7,989	6,745
Total Cars, Canada	23,102	22,554	21,052	44,154	682,070	928,458

U.S. TRUCK☆	Week Ended Nov. 14, 1987	Week Ended Nov. 15, 1986	Week Ended Nov. 7, 1987	Nov. to Date	Jan. 1 to Nov. 14, 1987	Jan. 1 to Nov. 15, 1986
CHEVROLET	20,516	22,547	16,607	37,123	992,455	1,046,480
DODGE/PLYMOUTH	8,400	4,986	8,498	16,896	269,697	121,836
FORD	31,561	26,705	31,124	62,685	1,302,048	1,215,295
GMC	7,233	8,122	7,875	15,108	335,865	320,685
NAVISTAR	1,845	1,614	1,767	3,612	65,685	63,712
JEEP	4,400	4,285	4,544	8,944	196,703	167,172
NISSAN	3,490	2,100	3,261	6,751	82,876	97,767
AM GENERAL*	450	50	450	900	14,850	2,224
MISCELLANEOUS*	2,300	2,300	2,300	4,600	103,660	101,292
Total Trucks, U.S.	80,195	72,709	76,424	156,619	3,363,849	3,136,463

CANADIAN TRUCK	Week Ended Nov. 14, 1987	Week Ended Nov. 15, 1986	Week Ended Nov. 7, 1987	Nov. to Date	Jan. 1 to Nov. 14, 1987	Jan. 1 to Nov. 15, 1986
JEEP	900	640	644	1,544	31,227	24,910
CHRYSLER	6,632	7,611	6,448	13,080	339,648	350,414
FORD	3,648	1,212	3,489	7,137	131,533	130,691
GENERAL MOTORS	6,750	856	5,707	12,457	204,168	182,593
NAVISTAR	225	193	227	452	8,571	8,276
Total Trks., Canada	18,155	10,512	16,515	34,670	715,147	696,884
U.S., Canada Trks.	98,350	83,221	92,939	191,289	4,078,996	3,833,347

—Includes window van production. *—Estimated
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

Saatchi picked for Lexus ads

By John A. Russell
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — Toyota Motor Sales has appointed a new advertising agency formed by Saatchi & Saatchi DFS to handle its Lexus Division luxury car line.

The new agency, called Saatchi & Saatchi Group One, has been created specifically for the Lexus Division. It will operate separately from Toyota's agency, Saatchi & Saatchi DFS.

Robert McCurry, Toyota Motor Sales senior vice president, said "with Group One we get the best of both worlds — an immediate and knowledgeable start-up, a separate agency staffed solely for Lexus and the $2.2 billion media buying clout of Saatchi & Saatchi DFS." McCurry made it clear that while other agencies made inquiries about Lexus, the company did not have meetings with other agencies.

Stuart Upson, chairman of Saatchi & Saatchi DFS, said the company will "build a super agency" in California. Upson said that to his knowledge this is the first time an agency has been created to sell a specific product.

Toyota announced formation of the Lexus Division in August. The line of luxury cars will be introduced in 1989 and will be sold through a separate franchise. Initial plans call for approximately 100 dealers.

Two models will be introduced, the car first falling into the $30,000-price range and the second in the mid-$20,000 range. The company anticipates selling 30,000 units during the first year.

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Automotive News®

November 23, 1987

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63rd year—$50.00 per year, $1.25 per copy

1st dealer files to go public

Wichita firm offers $2 million in stock

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

The era of car-dealer public ownership has arrived, not with a front-door megadealer bang in Detroit, but with a quiet back-door entrance in Kansas.

Steven Motors Inc., a Wichita company owned by father-and-son car dealers Edward M. Steven, 69, and Michael E. Steven, 45, filed an S-18 registration statement with the Securities and Exchange Commission for a $2 million stock offering.

Proceeds will be used to acquire assets from another of their companies. Those assets include Rolls-Royce, Yugo, Bertone and Maserati franchises.

The Stevens also intend to acquire other franchises for the publicly held company, the preliminary prospectus said.

Although the face value of the offering is not large by any standard, the impending public ownership of a new-car franchise is the first.

"The significance goes well beyond the dollar value of the offering," said William Prior, Yugo America president.

Although the preliminary prospectus warned that factory approval is required, neither Rolls-Royce nor Yugo last week said they had objections, despite a harder line set by some of the domestic companies.

"It's not a problem for us," Prior said. "It's easy to be courageous

see PUBLIC, page 49

PHOTOS BY WILLIAM COUPON AND JOE WILSSENS

Perot, left, lashes out at GM's "power-hungry" management, particularly Johnson, right

PEROT:

EDS founder blasts GM's Johnson, ponders forming new high-tech firm

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

Less than a year after he was ousted from General Motors, H. Ross Perot said he may start a new high-tech company if his former colleagues at Electronic Data Systems abandon the auto company.

Perot made the announcement last week while lashing out at GM's "power-hungry" management, in particular GM Executive Vice President Elmer Johnson, the man many say is likely to be GM's next chairman.

Perot had been reticent to talk about GM for the past year. The terms of GM's $750 million buyout of his GM stock last December mandated his silence and took away his seat on the GM board and the chairmanship of EDS, the company he founded. The deal came after Perot's repeated public criticism of GM.

Perot told Automotive News in a telephone interview from Dallas last week that he decided to break his silence after what he called a year of "personal attacks" on him, primarily by Johnson.

Handpicked by GM Chairman Roger B. Smith, Johnson joined GM four years ago as legal counsel. He quickly climbed to vice president and in May was named executive vice president in charge of some of GM's most important staffs. Since his most recent promotion, Johnson's name has been frequently mentioned as a candidate for chairman, succeeding Smith who is slated to retire in 1990.

Johnson also orchestrated the controversial buyout of Perot.

"Elmer has been aiming personal attacks at me for a year, and I've had enough," Perot said.

The last straw, Perot said, was a speech Johnson gave at a Michigan college in which he called the battle between Perot and GM a case of an entrepreneur selling his company and discovering he could no longer call the shots. Johnson further said that the wisdom of the buyout was confirmed by the increased value of GM's stock after the buyout, even though GM

see PEROT, page 49

Big 3 cut output plans for early '88

By Michelle Krebs, Kathy Barbaglia and Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTERS

DETROIT — General Motors and Chrysler Motors are trimming their 1988 first-quarter production schedules by extending some Christmas vacations and lowering line speeds at selected plants.

Between the two companies, 10 U.S. assembly plants and more than 15,000 workers will go on temporary or permanent layoff.

The adjustments in the schedules were expected because of slow sales and high inventories at both companies.

In addition to reductions already announced, more adjustments likely are to be made to the first-quarter production schedule, and more cuts are possible during the remainder of this quarter.

Present schedules show the Big 3 automakers planning to build 1,630,575 cars in the first quarter of 1988, down 13 percent from the 1,874,510 cars produced in the first quarter this year.

GM announced last week it is reducing the line speed by five units per hour at its Corvette plant in Bowling Green, Ky., when workers return from the Christmas break Jan. 4. About 225 of the plant's 1,300 employees will be affected by the scheduling change.

GM's Pontiac Fiero plant in Pontiac, Mich., will have Christmas vacation extended by two weeks. When it resumes production on Jan. 18, the line speed will be reduced by five units per hour, causing about 80 of the 1,200 employees to go on indefinite layoff.

The line speed at GM's Lansing, Mich., plant, which assembles the Buick Skylark and Oldsmobile Cutlass Calais, will be cut by 12 units per hour beginning Jan. 25. About 850 of the plant's 4,350 workers will be placed on indefinite layoff.

GM previously had said it plans to idle its Detroit-Hamtramck plant for three weeks in January to retool for the 1989 Buick Riviera, which will be stretched 9.5 inches. The plant,

see PLANS, page 53

Volvo battles falling dollar

U.S. supply, production possible, but 480 suffers

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

STOCKHOLM, Sweden — Volvo may cancel plans to introduce its Dutch-built 480-ES coupe in the United States due to the sharp drop in the dollar against the Dutch guilder.

But the dollar's fall also means that Volvo is seeking to buy more components from American suppliers.

It might even consider passenger-car production in the United States if conditions warrant, AB Volvo Chairman Pehr Gyllenhammar said in an interview.

Gyllenhammar said there is currently no date set for the oft-delayed U.S. launch of the front-wheel-drive 480. The decision is being held in abeyance because of the currency fluctuations, he said.

Cancellation of the 480 program would be a severe blow to Volvo Car BV, the Dutch government-controlled automaker that has counted on breaking into the U.S. market through its Swedish partner's substantial retail network. The Dutch company is 30 percent owned by Volvo in Sweden.

Gyllenhammar said increased parts sourcing in the United States is a logical consequence of shifting currency rates and an improved ability of U.S. suppliers to meet Volvo's specifications.

"We think it would be natural and are looking at ways of sourcing more and more in the United States," said Gyllenham-

see VOLVO, page 52

Gyllenhammar: No date for 480's U.S. launch

VW to shut U.S. plant by end of 1988 run

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

Volkswagen of America's decision to close its Westmoreland, Pa., assembly plant after 10 years of production marks the end of the first modern attempt by a foreign manufacturer to build cars in the United States.

VWoA will phase out operations by the end of the 1988 model year.

The fate of the plant had been a matter of speculation for years once the demand for the VW Rabbit disappeared in the early 1980s. Production volumes have since slipped to the point where VW now uses about a third of the plant's capacity.

On the other hand, the decision seems to fly in the face of the thinking that is prompting Asian makers to build in the United States to take advantage of the weaker dollar.

The corresponding increased strength of the

see VW, page 53

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Chevrolet, Chrysler cut some '88 prices Page 3
Innovation: key to the '90s Page 6
Raises, benefits changed at Ford Page 50

Incentives take aim at '87 leftovers

By Laura Clark
and Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTERS

Saddled with bloated inventories of 1987 models, Chrysler Motors broke the silence on large-scale, consumer incentive programs last week by offering cash rebates and low-rate financing on some of its Chrysler and Dodge cars and trucks.

Ford Motor Co., Nissan Motor Corp., American Isuzu Motors and Mitsubishi Motor Sales of America announced dealer incentives on 1987 and 1988 cars and trucks.

In addition, Peugeot Motors of America expanded its $4,000 rebate to owners of diesel cars who purchase Peugeots. The offer now includes owners of any make of diesel auto, not just Peugeots.

Chrysler is offering both a $770 rebate and low financing rates — either 7.7 percent for 48 months or 9.9 percent for 60 months — on seven 1987 vehicles. They are Dodge Daytona, Lancer and four-wheel-drive and two-wheel-drive versions of the full-sized Ram pickup; and Chrysler LeBaron coupe, convertible and LeBaron GTS.

The program began Nov. 18 and has no expiration date. Customers may purchase or lease but must take delivery of the vehicle during the program. No dealer financial participation is required.

"We want to make our 1987 models as attractive to consumers as we have made our 1988 models by our pricing action (announced last week)," said E.T. Pappert, group vice president of sales.

Chrysler's previous incentives remain in effect. They include: $500 rebate on Dodge mid-sized and full-sized trucks except the Dodge Ram; $1,000 rebate or low-rate financing on Plymouth Reliant and Dodge Aries until Dec. 31; 15 million rebate coupons mailed to selected Chrysler Motors owners and competitive-make owners on selected 1987 and 1988 vehicles; and dealer and salespersons' incentives on 1988 and earlier Renault cars and 1988 Jeeps.

Ford and Lincoln-Mercury dealers are receiving cash on 1987 and 1988 Taurus/Sable, Escort/Lynx and Tracer models sold or leased between Oct. 15 and Dec. 2.

Each dealer has been given a quota, based on planning volume.

Dealers who meet 0 to 30 percent of their objective receive $300 per

see INCENTIVES, page 52

AUTOMOTIVE NEWS/JOE WILSSENS

Stempel: "I can't ever remember a time in our business when the customer has been in the driver's seat like he is right now."

1988 market volatile

'Expect about anything,' Stempel says

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — General Motors President Robert C. Stempel predicted near-record sales of 4.8 million trucks in the 1988 model year, but he still found a great deal of murkiness in the overall sales outlook.

Stempel, in a keynote address to an SAE Truck & Bus gathering, predicted that light trucks would account for 95 percent of the 4.8 million sales and that medium- and heavy-duty truck sales would be "robust" if the economy improves.

But Stempel subsequently told reporters that there was "enough volatility" in the automotive market to "expect about anything."

GM itself is adding overtime to some production schedules and looking at cutbacks elsewhere in its organization.

"It's a very mixed bag," Stempel said. "It depends on the car or truck model, and it depends on your inventory. It's really vacillating. It really goes to all the volatility in the marketplace. Some segments have a great deal of uncertainty. Others (we're) almost blase about. And that is what's so difficult to sort out."

He also noted that:

- GM is "absolutely" examining more parts of its operation for potential joint ventures and divestitures.

"We're interested in our profits, in having a successful, strong business now and into the future," he said. "To do that, we cannot run units that are red, units that are losing money. Our objective is not to sell them, (but) to get them competitive. Those that aren't, we'll joint venture, divest or close."

- Getting back the 40 percent share of the car market GM had in the 1986 model year will be a "tough reach" this year. GM's share dropped to 37 percent in the 1987 model year.

"I can't ever remember a time in our business when the customer has been in the driver's seat like he is right now," Stempel said. "The choice in a given price range is phenomenal. That says every tenth of a point in market share in cars is going to be very, very tough."

- The initial reception of the Buick Regal had been good. GM had built a little over 20,000 Regals as of last Monday. It had a good supply of orders on hand, and dealers have reacted favorably to the price, content and quality of the car.

However, Stempel noted that the stock market crash had been "eradicating" launch advertising on the Regal: "I wish we'd pick a good time (coinciding with an upbeat market) to launch a car."

- GM has about 31 percent of the truck market, and its goal is to get roughly a third of that market this year. GM, while focusing on profitability, will fight tooth-and-nail for sales.

"Our prime business is not electronic data. It's not space, not missiles. It's cars and trucks. And to stay in cars and trucks, you absolutely have to be profitable," Stempel said.

"This is a highly competitive business. And each one of our cars and trucks are sold one at a time. And you don't see anybody blinking in this business. There aren't any sissies around here."

Chevrolet, Chrysler cut some '88 prices

By Mary Connelly and Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTERS

DETROIT — Chevrolet has discounted option packages on its hot-selling Corsica and Beretta models, in essence slashing prices of those cars $500 to $1,200. Less significant reductions have been made on Celebrity models.

Meanwhile, Chrysler Motors last week announced firm prices on its 1988 models, saying prices for its domestic cars average one percent below those of comparably equipped 1987 models.

The company cut the prices on four 1988 models, which Chrysler said represented 42 percent of its domestic sales volume in the 1987 model year.

Firm prices for Eagle cars have not been announced.

Chevrolet announced its Corsica/Beretta pricing strategy to dealers Friday. Called the "Option Pricing Discount Program," it knocks off different amounts from the retail price depending on what option package is on the car.

The price on a Corsica equipped with a base option package has been cut by $500. Models equipped with second- and third-level option packages get a $1,000 price reduction. Package No. 4 gets a $1,200 reduction.

The reductions on the Beretta option packages range from $500 to $1,100.

In most cases, the recent price cuts offset the tentative price increase instituted at the start of the model year, putting Corsica and Beretta prices almost back to where they were when the cars were introduced in January.

Chevrolet has increased the discount on the most commonly ordered option packages on 1988 Celebrity models from $400 to $700.

The discounts apply to cars in dealer stocks Nov. 19 and on cars ordered. The program expires March 31. There is no dealer-participation cost involved. Chevrolet is in the process of sending new pricing stickers to dealers.

As of midday Friday, no other General Motors division had announced similar pricing moves. GM, however, has issued only tentative prices for the 1988 model year.

Chrysler's prices were finalized last week. Chrysler dealers, too, had been working with preliminary prices since the model year began in early October.

The company said that on a sales-weighted basis, the base prices of its 1988 cars are an average of 1.7 percent, or $195, higher than 1987 models without adjusting for equipment changes.

Chrysler reduced prices of the base Chrysler LeBaron coupe, all three versions of the Dodge Daytona and all versions of the Plymouth Reliant and Dodge Aries sedan and wagon.

The price of the base LeBaron coupe was cut 2.6 percent, from $11,295 for the 1987 model to $10,995 for 1988. The premium version rose 13 percent — from $12,288 to $13,995 — reflecting additions in standard equipment.

"It's a good old-fashioned price cut," said Omar Matt, Chrysler manager of pricing and competitive analysis, about the LeBaron coupe reduction. "We're getting aggressive with that car and going after market share. We think reducing the price is the way to attract customers to it."

The LeBaron convertible will be offered in two versions in 1988. The single model offered in 1987 was priced at $13,974. The base 1988 model is $13,495, and the premium version has more standard equipment and is priced at $17,495.

The three Daytona models will be priced lower in 1988 than in 1987. However, in preliminary pricing, Chrysler had planned to raise the price of the sporty hatchbacks.

The price of the base Daytona dropped 8 percent from $9,799 in 1987 to $8,995 in 1988. The Daytona Shelby Z is priced at $12,601, down 1 percent from $12,749 in 1987. The Daytona Pacifica also dipped 1 percent, from $13,912 in 1987 to $13,750 in 1988.

The company raised the sticker on its price-leaders. Dodge Omni America and Plymouth Horizon America increased 3.3 percent from $5,799 to $5,995.

Chrysler also raised the price of Plymouth Sundance and Dodge Shadow.

The Shadow two-door climbed 6 percent from $7,499 to $7,995. The Shadow four-door went up 7 percent from $7,699 to $8,245.

The Sundance two-door is priced at $7,995 for 1988, up 5 percent from $7,599 in 1987. The Sundance four-door carries a base price of $8,245, up 5 percent from $7,799.

As announced earlier, Chrysler will market its Aries and Reliant

see PRICES, page 49

INDEX

Auction dates	39
Automotive world news	31
Classifieds	40
Coming events	24
Engineering	18, 20
Legal briefs	35
News briefs	8
Obituaries	49
Opinion	10
Personnel	29
Production	54
Sales, truck	14
Truck industry	14, 16

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GM requests rollback of '85 CAFE standard

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — General Motors has asked NHTSA for a retroactive rollback of the 1985 corporate average fuel economy standard — the only time the standard reached the 27.5 mpg statutory limit.

GM would like the 1985 standard rolled back to 26 mpg in order to use carry-forward credits.

James D. Johnston, GM vice president, industry-government relations, has told NHTSA administrator Diane Steed that GM is convinced rulemaking to amend the 1985-model-year CAFE is "warranted."

Last August, Mercedes-Benz of North America asked NHTSA to roll back CAFE standards for the 1984 and 1985 model years. NHTSA has not yet responded to that petition. The GM petition asks for relief for only the 1985 model year.

Ford is not expected to petition NHTSA for a rollback, although it is understood Ford will not oppose the move taken by GM and Mercedes-Benz.

The GM situation is ironical. When the company was facing enormous penalties, it did not try to get a retroactive rollback. It was not considered even a legal possibility until Mercedes surprised the industry by its request.

Mercedes' plea for relief was based on market factors — that its planned sales of diesel cars did not materialize because customers preferred gasoline-powered models.

Undoubtedly, GM's position is similar. With soft GM sales, high inventories throughout the industry and an unstable stock market, GM may feel the need for a back-up in case it is stuck with fuel-efficient cars at a time when it is selling only cars with big engines. If that were to occur, GM's plan for carryback credits could come unglued.

NHTSA recently approved a carryback plan presented by GM to wipe out its liability for not meeting the 1985 CAFE. Nevertheless, GM would like that year's standard rolled back to earn even more credits.

The GM plan approved by NHTSA Oct. 13 involved using expected credits on GM domestic fleets from model years 1986, 1987 and 1988.

NHTSA also approved a similar plan for Ford on May 4. The carryback plan was to use expected credits from the 1986 model year for the company's domestic fleet and to apply expected 1988 credits to 1985-1987-model-year import fleets. While the Tracer is a fairly fuel efficient car, Ford's other imports for its Lincoln-Mercury Division, the Merkur Scorpio and XR4Ti, are not considered efficient.

The situation that existed in late 1985 has changed enormously. That was before NHTSA rolled back the CAFE standard for 1986 models. It later changed the CAFE standards for 1987 and 1988 models from 27.5 to 26 mpg.

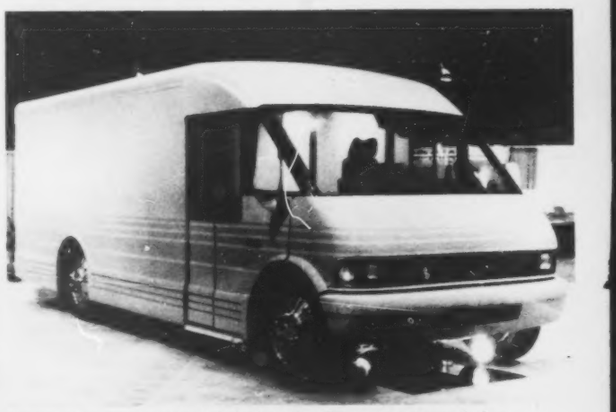
see CAFE, page 52

TRUCK INDUSTRY

October truck sales by manufacturer and segment

		14,000 & LESS GVW CLASS 1-3	14,001-16,000 GVW CLASS 4	16,001-19,500 GVW CLASS 5	19,501-26,000 GVW CLASS 6	26,001-33,000 GVW CLASS 7	33,001 & OVER GVW CLASS 8	TOTAL 1987	TOTAL 1986
CHRYSLER	MO	56,474						56,474	48,466
	YR	594,350						594,350	478,607
JEEP	MO	17,297						17,297	20,630
	YR	167,321						167,321	168,092
TOYOTA	MO	22,211						22,211	26,455
	YR	260,234						260,234	318,981
NISSAN	MO	17,984						17,984	11,644
	YR	185,113						185,113	187,606
MAZDA	MO	7,591						7,591	12,863
	YR	108,292						108,292	131,301
ISUZU	MO	7,055						7,055	6,364
	YR	76,581						76,581	71,714
MITSUBISHI	MO	4,751						4,751	2,794
	YR	43,205						43,205	26,680
SUZUKI	MO	5,916						5,916	4,477
	YR	71,175						71,175	36,723
SUBARU	MO	48						48	472
	YR	1,251						1,251	3,487
RANGE ROVER	MO	329						329	0
	YR	1,878						1,878	0
FORD	MO	113,641	40		50	2,760	1,178	117,669	101,728
	YR	1,171,871	40		8,368	26,919	10,977	1,218,175	1,170,267
FREIGHTLINER	MO						2,168	2,168	1,742
	YR						19,606	19,606	14,391
CHEVROLET	MO	93,898		20	368	473	31	94,790	88,727
	YR	988,827		181	6,376	6,185	326	1,001,895	1,077,922
GMC	MO	23,749		195	409	996	395	25,746	23,978
	YR	256,588		4,605	6,374	17,694	6,496	291,757	295,851
KENWORTH	MO					19	1,221	1,240	959
	YR					107	11,720	11,827	8,465
MACK	MO				216	245	1,359	1,820	2,035
	YR				2,065	2,327	15,406	19,798	18,120
MERCEDES	MO				156	228		384	334
	YR				1,337	1,939		3,276	3,157
NAVISTAR	MO		28	45	1,450	3,789	3,065	8,377	8,330
	YR		164	337	9,680	28,075	23,814	62,070	61,340
PETERBILT	MO					11	1,227	1,238	943
	YR					83	10,196	10,279	8,172
VOLVO	MO					201	1,119	1,320	1,261
	YR					1,401	8,910	10,311	10,382
HINO	MO			35	25	90		150	92
	YR			408	386	795		1,589	92
NISSAN DIESEL	MO			70	26	72		168	152
	YR			457	238	684		1,379	462
ISUZU TRUCK	MO	385		22	28	16		451	521
	YR	4,234		145	253	16		4,648	4,109
MITSUBISHI FUSO	MO	161			36	75		272	0
	YR	756			172	428		1,356	0
SCANIA	MO						11	11	0
	YR						129	129	0
IVECO TRUCKS	MO	85	74	34	11			204	0
	YR	1,027	581	550	107			2,265	0
WESTERN STAR	MO						152	152	0
	YR						1,195	1,195	0
OTHER DOMESTICS	MO				16		129	147	80
	YR				132		933	1,065	891
GRAND TOTAL	MO	371,575	142	421	2,793	8,977	12,053	395,563	365,047
	YR	3,932,703	785	6,683	35,488	86,653	109,708	4,172,020	4,097,467
1986 YR to DATE		3,876,176	0	4,594	37,309	85,687	93,701		

Class 1-3 sales data reported by individual manufacturers; Class 4-8 data reported by Motor Vehicle Manufacturers Association.



Cummins' new concept vehicle features low floor, monocoque design

Cummins prototype designed for bakers

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

WARREN, Mich. — Cummins Engine Co.'s Vehicle & Power Systems Engineering Division, aided by a concept from two former General Motors executives, has created a radically new prototype vehicle that was the focus of attention at a recent American Bakers Association convention.

The vehicle could represent Cummins' entry into the truck-building business.

The company is expected to decide by March whether it will produce the vehicle, license it out to a bodybuilder for production or return it to its original designer, Donald L. Manning Associates here.

Manning Associates is a professional design and engineering company headed by Donald Manning, a former chief engineer of GM Truck & Bus who retired in 1975. Raymond Prussing, former general sales manager for Detroit Diesel Allison and former president of Isuzu Diesel Engine of North America, helped Manning on the project.

The RT-1010 concept vehicle offers a revolutionary design for the Class 2-6 walk-in van market, including bread trucks and parcel delivery vehicles.

It is also adaptable to use as an ambulance, mobile tool sales truck, small transit and handicapped person bus, airport bus and motor home.

The vehicle's cargo floor is 21 inches above the ground, loaded or unloaded, which is 11 inches lower than current industry vehicles.

The lower cargo floor, achieved with a specially designed air suspension and dead axle system with a body-mounted differential, makes it easier for the driver to climb into and makes the vehicle less likely to roll over in an accident.

The air suspension allows the vehicle's floor to be lowered to 16.5 inches above the ground for deliveries or raised to 25.5 inches to maintain loading dock compatibility, according to Seppo Saarinen, general manager of Cummins' VPE operation.

The suspension and wide rear spring centers also provide a more comfortable ride.

The vehicle features an integral, monocoque (frameless) design with space-frame stainless steel construction. That allows it to be produced with a minimum fixed investment, while giving it great dimensional flexibility, Saarinen added.

It easily can be produced in various gross vehicle weights as well as various lengths, widths and wheelbases.

The concept vehicle is 300.7 inches long, 107.9 inches high and 96 inches wide. Wheelbase is 178.3 inches. However, it is composed of 60-inch modules. A specialty manufacturer could remove one or more modules or sections to shorten the vehicle without any major effort or investment.

Its GVW can be changed simply by substituting a different axle capacity, different tires and springs.

In spite of its low floor, its breakover angle and departure angle are virtually the same as current-market vehicles.

Its design flexibility, and particularly the lower floor, would enable companies in various industries to offer unique products to their customers.

The vehicle has a composite fiberglass skin. The all-bonded plastic, rivetless exterior, together with the stainless steel frame, make it corrosion resistant and reduce repair costs.

Basically, the vehicle meets all the American Baking Association's criteria for safety, productivity, dependability and cost effectiveness.

It took only six months to design and construct, a process that normally takes two years.

Greg Davies, executive director of the RT-1010 project for Cummins, said the engine manufacturer decided to build this concept vehicle because Cummins had "grown closer to the ABA" through the association's increasing use of Cummins 4BT engines.

"We are also building an engineering services business around the design and development of vehicle systems," Davies said.

"When the ABA approached us, we felt this would be an excellent opportunity to showcase our overall vehicle design capabilities."

A recent survey of 41 major companies using delivery trucks revealed several improvements they want in future trucks.

Companies want improved safety, a lower cargo floor, greater stability, more-aerodynamic styling, easier maintenance, larger payload and cubic-foot capacity for given GVW, on-line availability of a diesel engine such as Cummins' 4BT, an automatic transmission for that diesel engine and an integrated vehicle from a single source.

Toyota's 21st-century turbine

By John Hartley

HIGASHI FUJI, Japan — After 20 years of work, Toyota Motor Corp. is stepping up development of gas-turbine engines and moving into ceramics.

While Toyota will not discuss the program's budget, company engineers say enough funds are available.

As evidence of its commitment, Toyota showed a sleek coupe called the GTV at the recent Tokyo auto show. Based on the Toyota Soarer, the GTV joins a 150-hp gas turbine to a conventional automatic transmission.

Plans are to market the GTV — but not with a gas-turbine engine. Explains Masumi Iwai, chief project engineer, who worked at Mitsubishi Motors Corp. and Avco-Lycoming on gas turbines before joining Toyota: "The gas turbine is an engine for the next century. We have been working for only 20 years, against 100 years for piston engines." He says his engineers spent very little time on the GTV show car.

Meantime, Toyota is investing a substantial amount of money on gas-turbine research and development. The company is working on three different engines: the 150-hp car unit displayed in the GTV; and 150- and 300-hp versions for buses. The main difference between them is rotor size.

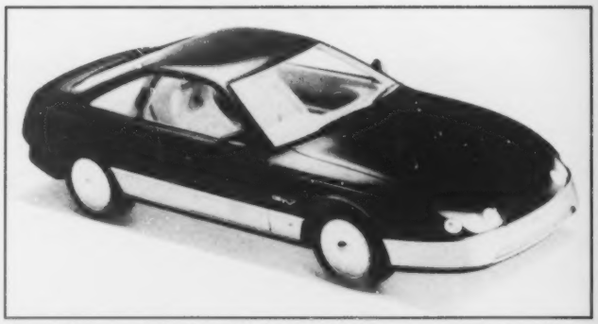
Rotors for the bus engines are larger than those for the car, and their turbine and compressor efficiency is higher. Still, the car gas-turbine is larger than might be expected, completely filling the engine compartment of the GTV.

Toyota is concentrating on two-shaft turbines — a centrifugal compressor first-stage and axial flow-type second-stage. They currently use an all-metal turbine — except for the heat exchanger, which has a Corning ceramic core. Turbine inlet temperature is 1,000 degrees Celsius. The compressor rotates at up to 68,000-rpm, the power turbine at 53,000-rpm. Maximum torque is 245 lbs.-ft.

The engine in the GTV weighs about 440 pounds. The goal is to use a number of ceramic components to boost the turbine inlet temperature to 1,350 degrees, which will improve efficiency dramatically and increase output up to 300-hp, Iwai says.

Toyota has three groups working on ceramic components: Iwai's turbine group, responsible for selecting the components and basic design; plus two materials engineering groups, one at Toyota's central research laboratory and another at the Higashi Fuji laboratory, where the turbine program is being controlled.

Iwai says ceramics will be used first for the primary-stage turbine because the form is easier to make and is not much different from silicon-nitride turbine wheels now produced by Nissan Motor Co. Ltd. for turbochargers in six-cylinder engines.



Toyota plans eventually to market this sleek GTV coupe — without the turbine engine. We'll just have to wait 'til next century for that kind of technology.

Iwai believes the primary-stage turbine can be produced quite readily in ceramics; but the second stage, whose blades extend radially from the hub without the supporting flange of the centrifugal compressor, will be more difficult to make from ceramics.

Looking back two decades, George Huebner, doyen of the automotive gas-turbine world when he ran Chrysler Corp.'s turbine-car project in the 1960s and 1970s, would be unimpressed by Toyota's GTV.

While Toyota claims a top speed of 125-mph for the GTV, it is necessary to wait several seconds before the car gradually creeps forward from standstill. Acceleration is far from brisk, turbine whine is unpleasant and overall performance is poor.

Huebner's Chrysler turbine car was superior to the 1987 Toyota GTV in performance and driveability — at least for now. ■

WORLD NEWS BRIEFS

Ford U.K. facilitizes

Ford of Britain adds a $6-million computerized driveability test-chamber to its research and engineering center in Dunton, England. Incorporating a wind tunnel and rolling-road chassis dynamometer, it permits testing vehicles and components in temperatures from minus-40C to plus-50C. Ford also breaks ground at Dunton for a $15-million electronics technical center with labs for electronic powertrain-control systems, entertainment systems, instrumentation, fuel systems, spark plugs and CAD equipment. It is due for completion by spring 1989.

Renault consolidates

Renault meshes its operations in Spain and Portugal into one unit. Production and marketing activities had operated separately for each market. Under the new structure, factories in Spain and Portugal will run as one production system. The French automaker is market leader in both countries, having about 25-percent of new-car sales in Spain through its Fasa-Renault subsidiary and about one-third of sales in Portugal. Fasa builds nearly every model in Renault's car line, currently at the rate of about 1,500 units daily. About 260 cars and vans a day are built in Portugal.

Nissan works by night

Nissan Motor Manufacturing (United Kingdom) launches a night shift at its assembly plant in Washington, England. The move comes about a year ahead of a schedule set forth in an agreement between the Japanese firm and the British government. Addition of 300 employees to man the shift boosts total employment at the plant to 1,100. The company expects production to total more than 40,000 units in 1988. Plans call for output of 100,000 Bluebird cars a year by 1991.

Panther moves to Harlow

Panther Car Co. Ltd., British sports-car producer, will transfer operations from Surrey, England, to Harlow, Essex, next year. The subsidiary of South Korea's Ssangyong Industrial Group acquires 76,000 square feet of a former printing plant and a four-acre site to produce its new Solo car and current Kallista roadster. Kallista production at Harlow will begin in March; Solo is expected to follow by midsummer. The site could also be used to build the Panther Stampede, a light four-wheel-drive vehicle being developed by Dong-A Motors, a Ssangyong subsidiary.

Saab tunnel has it all

Saab Car Division has completed a new climatic wind tunnel at its technical center in Trollhattan, Sweden. The tunnel has computer-controlled equipment for realistic simulation of sunlight. Temperatures from minus-35C to plus-45C can be simulated, with humidity levels up to 95 percent. A 150-km/h air stream can be generated by the fan. A rolling-road chassis dynamometer allows test cars to be driven at speeds of up to 150 km/h.

Suez channel of credit

Fiat Group signs agreements with two subsidiaries of Suez banking group Locafrance and Sofinco to cover credit sales of Fiat products in France. Agreements call for Sofinco to acquire half the capital of Fiat Credit France, which finances sales of Fiat cars, and gives Fiat Credit France access to Sofinco's financial services sales network. Fiat will also buy 50-percent of Locafrance's Cefimat unit, an industrial financing firm in France.

BMW takes software stake

BMW AG will spend $20 million for 10 percent of Softlab GmbH, Munich-based computer-software producer. The West German firms also sign a five-year $30-million pact under which Softlab will develop software systems for several BMW operations, ranging from factory production to accounting.

Starters and alternators

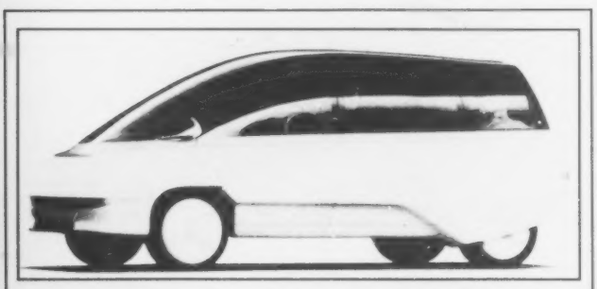
Lucas Industries PLC and Magneti Marelli S.p.A. plan to form a new company in Britain called Magneti Marelli PLC. It will take over assets of the starter and alternator operation of Lucas Electrical Ltd. Lucas will own 30 percent of the company. Magneti Marelli will own 70 percent and assume management responsibility.

Mazda eyes electronics

Mazda Motor Corp. and NEC Corp. form a new company called NALDEC (New Automobile Life Development by Electronics) to develop advanced electronic technology for cars. It will focus first on r&d, but future production is planned. Mazda and NEC each hold a 50-percent equity.

Goodyear talks Turkey

Goodyear Tire & Rubber Co. will spend $31 million to make its subsidiary in Turkey a major export center. Plants in Izmit and Adapazari will be expanded and modernized to meet demand in Europe, the Middle East and local markets. Goodyear will also spend $6 million on its steel-radial tire plant at Salonika, Greece. ■



B.L.T. — hold the mayo

Fuji Heavy Industries Ltd., maker of Subaru automobiles, displayed this commercial vehicle at the recent Tokyo auto show. It's called the B.L.T., which stands for Business Leisure Transport. Subaru describes it as an all-purpose sports, leisure and business van that "represents Subaru's belief that even commercial vehicles should be stylish and streamlined."

Vehicle Production in Japan

	9 mos., 1987	9 mos., 1986	% change
Passenger cars	5,855,567	5,880,980	– 0.4
Trucks	3,230,771	3,318,119	– 2.6
Buses	37,115	32,279	+15.0
Total	9,123,453	9,231,378	– 1.2

Japanese Passenger Car Production, By Size*

	9 mos., 1987	9 mos., 1986	% change
Regular	412,347	374,961	+10.0
Small	5,346,652	5,401,024	– 1.0
Mini	96,568	104,935	– 8.0
Total	5,855,567	5,880,980	– 0.4

*—Sizes are based on piston displacement: Regular, 2,001cc and larger; Small, 551cc to 2,000cc; Mini, 550cc and smaller.

New Vehicle Registrations in Japan

	9 mos., 1987	9 mos., 1986	% change
Passenger cars	2,417,645	2,367,523	+2.1
Trucks	2,019,173	1,901,872	+6.2
Buses	17,931	17,395	+3.1
Total	4,454,749	4,286,790	+3.9

Japanese Vehicle Exports*

	9 mos., 1987	9 mos., 1986	% change
Passenger cars	3,430,047	3,529,877	– 2.8
Trucks	1,349,232	1,527,256	–11.7
Buses	25,221	20,501	+23.0
Total	4,804,500	5,077,634	– 5.4

*—Includes knock-down kits exported to overseas countries for assembly.

Japanese Exports to the U.S.*

	9 mos., 1987	9 mos., 1986	% change
Passenger cars	1,615,057	1,755,032	– 8.0
Trucks	691,779	817,860	–15.4
Buses	1	0	—
Total	2,306,837	2,572,892	–10.3

*—Includes Alaska and Hawaii, but not Puerto Rico and other island territories.
SOURCE: Japan Automobile Manufacturers Association.

OVERSEAS PRODUCTION

UNITED KINGDOM

Cars

	8 mos. 1987	8 mos. 1986
Carbodies	1,355	1,436
Ford	261,207	206,269
GM/Vauxhall	118,201	101,088
Jaguar	30,806	27,441
Lotus	583	431
Panther	137	188
Reliant	154	215
Rolls-Royce	1,574	1,694
Rover Group	303,075	278,029
Austin Rover	290,667	268,575
Range Rover	12,408	9,454
TVR	360	355
Others	419	384
Total	751,986	658,830

Vans, trucks, buses

Bedford	31,655	34,561
ERF	1,739	1,826
Foden	438	350
Ford	62,949	58,053
Hestair-Dennis	515	428
Iveco-Ford	8,802	1,578
Leyland-Daf U.K.	19,958	20,321
Freight Rover	13,115	12,230
Leyland	6,843	8,091
Metro-Cammell Weymann	356	165
Reliant	7	16
Renault TI	3,161	2,796
Rover Group	23,768	27,772
Austin Rover	10,947	12,968
Land Rover	12,250	14,804
Other Rover	571	0
Seddon Atkinson	1,216	1,099
Others	86	117
Total	155,202	148,472
Total vehicles	907,188	807,302

SPAIN

Cars

	6 mos. 1987	6 mos. 1986
Fasa/Renault	120,765	118,195
Ford	144,062	142,875
General Motors	143,000	160,188
Peugeot SA	121,243	86,513
Peugeot	59,492	49,152
Citroen	61,751	37,361
Seat	202,475	168,606
Total	730,545	676,377

FRANCE

Cars

	8 mos. 1987	8 mos. 1986
Peugeot SA	1,038,452	937,323
Citroen	417,491	336,218
Peugeot/Talbot	620,961	601,105
Renault	904,382	814,325
Total	1,942,834	1,751,648

Vans, trucks, buses

CBM	0	35
Heuliez	169	111
Iveco-Unic	44	55
Peugeot SA	100,749	99,822
Citroen	44,917	47,451
Peugeot/Talbot	55,832	52,371
Renault/RVI	171,457	151,722
Sovam	14	43
Total	272,478	251,577
Total vehicles	2,215,312	2,024,199

OVERSEAS REGISTRATIONS

WEST GERMANY

Cars

	8 mos. 1987	8 mos. 1986
Alpina	169	134
AMC	1,012	379
BMW	99,112	101,360
Bertone	175	290
Daihatsu	8,017	8,174
Fiat Auto	96,289	91,095
Fiat/Lancia/Ferrari	91,574	86,024
Alfa Romeo	4,711	5,071
Ford	192,591	199,627
GM/Opel	304,501	288,042
Honda	30,655	33,693
Isuzu	3,738	3,770
Jaguar	1,536	1,293
Lada	7,278	6,949
Mazda	59,479	57,815
Mercedes-Benz	199,226	202,653
Mitsubishi	46,379	40,321
Nissan	56,887	54,597
Peugeot SA	85,539	92,707
Citroen	31,139	32,461
Peugeot/Talbot	54,400	60,246
Porsche	6,079	7,996
Renault	62,529	63,879
Rover Group	7,321	8,852
Austin Rover	6,528	8,098
Land Rover	793	754
Saab	3,696	3,258
Skoda	1,727	2,302
Subaru	10,181	9,843
Suzuki	17,020	15,126
Toyota	61,257	60,376
VW Group	574,226	531,246
Volkswagen	428,671	428,282
Audi	138,403	93,632
Seat	7,152	3,332
Volvo	10,882	11,667
Others	1,103	954
Total	1,950,700	1,898,597

NORWAY

Cars

	8 mos. 1987	8 mos. 1986
BMW	1,371	3,505
Chrysler	44	25
Dodge	33	14
Jeep	11	9
Daihatsu	586	1,341
Fiat Auto	3,770	4,450
Fiat	3,333	3,944
Lancia	358	353
Alfa Romeo	78	152
Ferrari	1	1
Ford	11,302	17,783
GM/Opel	8,376	15,248
Honda	2,252	3,650
Isuzu	78	78
Jaguar	39	33
Lada	1,387	1,714
Mazda	6,282	9,844
Mercedes-Benz	1,774	2,990
Mitsubishi	3,672	4,635
Nissan	5,058	7,574
Peugeot SA	4,892	6,933
Citroen	1,992	2,198
Peugeot	2,900	4,740
Porsche	9	23
Renault	534	355
Rover Group	7	4
Saab	1,161	2,327
Skoda	273	289
Subaru	1,649	2,272
Suzuki	327	422
Toyota	10,767	14,309
Volkswagen/Audi	7,581	11,829
Volvo	6,353	10,145
Total	79,982	122,752

SWEDEN

Cars

	9 mos. 1987	9 mos. 1986
BMW	4,192	3,508
Bertone	0	12
Chrysler	8	1
Daihatsu	1,236	1,147
Fiat Auto	6,702	5,884
Fiat	4,530	3,256
Lancia	1,138	1,720
Alfa Romeo	1,018	896
Ferrari	16	12
Ford	24,170	21,812
GM/Opel	22,458	18,120
Honda	2,828	3,006
Isuzu	115	1
Jaguar	78	31
Lada	1,996	1,316
Mazda	10,260	9,254
Mercedes-Benz	5,525	5,510
Mitsubishi	2,430	1,769
Nissan	12,348	10,749
Peugeot SA	7,946	5,224
Citroen	3,136	2,199
Peugeot/Talbot	4,810	3,025
Porsche	359	400
Renault	3,433	2,477
Rolls-Royce	12	3
Rover	9	2
Saab	19,547	20,075
Skoda	77	130
Subaru	1,189	1,039
Suzuki	1,660	755
Toyota	15,889	11,904
VW Group	27,281	22,796
Volkswagen	17,356	14,939
Audi	9,925	7,857
Volvo	50,727	43,236
Others	63	38
Total	222,538	190,199

BELGIUM

Cars

	6 mos. 1987	6 mos. 1986
BMW	5,785	6,043
Chrysler	74	0
Daihatsu	1,133	1,145
FSO	324	545
Fiat Auto	11,290	11,116
Fiat/Lancia	9,242	9,089
Alfa Romeo	2,048	2,027
Ford	21,973	20,855
GM/Opel	28,100	28,365
Honda	4,808	5,692
Hyundai	302	58
Isuzu	55	46
Jaguar	302	170
Lada	9,335	7,221
Mazda	6,338	5,935
Mercedes-Benz	6,896	6,917
Mitsubishi	5,617	5,936
Nissan	10,911	9,992
Peugeot SA	30,612	33,558
Citroen	13,565	15,392
Peugeot/Talbot	17,047	18,166
Porsche	259	287
Renault	21,105	20,534
Rover Group	2,476	3,149
Saab	870	944
Skoda	1,577	2,140
Subaru	1,635	1,761
Suzuki	1,691	1,705
Toyota	14,904	16,851
VW Group	37,604	37,551
Volkswagen	25,008	25,409
Audi	9,355	9,078
Seat	3,241	3,064
Volvo	5,219	5,755
Wartburg	349	556
Zastava	110	368
Others	95	164
Total	231,749	235,359

UNITED KINGDOM

Cars

	10 mos. 1987	10 mos. 1986
BMW	33,523	32,649
Daihatsu	4,411	4,915
Fiat Auto	66,202	59,110
Fiat	61,188	54,209
Alfa Romeo	1,975	2,089
Lancia	3,039	2,812
Ford	508,069	454,070
FSO	4,226	4,147
GM/Vauxhall	239,842	253,357
Honda	21,003	18,740
Hyundai	8,140	6,749
Isuzu	2,067	187
Jaguar	10,038	6,567
Lada	21,706	17,628
Lotus	413	391
Mazda	15,785	16,244
Mercedes-Benz	19,869	18,161
Mitsubishi	10,722	10,572
Nissan	98,395	96,176
Panther	83	55
Peugeot SA	130,255	107,206
Citroen	40,504	30,260
Peugeot/Talbot	89,751	76,946
Reliant	171	268
Renault	70,596	61,402
Rolls-Royce	758	745
Rover Group	271,485	269,209
Austin Rover	267,067	265,445
Range Rover	4,418	3,764
Saab	9,072	9,001
Skoda	12,612	11,119
Subaru	4,228	3,221
Suzuki	5,015	3,901
Toyota	35,090	33,056
Volkswagen	105,434	104,535
VW/Audi	97,871	99,473
Seat	7,563	5,062
Volvo	61,324	59,898
Zastava	7,350	7,593
Others	3,281	4,093
Total	1,781,185	1,674,965

THE NETHERLANDS

Cars

	9 mos. 1987	9 mos. 1986
BMW	9,786	11,130
Dacia	75	83
Daihatsu	5,952	5,503
FSO	56	208
Fiat Auto	31,016	33,674
Fiat	26,026	28,464
Lancia	1,299	1,788
Alfa Romeo	3,691	3,422
Ford	48,865	49,556
GM/Opel	77,264	80,288
Honda	10,372	12,850
Hyundai	4,003	1,057
Jaguar	483	323
Lada	10,853	10,228
Mazda	19,955	19,957
Mercedes-Benz	10,495	11,356
Mitsubishi	12,712	12,568
Nissan	25,701	21,834
Peugeot SA	53,212	54,525
Citroen	25,138	26,872
Peugeot/Talbot	28,074	27,653
Porsche	165	190
Renault	19,434	23,331
Rover Group	3,849	4,168
Saab	1,832	2,133
Skoda	3,088	4,200
Subaru	4,080	3,688
Suzuki	14,438	12,933
Toyota	24,484	24,656
Volkswagen	53,512	46,946
VW/Audi	48,173	43,228
Seat	5,339	3,718
Volvo	22,166	23,494
Zastava	144	651
Total	468,337	471,652

DENMARK

Cars

	9 mos. 1987	9 mos. 1986
BMW	1,516	2,967
Dacia	104	301
Daihatsu	1,747	2,956
Fiat Auto	6,383	7,484
Fiat	5,740	7,030
Lancia	105	0
Alfa Romeo	537	454
Ferrari	1	0
Ford	11,432	18,041
FSO	529	1,071
GM/Opel	15,072	23,372
Honda	2,074	2,854
Jaguar	42	20
Lada	3,311	0
Mazda	9,002	15,162
Mercedes-Benz	1,192	1,124
Mitsubishi	2,002	592
Nissan	5,257	8,448
Peugeot SA	10,666	10,255
Citroen	6,218	6,786
Peugeot/Talbot	4,448	3,469
Renault	284	756
Rover Group	506	273
Saab	776	1,301
Skoda	2,442	3,001
Subaru	291	588
Suzuki	68	290
Toyota	11,715	18,162
VW Group	8,280	12,217
Volkswagen	6,274	10,625
Audi	1,089	677
Seat	917	915
Volvo	3,387	5,308
Wartburg	663	647
Zastava	735	1,073
Total	99,497	145,678

SWITZERLAND

Cars

	7 mos. 1987	7 mos. 1986
BMW	8,546	6,612
Bertone	41	188
Daihatsu	729	654
Innocenti/Maserati	125	173
Fiat Auto	19,002	20,348
Ferrari	175	206
Fiat	12,038	12,372
Lancia	3,193	3,225
Alfa Romeo	3,596	4,545
Ford	14,899	16,963
GM/Opel	25,963	27,204
Honda	4,963	5,662
Isuzu	391	486
Jaguar	454	289
Lada	279	116
Mazda	5,325	6,515
Mercedes-Benz	5,539	5,949
Mitsubishi	7,724	5,279
Nissan	8,508	6,767
Peugeot SA	16,557	17,437
Citroen	6,842	6,014
Peugeot/Talbot	9,715	11,423
Porsche	801	1,218
Puch	70	58
Renault	11,087	10,736
Rover Group	1,239	1,474
Saab	1,329	1,267
Skoda	41	85
Subaru	8,997	7,761
Suzuki	2,424	2,235
Toyota	16,738	15,418
VW Group	31,216	32,279
Volkswagen	20,991	21,492
Audi	7,914	8,755
Seat	2,311	2,032
Volvo	3,372	3,746
Others	453	490
Total	196,812	197,409

ITALY

Cars (sales)

	8 mos. 1987	8 mos. 1986
ARO	2,088	1,504
BMW	13,359	14,613
Chrysler	13	11
Daihatsu	161	139
DeTomaso	11,222	11,563
Innocenti	8,644	9,179
Maserati	2,578	2,384
Fiat Auto	833,320	775,259
Fiat	610,666	574,071
Alfa Romeo	82,628	82,119
Lancia/Autobianchi	139,349	118,551
Ferrari	677	518
Ford	55,508	48,796
GM/Opel	42,942	40,926
Honda	25	166
Hyundai	1,556	794
Isuzu	59	0
Jaguar	429	211
Lada	903	793
Mazda	9	21
Mercedes-Benz	18,246	14,113
Mitsubishi	337	266
Nissan	12	3
Peugeot SA	104,460	89,808
Citroen	48,902	43,971
Peugeot/Talbot	55,558	45,837
Porsche	600	579
Renault	110,613	107,590
Rolls-Royce	19	22
Rover Group	16,999	18,290
Saab	2,706	2,499
Skoda	1,252	1,138
Subaru	227	87
Suzuki	7,245	3,208
Toyota	1,247	483
UAZ	725	618
VW Group	161,344	130,086
Volkswagen	101,989	89,598
Audi	15,175	9,455
Seat	44,180	31,033
Volvo	12,147	12,451
Others	370	1,600
Total	1,400,120	1,278,033

JAPAN

Cars (sales)

	10 mos. 1987	10 mos. 1986
Daihatsu	35,162	44,414
Honda	266,183	243,410
Isuzu	51,444	51,801
Mazda	173,442	165,964
Mitsubishi	97,064	89,255
Nissan	643,403	644,839
Subaru	38,606	43,411
Suzuki	20,619	16,708
Toyota	1,197,809	1,173,935
Imports	78,300	55,324
Total	2,602,032	2,529,061

Car sales in Canada fall 2% for October; trucks up 24%

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

The 1988 model year got off to a slow start for domestic automakers in Canada. October sales of North American-built cars dropped slightly despite the continuation of incentives on 1987 models and heavy promotion for new models.

Canadian dealers delivered 61,164 North American-built cars in October, down 2.69 percent from 62,857 in October 1986. Ford and Chrysler continued to offer a variety of sales incentives in order to clear out 1987 models in dealer inventory.

For the first 10 months of the calendar year, domestic makers sold 583,882 cars, down 9.03 percent from 641,883 in the first 10 months of 1986.

Truck sales in Canada continued to show gains. Canadian dealers sold 36,265 trucks in October, up 24.80 percent from 29,058 in October 1986. Ford set a record for October, and Chrysler posted the highest one-month truck sales in the history of Chrysler Canada.

For the first 10 months of the calendar year, truck sales totaled 332,432, up 10.96 from 299,606 in the first 10 months of 1986.

Chrysler was the only domestic maker to report higher car sales in October than in the year-ago month. The gain resulted from the inclusion of the former American Motors models in its total for October. General Motors, Ford, and Volvo all showed declines, and there was no year-ago comparison for Honda; that company began building cars in its Alliston, Ontario, plant in November 1986.

Chrysler delivered 12,745 North American-built cars in October, up 0.95 percent from 12,625 in October 1986. Chrysler's October car sales included 183 Alliance and GTA models and 44 Eagle cars. AMC sold 514 Alliances and 44 Eagles in October 1986. They are not included in Chrysler's 1986 figures.

CANADA MARKET SHARES October 1987

Cars	
General Motors	54.65%
Ford Motor Co.	21.88%
Chrysler/AMC	20.83%
Honda	2.42%
Volvo	.22%
Trucks	
General Motors	37.60%
Ford Motor Co.	37.72%
Chrysler/Jeep	24.48%

Chrysler did not have any consumer incentive programs in October on Chrysler-Plymouth, Dodge or Jeep-Eagle division products, but it offered cash incentives to dealers.

"The 1988 model year is off to a flying start. The market strength is there," said John B. Damoose, vice president of sales and marketing for Chrysler Canada Ltd.

The Plymouth Reliant was the top-selling Chrysler Motors car in October with 2,296 deliveries.

Ford was the biggest loser in domestic car-sales volume, and a Ford spokesman said the limited availability of 1988 Ford Tempo models in October contributed to the decline. Ford's Kansas City, Mo., and Oakville, Ontario, plants — where Tempo models are built — were down for model changeover during a 10-week period between June and September.

Ford sold 13,382 North American-built cars in October, down 11.74 percent from 15,162 sold in October 1986.

Ford offered $500 cash rebates to buyers of 1987 Escort, Tracer, Taurus and Sable models. A $2,000 rebate was available on 1987 Merkur XR4Ti, which is imported from West Germany. Taurus was Ford's best-selling car in October with 3,129 deliveries.

GM dealers sold 33,423 North American-built cars in October, down 4.17 percent from 34,879 in October 1986.

No buyer incentives were offered in October, however GM began a sales incentive program on Nov. 2 offering buyers a choice of free air conditioning, free automatic transmission or a $500 rebate on several lines.

Models covered by the program are: Chevrolet Cavalier, Corsica, Celebrity, full-size vans, ST pickup and Blazer; Pontiac 6000 and Tempest; Oldsmobile Cutlass Ciera; Buick Century; and GMC ST pickup and Jimmy. The program runs until March 1988.

Pontiac 6000 was the top-selling GM car in October with 3,575 units sold. Chevrolet Celebrity was second with 2,969.

Sales of Canadian-built Volvos declined in October. The Swedish carmaker sold 135 240-series cars last month, down 29.31 percent from 191 240-series models sold in October 1986.

Honda delivered 1,479 Canadian-built cars — all Accord models — in September.

Ford set an October record for truck sales, and Chrysler's sales were the highest of any month in its history.

Chrysler delivered 8,877 North American-built trucks in October, up 91.07 from 4,646 sold in October 1986. Chrysler's October truck sales topped the previous any-month record of 8,773 in June 1987.

CANADIAN SALES OF NORTH AMERICAN-BUILT VEHICLES

	Oct. 1987	Oct. 1986	Pct. Change	10 mos., 1987	10 mos., 1986	Pct. Change
CHRYSLER/AMC						
Cars	12,745	12,625	+ 0.95	120,996	133,065	– 8.63
Trucks-Jeep	8,877	4,646	+91.07	67,459	50,021	+34.86
GM						
Cars	33,423	34,879	– 4.17	303,643	351,842	–13.70
Trucks	13,708	13,443	+ 1.97	134,072	131,456	+ 1.99
FORD						
Cars	13,382	15,162	–11.74	144,462	147,321	– 1.94
Trucks	13,680	10,969	+24.72	119,058	105,968	+12.35
VOLVO						
Cars	135	191	– 2.93	1,966	2,242	–12.31
HONDA	1,479	—	—	10,500	—	—
TOTAL CAR	61,164	62,857	– 2.69	583,882	641,883	– 9.03
TOTAL TRUCK	36,265	29,058	+24.80	320,589	287,445	+11.53

Chrysler's October 1987 truck figure included 6,348 domestic Dodge trucks and 2,529 Jeeps. Chrysler has sold 6,001 Jeeps in the Canadian market since it bought AMC in August.

Ford delivered 13,680 North American-built trucks, up 24.72 percent from 10,969 sold a year ago. Ford's previous October record was set in 1979 when 11,826 North American-built trucks were sold.

The best-selling Ford truck in October was the F-series full-size pickup with 6,785.

GM delivered 13,708 domestic trucks in October, up 1.97 percent from 13,443 sold in October 1986. GM's October truck sales total was the highest for October since 1980 when 13,818 domestic trucks were sold.

The most popular GM truck in October was the Chevrolet C/K pickup with 1,681 units sold during the month. GMC sold 1,534 Sierra pickup trucks, the sister truck to the Chevrolet C/K.

"The truck market is absolutely booming and the real growth has been in the compact end, especially compact vans, compact sport-utility models and compact pickups," said Jerry Kuzemchak, manager of market analysis, GM Canada.

In addition to North American-built cars, GM in October sold 845 Suzuki-built Chevrolet Sprints, 743 Suzuki-built Pontiac Fireflys, 212 Isuzu-built Chevrolet Spectrums, 146 Isuzu-built Pontiac Sunbursts and 17 Isuzu I-Marks.

Ford sold 875 Mercury Tracers, 25 Merkur Scorpios and 59 Merkur XR4Ti models. The Tracer is built in Taiwan; the Scorpio and XR4Ti are built in West Germany.

Chrysler sold 1,270 Mitsubishi cars and 15 Peugeot cars.

Honda sold 5,416 Japanese-built Honda cars in October, down 7.48 percent from 5,854 imported Hondas in October 1986. It also sold 625 imported Acura models in October; they were not imported in 1986.

Volvo sold 281 Swedish-built Volvo cars in October.

In the imported-truck category, GM sold 17 Isuzu Troopers and Chrysler sold 399 Mitsubishi trucks.

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Auction preps cars for Indianapolis dealers

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

INDIANAPOLIS — In a service for dealers launched in October, the Indianapolis Auto Auction takes delivery of new cars and trucks from manufacturers and cleans and preps them for the showroom and lot.

"We process and inventory the vehicles from the time they are delivered by the common carrier," said Gary Pedigo, general manager of the auction house. "As far as I know, we are the first auction in the country to offer this service to dealerships."

Dealers are charged a flat $110 fee for each vehicle delivered to and processed by the auction. The package includes taking delivery of the vehicles; cleaning, rustproofing and undercoating cars; and treating the interior fabrics against stains, according to a local dealer.

Pedigo said the auction has three clients and is marketing the service to others in the Indianapolis area.

He hopes to be processing 8,000 vehicles by the end of next year, and he said there is a potential for 12,000 to 14,000 vehicles annually.

Indianapolis Auto Auction spent $20,000 for three overhead lifts to enable it to do undercoating and for changes to its facilities. Pedigo said other auctions probably can offer the service with less of an investment.

"We had to reroute some heating ducts at our facility, which turned out to be costly," he said.

The auction, located in the heart of the business district, is within a half mile of several dealerships.

"The service is a natural outgrowth of our normal business with dealers," Pedigo said. "We already prep their used cars."

Because many dealerships in the city are cramped for space, the auction also offers each of its clients 100 parking places on its 60-acre site for an unlimited time at no extra cost. The area is fenced and blacktopped.

The auction assumes all responsibility for carrier damage and provides dealers with a daily computer inventory of cars delivered to the auction.

"It tells the dealer how many cars we have handled, so he knows what cars are in and what has been done to them," said Pedigo.

The appearance of the car when it reaches the dealership is the key to the success of the service, according to Pedigo.

"We understand the new-car business and what a car must look like to sell it," he said.

Bob Parson, vice president of Collins Lincoln-Mercury in Indianapolis, was the first dealer to sign up for the service. "For me, it's fantastic," he said. "Ford drops off the cars at the auction, where they are cleaned up before delivery to the dealership."

According to Parson, the service keeps carriers away from the dealership and eliminates the need to hire people to check in cars and prep them.

And he said that having additional space available at the auction to store cars is an important feature of the package.

"When it gets slow in the winter, the inventory climbs and the service business picks up; I can keep up to 100 cars at the auction," he said.

AUCTION DATES

American Motors

Nov. 24 — Statesville Auto Auction, Statesville, N.C.

Nov. 25 — Kansas City Auto Auction, Kansas City, Mo.; Corry Auto Auction, Corry, Pa.; and Columbus Auto Auction, Columbus, Ohio

General Motors

Nov. 24 — Florida Auto Auction of Orlando, Ocoee, Fla.

Nov. 25 — Southern California Auto Auction, Fontana, Calif.

Ford Motor Co.

Nov. 24 — Harrisonburg Auto Auction, Harrisonburg, Va.; South Seattle Auto Auction, Kent, Wash.; and Salt Lake City Auto Auction, Salt Lake City

Used Car Sales
Auction Averages

November to date	$5,962
Month ago	$6,010
Year ago	$5,175

Chrysler Motors

Nov. 24 — Northway Exchange, Clifton Park, N.Y.; NuCarPrep System, Santa Fe Springs, Calif.; American Auto Auction, Walpole, Mass.; Arena Auto Auction, Chicago; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Model Breakdown
Auction Averages

	NOV 1987	OCT 1987	SEP 1987
1987	$10,672	$11,220	$11,357
1986	$8,492	$8,624	$8,808
1985	$7,214	$7,257	$7,321
1984	$5,654	$5,711	$5,764
1983	$4,851	$4,897	$4,940
1982	$3,515	$3,549	$3,607
1981	$2,539	$2,549	$2,583
1980	$2,000	$2,022	$2,044
Overall Average	$5,962	$6,001	$6,043

Nov. 25 — Indianapolis Auto Auction, Indianapolis; Southwest Auto Auction, Phoenix, Ariz.; Butler Auto Auction, Gibsonia, Pa.; and Minneapolis Auto Auction, Plymouth, Minn.

PRODUCTION

U.S. CAR	Week Ended Nov. 21, 1987	Week Ended Nov. 22, 1986	Week Ended Nov. 14, 1987	Nov. to Date	Jan. 1 to Nov. 21, 1987	Jan. 1 to Nov. 22, 1986
AMERICAN MOTORS	0	1,502	0	0	15,994	46,842
Renault Total	0	1,502	0	0	15,994	46,842
Alliance	0	1,502	0	0	15,994	43,495
Encore	0	0	0	0	0	3,347
CHRYSLER MOTORS	18,530	23,869	19,244	60,430	974,499	1,186,310
Plymouth Total	6,300	8,691	6,651	19,499	286,809	379,973
Horizon	750	3,260	760	2,269	40,430	156,234
Sundance	1,850	2,227	1,760	5,087	81,624	27,251
Reliant	3,100	3,285	3,455	10,217	118,893	138,385
Caravelle	450	919	517	1,499	39,584	40,517
Gran Fury	150	0	159	407	6,368	17,586
Chrysler Total	4,400	4,070	4,190	15,206	325,212	346,004
Laser	0	0	0	0	0	26,978
LeBaron K	1,000	1,492	984	2,981	59,438	77,358
LeBaron J	0	0	0	2,685	102,201	0
LeBaron GTS	500	1,098	416	1,327	34,939	58,188
N. Yorker E-Class	0	1,480	0	0	57,102	66,081
N. Yorker C-Class	1,750	0	1,693	5,174	12,678	0
Fifth Avenue	1,150	0	1,097	3,041	58,854	117,399
Dodge Total	7,800	10,128	6,403	25,723	362,388	460,333
Daytona	0	250	0	1,767	55,781	30,443
Omni	700	3,131	700	2,092	35,073	148,712
Shadow	2,100	2,324	2,023	5,861	85,585	26,438
Aries	3,400	2,598	3,946	11,102	111,517	115,146
Dodge 600	550	990	735	2,014	36,616	59,281
Dynasty	500	0	453	1,341	2,943	0
Lancer	250	835	270	733	21,680	44,230
Diplomat	300	0	276	813	13,193	36,083
FORD MOTOR	42,060	40,736	40,814	124,363	1,649,300	1,578,639
Ford Division	31,570	28,843	29,593	91,469	1,185,170	1,092,765
Escort	9,339	9,085	9,463	28,235	351,496	343,687
Mustang	4,572	3,456	4,507	13,457	193,087	160,748
Tempo	5,208	4,200	3,801	13,163	127,794	177,101
Taurus	8,965	8,536	8,840	26,805	370,221	290,752
Thunderbird	3,486	3,566	2,982	9,809	142,572	120,477
L-M Division	10,490	11,893	11,221	32,894	464,130	485,874
Mercury Total	6,364	7,174	7,092	21,038	299,661	322,181
Lynx	0	1,461	0	0	21,352	54,931
Capri	0	0	0	0	0	12,344
Topaz	1,087	1,196	1,319	4,086	41,198	52,645
Cougar	2,491	1,540	2,996	8,821	126,222	89,607
Sable	2,786	2,977	2,777	8,131	110,654	112,654
Lincoln Total	4,126	4,719	4,129	11,856	164,469	163,693
Continental	410	467	410	1,082	10,965	17,693
Lincoln	3,098	3,541	3,099	8,906	127,794	122,773
Mark VII	618	711	620	1,868	25,710	23,227
GENERAL MOTORS	79,411	73,101	78,291	237,726	3,149,758	3,759,025
Buick Total	12,194	11,858	13,166	38,251	512,274	702,041
Skyhawk	0	1,729	1,078	2,137	30,719	76,836
Century	3,380	5,977	3,323	9,873	144,012	206,658
Regal (rwd)	700	11	735	2,075	38,734	54,045
Somerset/Skylark	1,510	2,410	1,434	4,492	59,779	100,815
LeSabre (fwd)	2,400	234	2,380	7,113	131,200	142,394
LeSabre (rwd)	365	269	430	1,092	8,869	13,784
Electra (fwd)	3,445	915	3,427	10,324	86,829	83,940
Riviera	394	313	359	1,145	12,132	23,569
Cadillac Total	6,665	5,370	6,739	20,391	244,754	267,300
Cimarron	70	585	78	229	10,074	21,889
Allante	100	0	50	200	4,120	0
Brougham (rwd)	1,800	702	1,987	5,883	67,936	70,080
DeVille (fwd)	3,377	3,521	3,372	10,195	127,118	152,395
Eldorado	634	338	611	1,908	16,980	22,708
Seville	684	224	641	1,976	18,526	20,228
Chevrolet Total	34,420	26,076	32,793	100,415	1,242,540	1,190,025
Chevette	0	2,424	0	0	0	94,756
Camaro	2,640	2,618	2,465	7,609	110,331	160,437
Cavalier	8,043	9,263	7,186	22,827	281,739	362,565
Celebrity	6,853	5,675	6,055	19,552	271,359	233,910
Corsica/Beretta	8,753	1,004	8,767	26,068	311,408	7,906
Monte Carlo	1,866	869	1,946	5,628	67,510	101,426
Caprice	5,625	3,913	5,724	16,775	174,630	203,180
Corvette	640	310	650	1,936	25,563	25,845
Oldsmobile Total	12,985	13,378	12,668	38,479	554,489	854,375
Firenza	0	899	500	1,015	12,710	35,393
Calais	3,290	2,307	3,138	9,492	107,059	107,762
Cutlass Ciera	1,445	4,660	775	3,374	107,331	216,169
Cutlass Supreme	1,454	1,087	1,542	4,488	69,082	101,620
88 (fwd)	3,802	2,520	3,811	11,359	162,519	255,824
88 (rwd)	450	197	462	1,340	13,324	17,405
Olds 98	2,116	1,495	2,043	6,141	64,507	103,285
Toronado	428	213	397	1,284	14,359	16,917
Pontiac Total	13,147	16,419	12,925	40,190	595,701	725,284
Acadian*	0	496	0	0	0	14,376
Fiero	0	0	1,158	2,253	28,342	61,647
1000	0	950	0	0	0	18,692
Firebird	1,560	2,188	1,535	4,556	71,079	104,877
2000 Sunbird	2,390	2,455	1,847	6,392	79,067	21,994
Grand Am	6,000	4,859	5,309	17,317	226,572	207,892
6000	1,127	2,800	1,089	3,464	65,598	121,128
Bonneville	1,920	2,597	1,914	5,825	115,826	26,007
Safari/Parisienne	150	294	73	383	8,497	48,671
HONDA	6,890	6,628	6,136	21,782	293,725	207,668
Civic	1,502	1,601	1,781	4,779	80,425	14,221
Accord	5,388	5,027	6,357	16,983	213,300	193,447
MAZDA	375	0	323	955	2,285	0
NISSAN	1,310	2,898	1,241	3,739	107,711	51,445
NUMMI	3,500	3,894	3,706	10,868	173,880	177,586
Corolla	1,000	1,039	1,076	3,158	39,129	6,097
Nova	2,500	2,855	2,630	7,707	134,751	171,489
VOLKSWAGEN	2,000	2,005	1,984	5,970	58,283	76,476
Golf/GTI	1,300	1,756	1,284	3,870	43,740	76,476
Jetta	700	250	700	2,100	14,543	0
Total Cars, U.S.	154,046	154,864	153,721	465,811	6,425,405	7,083,991
Total Cars, Canada	23,672	25,695	22,925	67,649	705,565	951,052
U.S., Canada Cars	177,718	180,349	176,646	533,460	7,130,970	8,035,043
U.S., Canada Trks.	105,054	74,430	103,049	301,942	4,188,749	3,918,111
U.S., Canada Cars and Trks.	282,772	254,779	279,695	834,502	11,319,719	11,953,154

*—All Acadians are built for sale in Canada. **—Estimated.
Monday's estimated total contain some of last week's final sales due to rounding.

Auto output stays near 154,000

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Last week's targeted domestic auto production totaled 154,046, slightly above (0.21 percent) the prior week's 153,721 but a bit below (0.39 percent) the year-ago week's 154,654.

The year-ago week's output was affected by a strike at Delco Electronics Corp., Kokomo, Ind., that closed nine General Motors plants.

So far this year, 6,425,405 cars have been assembled, 9.30 percent below the 7,083,991 completed last year at this point.

Automakers split last week's scheduled output as follows: GM, 51.56 percent; Ford Motor Co., 27.30 percent; Chrysler Motors, 12.01 percent; Honda of America Manufacturing Inc., 4.47 percent; New United Motor Manufacturing Inc., 2.27 percent; Volkswagen of America, 1.30 percent; Nissan Motor Manufacturing Co. U.S.A., 0.85 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 0.24 percent.

Volkswagen announced it will phase out operations at its Westmoreland, Pa., plant at the end of the 1988 model year. About 2,500 workers will lose their jobs.

GM announced it will reduce the line speed by five units per hour at its Corvette plant in Bowling Green, Ky., on Jan. 4. About 225 workers will be affected by the cutback.

GM will extend Christmas vacation for workers at the Fiero plant in Pontiac, Mich., until Jan. 18. When the plant resumes operations, the line speed will be reduced by five units per hour, affecting about 80 workers.

Line speed at GM's Lansing, Mich., plant, which assembles the Oldsmobile Calais and Buick Somerset, will be cut by 12 units per hour beginning Jan. 25. About 850 workers will be laid off.

GM's Leeds, Mo., plant is idle until Nov. 30 for inventory adjustment, affecting 1,300 workers.

The second shift was dropped today at GM's Wentzville, Mo., plant, laying off about 2,700 hourly workers.

Production resumed today at GM's Fiero plant in Pontiac, Mich. The plant was idle for one week to adjust inventory.

Overtime was scheduled Saturday at Ford's Kansas City, Mo., plant.

Daily overtime is slated Monday, Tuesday and Wednesday of this week at all Ford plants except Edison, N.J.

Chrysler scheduled Saturday overtime at its St. Louis (No. 2) plant. The same plant is slated for daily overtime the first three days of this week.

All assembly plants will be closed Thursday and Friday for the Thanksgiving holiday.

Truck output nearly matches 1987 peak

Truckmakers scheduled production of 85,497 units last week, slightly below (0.26 percent) the prior week's 85,722 but 41.24 percent more than the year-ago week's 60,531.

The previous week's output was the highest of any week so far this year.

The year-ago week's production was affected by a strike at a Delco Electronics Corp. plant that closed several General Motors plants.

Year-to-date, 3,454,873 trucks have been assembled, 7.69 percent more than the 3,208,186 completed last year at this point.

Two days' production was lost last week at GM's Pontiac East plant in Pontiac, Mich., because most of the workers took Monday and Tuesday off to go deer hunting.

Overtime was slated last Saturday at GM's Baltimore and Morain, Ohio, plants.

Ford scheduled Saturday overtime at its Wayne, Mich.; Twin Cities, Minn.; and Lorain, Ohio, plants.

All Ford plants are scheduled for daily overtime today, Tuesday and Wednesday.

All truck plants will be closed Thursday and Friday because of the Thanksgiving holiday.

Car output in Canada best in 11 months

Canadian auto production was scheduled at 23,672 units last week, the highest since the 24,896 total for the week ended Dec. 20, 1986.

Last week's estimated output was 3.26 percent more than the prior week's 22,925 but 7.87 percent below the year-ago week's 25,695.

So far this year, 705,565 cars have been built, 25.81 percent below the 951,052 completed last year at this point.

Truck output was targeted at 19,557 last week, 12.87 percent more than the previous week's 17,327 and 40.71 percent more than the year-ago week's 13,899.

Year-to-date, 733,876 units have been assembled, 3.37 percent more than the 709,925 built last year at this time.

Chrysler Motors' Bramalea, Ontario, plant remains idle due to quality problems.

CANADIAN CAR	Week Ended Nov. 21, 1987	Week Ended Nov. 22, 1986	Week Ended Nov. 14, 1987	Nov. to Date	Jan. 1 to Nov. 21, 1987	Jan. 1 to Nov. 22, 1986
CHRYSLER	100	145	100	783	6,881	3,967
FORD MOTOR	11,520	11,645	11,512	31,881	386,434	471,050
GENERAL MOTORS	11,552	13,680	10,969	33,741	290,859	467,065
HONDA	500	0	344	1,244	13,402	0
VOLVO	0	225	0	0	7,969	8,970
Total Cars, Canada	23,672	25,695	22,925	67,649	705,565	951,052
U.S. TRUCK☆	Week Ended Nov. 21, 1987	Week Ended Nov. 22, 1986	Week Ended Nov. 14, 1987	Nov. to Date	Jan. 1 to Nov. 21, 1987	Jan. 1 to Nov. 22, 1986
CHEVROLET	24,606	8,904	25,355	66,568	1,021,910	1,087,067
DODGE/PLYMOUTH	9,100	6,007	9,179	26,775	279,576	126,822
FORD	32,290	27,917	31,621	95,035	1,334,398	1,243,329
GMC	6,949	7,751	7,022	21,846	342,603	326,510
NAVISTAR	1,812	1,608	1,778	5,357	67,430	65,315
JEEP	4,500	4,286	4,579	13,823	201,382	171,407
NISSAN	3,490	1,708	3,436	10,189	86,314	99,867
AM GENERAL*	450	50	450	1,350	15,300	2,274
MISCELLANEOUS**	2,300	2,300	2,900	6,900	105,960	103,592
Total Trucks, U.S.	85,497	60,531	85,722	247,843	3,454,873	3,208,186
CANADIAN TRUCK	Week Ended Nov. 21, 1987	Week Ended Nov. 22, 1986	Week Ended Nov. 14, 1987	Nov. to Date	Jan. 1 to Nov. 21, 1987	Jan. 1 to Nov. 22, 1986
JEEP	839	640	1,001	2,815	32,289	25,525
CHRYSLER	8,034	8,964	6,494	20,976	347,544	359,519
FORD	3,648	3,016	4,138	11,275	185,671	132,857
GENERAL MOTORS	6,750	1,030	5,405	17,862	209,573	183,554
NAVISTAR	225	199	229	661	8,808	8,470
Total Trks., Canada	19,557	13,869	17,327	53,309	733,876	709,925
U.S., Canada Trks.	105,054	74,430	103,049	301,942	4,188,749	3,918,111

☆—Includes window van production. *—Estimated.
**Also includes commercial only. All Canada includes government-owned vehicles. Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Diamond-Reo, etc.

UAW approves Navistar pact

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

Workers at Navistar International Corp. last week ratified a three-year pact guaranteeing the jobs of the entire workforce.

The UAW said the Navistar contract was approved by "a clear majority" at eight local unions representing 7,000 active and 10,000 laid-off workers. The new program protects current UAW members at Navistar from layoffs except those caused by sales declines. Workers must be recalled when sales improve. The job-security program is backed by $40 million.

The contract includes a 16-cent wage increase, a 73-cent COLA fold-in, regular COLA payments and improved pensions for current and future retirees.

Mike Neese, president of Local 402 at Navistar's plant in Springfield, Ohio, said his local turned down the contract 2,623 to 1,504.

Neese said he opposed the contract because it does not provide an annual raise and because Navistar workers can continue to transfer into Springfield with full seniority, thus displacing Springfield workers during layoff periods.

11/30/87 C 2700-1

Automotive News

November 30, 1987

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GM hikes realty ties to dealers

Per-car rent plans grow in big cities

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — General Motors is planning to increase its innovative dealership real estate activity, whereby it charges dealers rent based on how many cars and trucks they sell.

GM wants to keep points open in high-rent locations and to soften the staggering impact of rent on dealership operations in those areas.

Those motives are prompting GM to undertake increasingly complex real estate deals, as it did in the recently completed acquisition of Potamkin Cadillac/Manhattan by the Roger Penske organization.

"It's a rifle shot at a situation where the cost of real estate is overwhelming and we have a chance to help the dealer and ourselves," said John R. Rines, general manager of GM's Motors Holding Division.

He said the current round of complex lease arrangements should not be viewed as subsidies. "We are absorbing costs that a retail dealer can't pay out of his profit margin, because we want to be represented in that area," he said.

Rines said the per-car rent payments are structured to make a dealer's real estate costs "an average rent equivalent," not to give him a competitive advantage.

"We can give a new guy a break," he said.

"We can also incentivize a guy quite well where we want to move a lot of cars," Rines said. "For example, we can make the rent $500 per car for the first 1,000 cars sold.

see REAL ESTATE, page 39

	1986 Sales ($ millions)	Units	Avg. Pr. per unit
Florida Auto Auction of Orlando*	$513.0	56,000	$9,100
NADE*	$395.0	77,000	$5,100
Clanton's Auto Auction	$387.0	51,500	$7,500
California Auto Dealers Exchange*	$385.0	78,000	$4,900
Southern California Auto Auction	$302.0	52,000	$5,800
Southern Auto Auction	$300.0	58,000	$5,100
Columbus Fair Auto Auction	$300.0	44,000	$6,800
Auto Dealers Exchange	$279.0	62,000	$4,500
APTCO Auto Auction	$274.7	36,500	$7,500
Dallas Auto Auction	$262.8	36,000	$7,300

All numbers approximate
* These auctions provided only gross sales; their units and average prices estimated by Automotive News

LANCE GRAVES

AUCTIONS: *They're big, growing business; sales were $20.4 billion in 1986*

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Auto auctions are big business — an estimated $20.4 billion in 1986 — and any of the nation's 10 biggest auction houses last year could have competed in unit volume with the European luxury-car importers.

Combined, the 10 biggest auctions sold roughly 545,000 used cars and trucks last year — more than Cadillac, American Motors-Jeep or any of the new-car importers except Honda, Toyota and Nissan.

The gross sales of the top 10 amounted to $3.4 billion, and they expect this year's sales to surpass that total.

Industry sources pegged overall sales at all auctions at about 4 million vehicles last year, making it a $20.4 billion business. Auctions in 1986 sold between 47 and 52 percent of cars consigned by dealers, industry sources said.

This year is shaping up as another stellar year, with industrywide sales approaching 4.5 million cars and trucks, said officials of the wholesaling giant, Anglo American Auto Auctions.

And sales in 1988 are expected to leapfrog another 500,000 cars and trucks to 5 million, Anglo officials predict.

Bernie Hart executive secretary of the 187-member National Auto Auction Association, said exact sales numbers are difficult to estimate because there is no reporting center for auctions.

But he agreed that car and truck sales will top 4 million units this year.

The average price of used cars and trucks sold at the top 10 auctions last year ranged from a high of $9,160 at the Florida Auto Auction of Orlando to an estimated low of $4,500 at the Auto Dealers Exchange, Indianapolis.

Auctions like Florida Auto Auction of Orlando sell a high volume of newer, low-mileage, fleet and lease cars, which bring high prices and push up their gross dollar sales.

Figures are based on information provided to Automotive News by the auctions or parent companies. Some declined to release volume of cars sold. In those instances, sales volumes were estimated based on gross dollar sales that were provided and the average 1986 auction sale price nationwide of $5,100.

Florida Auto Auction of Orlando, Ocoee, Fla., was the titan of car auctions in 1986, followed by: NADE, Bordentown, N.J.; Clanton's Auto Auction, Darlington, S.C.; California Auto Dealers Exchange, Anaheim, Calif.; Southern California Auto Auction, Fontana, Calif.; Southern Auto Auction, East Windsor, Conn.; Columbus Fair Auto Auction, Columbus, Ohio; Auto Dealers Exchange, Indianapolis; APTCO Auto Auction, Taylor, Mich.; and Dallas Auto Auction, Grand Prairie, Texas.

Southern Auto Auction, Columbus Fair Auto

see AUCTIONS, page 55

Stock crash cools maker trade stand

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The Big 3 domestic car companies seem to be shying away from tough trade reform legislation in the wake of the stock market collapse last month.

Prior to the 508-point drop in the Dow Jones Industrial Average on Oct. 19, Ford Motor Co. and Chrysler Corp. were especially active in lobbying for trade reforms that would force reductions in the U.S. trade deficit.

General Motors has been far less enthusiastic about trade reform, but had been gradually shifting its position toward greater concern for the nation's trade indebtedness.

Now, spokesmen for Chrysler — pleased with trade changes wrought by the weakening of the dollar — are saying that events seem to have overtaken the trade reform bill.

Ford declined to discuss the trade situation at all last week, while GM is continuing to pursue a moderate course.

All three companies are expressing support for the tentative agreement reached between the White House and Congress to reduce the federal budget deficit. The accord would reduce the nation's debt by $76 billion over two years. Tax hikes called for in the compromise have yet to be spelled out, however, and their potential impact on the auto industry is unknown.

The new quiet tone on trade reform may be partly due to concern over whether the Japanese government will continue voluntary restraints on car shipments.

Secretary of Commerce William Verity called on Japanese officials, asking them to maintain restraints on automobile exports to the United States for another year.

Although the Reagan administration has sought to eliminate the Japanese car quotas for several years, the White House also has been seeking peace with Detroit. Ford and Chrysler have been two of the most vigorous proponents of trade proposals opposed by President Reagan.

The carmakers' current attitudes toward a trade policy also may have been influenced by an announcement from the House Democratic leadership that trade reform will not be completed this year, even though experts place the

see TRADE, page 55

Anatomy of plant

Westmoreland closing holds a lesson for all transplants

By Matt DeLorenzo
AUTOMOTIVE NEWS STAFF REPORTER

WESTMORELAND COUNTY, Pa. — Volkswagen's decision to close its U.S. assembly plant by the end of the 1988 model year demonstrates that foreign car companies are just as vulnerable as domestic makers.

Likewise, states that rushed headlong with incentives and tax breaks to get their own transplant have been jolted by the VW decision. Ten years from now, will they face a similar announcement?

see CLOSING, page 8

VW will close its U.S. plant by the end of the 1988 model year

Plans for future

Fuller ties comeback hopes to new cars, strong dealers

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

Less than 48 hours before Volkswagen of America announced the impending end of car production at its Pennsylvania plant, the head of the company's U.S. sales arm set out to explain the difference between a U.S.-built and a German-built Volkswagen.

"The point of assembly of my cars is not important," James Fuller, vice president in charge of Volkswagen United States, said in an in-

see FULLER, page 8

Ford sheds S. Africa holdings — Page 2
Chrysler adds trucks, will build fewer cars — Page 3
Chrysler's stake in TC totals $100 million — Page 4

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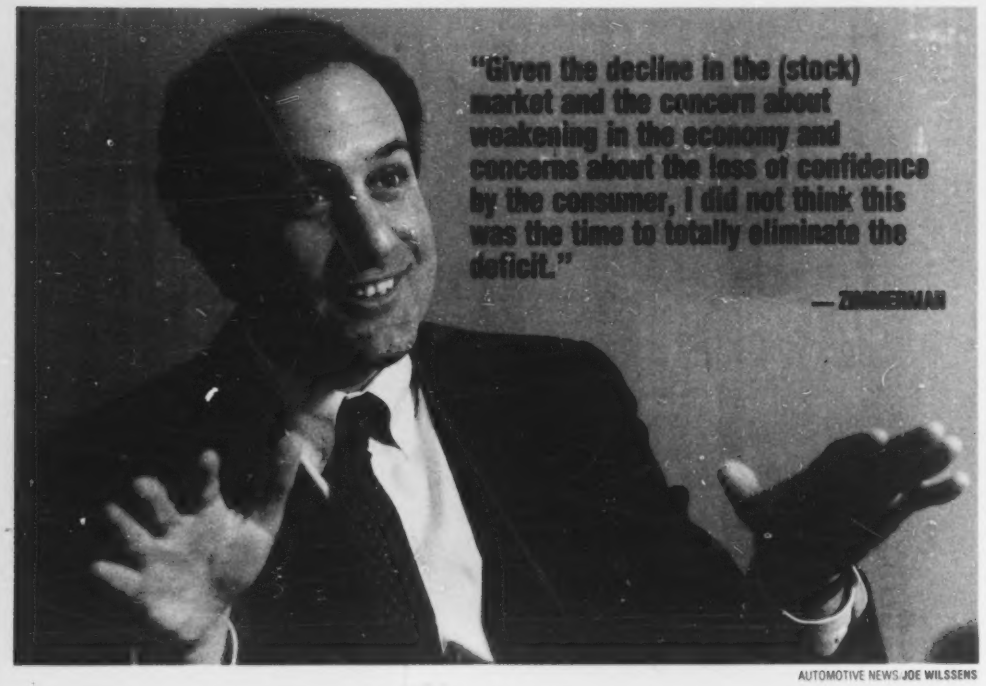
"Given the decline in the (stock) market and the concern about weakening in the economy and concerns about the loss of confidence by the consumer, I did not think this was the time to totally eliminate the deficit."
—ZIMMERMAN

AUTOMOTIVE NEWS JOE WILSSENS

'88 SALES: *Ford official sees 10 million; others aren't that optimistic*

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

Ford Motor Co.'s top economist believes the political deal worked out by the Reagan administration and Congress to trim the federal budget deficit will not hurt U.S. car sales.

The proposed cuts are not enough to slow the economy or auto sales, said Martin Zimmerman, Ford Motor Co. economics director and chief economist.

Zimmerman and Ford still believe that 1988 could be a 10 million car year in the United States.

Others are not so certain; they think car sales could come in as low as 9.0 million.

Domestic car sales may drop 5 percent to 10 percent to a level of 9 million to 9.5 million units — "more likely 9.5 million," said Chrysler Motors Chairman Gerald Greenwald. Chrysler expects truck sales to hold even or decline only slightly in 1988.

The lowest forecast to date may be from Robert I. Reich, president and chief executive officer of Marine Midland Automotive Financial Corp., who forecasts a 9.0 million car year.

But Zimmerman is more upbeat: "I had a fear they would go in and cut the deficit too much.

"Given the decline in the (stock) market and the concern about weakening in the economy and concerns about the loss of confidence by the consumer, I did not think this was the time to totally eliminate the deficit.

"But the $30 billion reduction is OK. It is not going to be too contractionary for the economy," he said.

"There's a certain element of smoke and mirrors in the package because the $30 billion includes some asset sales and one-time gains.

"So you really don't have $30 billion in long-term deficit reduction. What was important was the symbolism of the whole thing," he said.

Zimmerman, who doesn't expect a recession in 1988, believes the U.S. gross national product will grow at about a 2 percent rate next year, although he said Ford is continuing to closely watch developments.

Chrysler Motors expects the domestic industry to finish this calendar year with 10 million car sales and 4.9 million truck sales.

Greenwald described his 1988 sales forecast as "more a guess than a projection," due to economic uncertainty following the stock market's Black Monday. "Overall, 1988 is going to be tough. But based on what I see now, we're still pretty optimistic."

Marine Midland's forecast is the most conservative. Reich said the industry should expect calendar 1988 new-car sales of no more than 9.0 million units.

"You can't look at the next two years through rose-colored glasses," Reich said. "The fat time is over."

Meanwhile, economists at the University of Michigan said a recession is unlikely. But their latest forecast also said that the October stock market crash may have eliminated as much $10 billion in consumer spending from the final three months of 1987.

Staff Reporter Mary Connelly contributed to this report.

Old Glory may wave, but on a small scale, please

LAKELAND, Fla. — "Long may it wave" apparently should be measured in years, not feet.

T. Thomas Chevrolet-BMW violated a city code when a Marine color guard raised a 20- by 38-foot flag on a 100-foot flagpole on Veterans Day.

The code says the height of a flag cannot exceed a quarter of the pole's height. There is also a code limiting poles to a height of 75 feet.

Gene Strickland, Lakeland city manager, said the issue had turned into "a lot of motherhood and apple pie."

Monty Haskins, executive manager of the dealership, said it was a "misunderstanding."

A nearby dealership, Blount Acura, also is violating the code. A public hearing is scheduled for next week, but Strickland said the council is divided. He said a couple members don't care "as long as it's an American flag."

Chrysler adds trucks, will build fewer cars

By Michelle Krebs and Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTERS

DETROIT — Chrysler Motors plans to make fewer cars and more trucks in the first quarter of 1988 than in the first quarter of 1987.

Chrysler's total first-quarter vehicle production will be up 8,000 units over the same period this year. Chrysler's truck output is scheduled to increase 14 percent over this year's first quarter while car production is expected to drop 8 percent.

Chrysler plans to build 575,000 cars and trucks in the United States and Canada in the first quarter, compared with 567,236 in this year's first quarter.

Truck output is projected at 275,000 units in the first three months of 1988, vs. 241,034 built in the same period of 1987.

Car output is scheduled at about 300,000 units, compared with 326,202 in this year's first quarter. The reduction will be accomplished by temporarily closing three U.S. plants and one Canadian plant and trimming line rates at some plants.

To keep production in line with softening sales in some lines, Chrysler Motors Chairman Gerald Greenwald said the company will temporarily close the following plants on Jan. 4: Jefferson Avenue, Detroit, for one week, affecting 3,300 workers; Pillette Road, Windsor, Ontario, for one week, affecting 1,800 employees; Newark, Del., for two weeks, idling 1,800 workers; and St. Louis (No. 1) for three weeks, idling 3,300 workers.

Greenwald also announced production adjustments at three other plants for indefinite periods. On Jan. 11, the Jefferson Avenue plant will reduce its daily output by 20 percent, idling 600 workers. On Jan. 18, daily output at Newark will be cut by 50 percent, affecting approximately 1,700 workers. On Jan. 25, a 19 percent decrease in the daily production will take effect at the St. Louis (No. 1) plant, affecting about 600 employees.

Chrysler plans to increase production rates at three other plants. Greenwald said that on Jan. 4, daily output at the St. Louis (No. 2) plant will jump 15 percent. Also effective Jan. 4, daily output at the Brampton, Ontario, facility will be increased by 15 percent. Chrysler will add a second shift to its Belvidere, Ill., plant on Jan. 11, adding about 1,300 workers.

Also in January, Chrysler plans to increase production at its Toledo Jeep plant by 12 percent.

Meanwhile, General Motors has reduced its projections for U.S. car production for this quarter and the first quarter of 1988 to reflect its recent scheduling adjustments at eight assembly plants.

Present plans call for GM to to build 849,649 cars in the fourth quarter. That is 35,457 fewer than GM previously planned to build (Automotive News Nov. 9). It represents a 15 percent decrease from the 976,803 cars GM built in the fourth quarter of 1986.

GM plans to build 858,385 cars next quarter, which is a 29,825-unit reduction from its previous schedule (Automotive News Nov. 23). GM expects to build 16 percent fewer cars in the first quarter of 1988 than the 1,024,666 cars it built in this year's first quarter.

GM's revised figures bring the Big 3's estimated U.S. car production in the fourth quarter to 1,609,273, down 7 percent from the 1,724,654 cars they built in the fourth quarter of 1986.

In the first three months of next year, the Big 3 now plan to build 1,600,750 cars, down 15 percent from the 1,874,510 they built in this year's first quarter.

GM's revised figures reflect the previously announced scheduling adjustments at eight of its assembly plants. The adjustments will be achieved through reductions in line speeds, extensions of Christmas vacations and temporary as well as permanent closings.

Plants in Pontiac, Mich., and Detroit will close permanently by year-end. The Framingham, Mass., plant closed for an indefinite period beginning this week (Nov. 30).

Christmas vacation will be extended at three plants with two — the Fiero plant in Pontiac, Mich., and a plant in Lansing, Mich. — returning from the extended leave with a reduced line rate. The line rate at the Corvette plant in Bowling Green, Ky., also will be reduced.

Chrysler's fourth quarter production schedule for U.S. car output remains unchanged. Chrysler plans to build 287,000 cars in the fourth quarter, down 8 percent from the 310,715 built in the year-ago quarter.

Ford has not changed its fourth-quarter production schedule of 472,624 cars, which is 8 percent higher than last year's 437,136.

However, Ford is expected to revise upward its present schedule for first-quarter production. At present, Ford plans to build 448,000 cars in the 1988 first quarter, but at least 30,000 units are likely to be added to that schedule. Ford produced 534,209 cars in this year's first quarter.

INDEX

Auction dates	44
Classifieds	47
Coming events	36
Dealing with dealers	16
Extra section	E1
Legal briefs	20
News briefs	8
Opinion	10
Personnel	40-41
Production	58
Recreation on wheels	12

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Mid-November car sales pick up steam

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Mid-November sales of U.S.-built cars could not match last year's Nov. 11-20 period, but deliveries were higher and cars were selling at a stronger daily rate than in the first 10 days of November this year.

Toyota reported a sales gain for the 10-day period, and Chrysler Division cars improved their performance from a year ago by 35.76 percent.

Sales for the 10-day period totaled 172,552, a drop of 12.03 percent from 196,159 for the equivalent period last year. The daily selling rate was 19,172 compared with 21,795 a year ago. Both periods had nine selling days.

Domestic-car sales rose by 33,633 units from the first 10 days of November. The mid-November daily selling rate was 10.41 percent stronger than the early-November rate of 17,364.86.

In mid-November this year, the Big 3 U.S. automakers reported sales downturns of 1.61 percent to 17.98 percent from the 1986 period. Ford Motor Co.'s sales slipped 889 units or 1.61 percent to 54,442 units.

Chrysler's 10-day sales dropped 7.69 percent, although sales of Chrysler-badged cars totaled 8,197 compared with 6,038 for the equivalent period last year. Introduction of the New Yorker and New Yorker Landau helped. Sales of the LeBaron convertible also improved.

General Motors sold 80,628 cars, off 17.98 percent from the comparable period a year ago.

Toyota reported a 98.03 percent increase in deliveries of U.S.-built cars. Nissan delivered 47.54 percent fewer cars than it did last year, and Volkswagen sales dropped 29.25 percent.

Honda's sales declined 22.18 percent for the period. Mazda sold 163 U.S.-built cars produced at the Flat Rock, Mich. plant.

DOMESTIC SALES

	Nov. 11-20, 1987	Nov. 11-20, 1986
Eagle	671	1,120
Chrysler	8,197	6,038
Plymouth	7,786	9,644
Dodge	9,830	11,887
Chrysler Motors	26,484	28,689
Ford	38,049	37,250
Mercury	11,687	11,876
Lincoln	4,706	6,205
Ford Motor Co.	54,442	55,331
Buick	12,915	14,203
Cadillac	6,489	7,816
Chevrolet	29,422	37,395
Oldsmobile	14,556	19,920
Pontiac	17,246	18,372
General Motors	80,628	98,306
Volkswagen	1,149	1,625
Honda	6,676	8,579
Nissan	1,505	2,869
Toyota	1,505	760
Mazda	163	—
U.S. Industry Total	172,552	196,159

September RV shipments up 11%

Van converters praise Ford for consignment-pool support

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Wholesale RV shipments continued their late-season surge in September.

RV manufacturers shipped 33,400 units in September, up 11.3 percent over the year-ago month, according to the Recreation Vehicle Industry Association.

All major segments of the industry were up, with van conversions, the largest segment, showing a 3.4 percent increase on shipments of 15,300 units.

For nine months of calendar 1987, industry shipments of 313,500 were up 4.9 percent.

Van conversion shipments totaled 142,400 and were off 2.5 percent for nine months.

Detroit manufacturers shipped 26,700 vans with the seat-delete option to converters in September, up 115.3 percent from like 1986, portending a big future increase in shipments from converters to dealers.

Of those September shipments, full-sized vans accounted for 21,100 units, up 111.0 percent from a year earlier. Compact vans accounted for 5,600 shipments, up 133.3 percent from last year.

For nine months of this year, Detroit shipped 164,100 vans with the seat-delete option to converters, 33.5 percent more than in the comparable year-ago period.

Of the nine-month total, 133,400 were full-sized units, up 34.5 percent from a year ago. Compact vans accounted for 30,700 units, up 29.5 percent from last year.

Elkhart, Ind., converters cited the encouragement Ford has given its dealers to work with its consignment pool accounts, rather than with outside converters.

They feel that if their industry is to survive — staving off potentially disastrous lawsuits involving products not built to Detroit or RVIA standards by non-pool companies — original-equipment manufacturers will have to provide more encouragement to dealers.

Converters point out that channeling products through pools allows manufacturers and dealers to retain control of the quality and distribution of their products from production right through to their ultimate sale to retail customers.

Dealers, too, retain all the normal benefits of dealing with the factory. They still get their sales cards, holdback and any privileges on incentive programs.

If the product is distributed through any other channel, Detroit manufacturers lose control over the quality of the work that goes into it and over its distribution through wholesale and retail channels.

Also, because of the large number of units ordered by dealers and sold to non-pool accounts, manufacturers really don't know how big the total field inventory of converted vans is, even though they sometimes think they do, converters point out.

Often, non-pool units end up on non-franchised-dealer or used-car lots with factories losing total control over them.

Converters singled out Ford's efforts because its success in encouraging its dealers to work more with consignment pool companies has generated a record volume of business for them, for Ford and for its dealers this year.

Ford has run a record number of units through its consignment pool system, converters say.

Its retail sales of consignment pool vehicles were up by 1,000 units at the end of September, and its dealer inventories of consignment pool vehicles were also at a record level, according to industry sources.

Recreational Vehicle Wholesale Deliveries

	September 1987	September 1986	% change	9 months 1987	9 months 1986	% change
Travel trailers - conventional	4,500	4,100	+ 9.8	48,500	44,700	+ 8.5
Park trailers	600	500	+20.0	4,800	5,600	−14.3
Travel trailers - fifth wheel	2,400	2,000	+20.0	20,400	17,600	+15.9
Folding camping trailers	3,400	2,600	+30.8	32,100	27,600	+16.3
Truck campers	900	500	+80.0	8,200	5,800	+41.4
Towable RV total	11,800	9,700	+21.7	114,000	101,300	+12.5
Conventional (type A)	3,600	2,600	+38.5	30,600	24,800	+23.4
Van Campers (type B)	700	600	+16.7	5,200	4,700	+10.6
Chopped vans (all)	2,000	2,300	−13.0	21,300	22,000	− 3.2
Motor home total	6,300	5,500	+14.5	57,100	51,500	+10.9
Van conversions	15,300	14,800	+ 3.4	142,400	146,100	− 2.5
TOTAL ALL RVs	33,400	30,000	+11.3	313,500	298,900	+ 4.9

Source: Recreation Vehicle Industry Association.

Converter group has program for warranty work

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

The National Van Conversion Association, Greenfield, Ind., has had its ups and downs, but it feels its latest comeback may be permanent.

Twenty-three companies are enrolled in the association's certification program. Officials say another 50 or so are in various stages of being certified.

The association seems to be concentrating a lot of its recruiting efforts in new conversion locales like Georgia.

Fourteen of the 23 companies enrolled in its program are from that state, including Zimmer Motor Homes, Cordele; Quail Creek Custom Vans, Lavonia; and Executive Traveler, Athens.

The association claims membership of about 200 companies at present, including a number of suppliers.

One of its more interesting new projects is a warranty program that would allow converters to service each others' vehicles.

Converters are frequently better equipped than dealerships to repair the upfitted portion of a van, since they are more familiar with how the vehicle was put together, said Doug Cole, an association official.

A national program allowing different converters to work on each others' vehicles also would help counteract lemon laws, which specify that, after three attempts at repairing a vehicle, a dealer or manufacturer has to buy it back.

Such a program, as envisioned by the association, would attempt to standardize flat rates for different kinds of conversion repairs. Currently, there are no such rates in the industry.

Under the association's program, dealers would have the option of using a converter in their area to repair a van, becoming middlemen between the converter who built the vehicle and the one repairing the unit.

The association also is trying to help coordinate various regional shows, like the recent Georgia show.

OPPORTUNITY

Ford doesn't plan to build a Suburban so market is wide open for converters

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Ford Motor Co. sources indicate the company has no plans to build a vehicle like General Motors' Suburban — leaving that market niche wide open for converters.

Jerome Mittman, Ford RV and special vehicle sales manager, pointed out that the full-sized Bronco is still doing well with 49,000 sales in the 1987 model year.

He said he felt the limited sales potential of the Suburban market, worth about 73,700 sales to GM last year, didn't justify the cost of an all-new entry from Ford.

That is good news for Magnum Motor Coach, Sturgis, Mich., and Centurion Vehicles, White Pigeon, Mich. (Automotive News Oct. 9). They are among the few doing such conversions.

Magnum entered the market earlier this year, with a Metropolitan model. It offers a four-door Suburban-style luxury vehicle in half-ton, three-quarter-ton and one-ton configurations on Ford F-150, F-250 and F-350 chassis and a four-door Bronco on Ford's U-150 chassis.

The luxury interiors are designed to provide seating for five to eight passengers. The vehicle is made up of all Ford parts.

The Metropolitan package includes such standards as high-back captain's chairs, floor console between the driver and passenger seats, overhead console with indirect lighting, "Bronco" style rear tailgate with power window and rear removable fiberglass top.

In 1986, Magnum converted about 180 vehicles of all types, according to T.W. Holt, vice president of marketing.

Magnum and Centurion market units exclusively through Ford dealers. Their biggest concern is having prices close enough to the Chevy Suburban to keep them competitive.

As Robert Froschauer, president of Centurion, pointed out, "We can't afford to be much more than $1,000 to $1,500 over Suburban. After that, brand loyalty goes out the window" and a customer becomes more inclined to buy the GM product.

Depending on whether the vehicles have two-wheel drive or four-wheel drive, prices for its F-350 crew-cab-based model are expected to be about $22,000 to $23,000 wholesale.

Holt said his company's products should be compared to a customized, rather than a factory, Suburban ur.

Magnum's wholesale prices range from $17,700 for a stripped version of the F-150-based Metropolitan to $23,000 for a loaded version. Other prices range from $18,000 to $25,000 for the F-250-based vehicle to $20,000 to $25,000 for the F-350 and $21,000 to $25,000 for the four-door Bronco.

Holt said that customized Suburbans typically wholesale for about $22,500 to $26,000.

Magnum's biggest market, as might be expected, is in Texas and the Southwest. It has delivered about 35 Metropolitans so far this year and expects to ship about 350 next year.

Denver Ford deal taps van-conversion field

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Competition in the van conversion business comes in many shapes and sizes — sometimes, even from customers.

Freedom Wheels, Northglenn, Colo., is a van customizing firm founded by Ford dealer Brian O'Meara in 1972. It now distributes its vans through 30 other dealerships as well as its own O'Meara Ford Center in Denver.

O'Meara's van conversion business increased about 20 percent last year as a result of getting a Dodge pool account, solidifying its dealer network and increasing its sales of vans for the handicapped.

Freedom Wheels is producing about 600 van conversions a year. It also does quite a number of pickups which, O'Meara said, are almost as popular as the vans in the West. And it is one of those rare auto dealerships that sells and services regular RVs, like Class A and C motor homes, as well.

RV servicing is handled by the van conversion company in a separate facility.

O'Meara said he got into producing vans for handicapped individuals quite by accident. He hired a handicapped Vietnam veteran who suggested it as "a tremendous market no one was catering to."

The veteran subsequently helped develop the business through contacts he had established while working for a newspaper for the handicapped.

Based on surveys by the National Center for Health Statistics, there are 450,000 to 500,000 people confined to wheelchairs, O'Meara said.

The annual replacement market on wheelchair van conversions is over 70,000 units. Each year, 8,000 new people enter this rapidly growing market.

Along with the permanently impaired, there is an even greater number of people temporarily confined to wheelchairs. At any one time, that segment may amount to 12 percent to 13 percent of the population, O'Meara said.

It is estimated that the number of wheelchair users will increase as the average age of the population increases.

Using standard-size and mini Ford and Dodge chassis, Freedom Wheels installs a complete range of fully automatic and semi-automatic wheelchair lifts.

Other applications for the handicapped include dropped floors, raised roofs and doorways, power door openers and wheelchair restraint systems.

The company is approved by the Recreation Vehicle Industry Association, the Veterans Administration and several regional rehabilitation centers.

O'Meara noted, though, that the company's primary business is still regular conversions. Freedom Wheels offers a full line of van conversion packages, starting at $3,495, to dealers nationally.

Pickup isn't pretty, but it's a winner

ANADARKO, Okla. — Donna Settle's beat-up Chevrolet pickup truck was judged the ugliest by a panel of judges who picked the worst-looking vehicle during festivities in southwest Oklahoma.

Settle and her son, Jimmy, won a set of four new tires for bringing their rusty, dented machine to the contest. The only condition in the contest was that the pickup had to be drivable to participate in the Veterans' Day Parade.

Runnersup won truck boxes, sets of tools and seat covers.

"In France, they're proud of their old wine. Here, we're proud of our old pickups," said Devery Youngblood, project manager for Main Street Anadarko, part of a downtown redevelopment project.

"We've actually had arguments break out in businesses as to which one had the ugliest pickup. It's really a source of pride."

— The Associated Press

COVER STORY

Continued from cover page

DeWolfe's numbers include wholesale shipments of 210,000 RVs and 198,000 van conversions in calendar year 1987, and 214,000 and 180,000 of each, respectively, in 1988.

"My feeling is the stock market crash will not really affect the numbers very much. It may downgrade the sizes of units; there are likely to be more smaller-size motor homes sold, with fewer extras. But the numbers won't change appreciably," DeWolfe said.

Based on RVIA data, the analyst believes van-conversion growth has leveled off, but he cautions that this may be a reflection of incomplete sales reporting.

"It may be that van conversions aren't slowing down, but that RVIA is not getting all the figures. There may be an expansion in the number of people making van conversions, so that customers have other places to buy them *(besides RVIA member companies)*," DeWolfe said.

Incomplete reports or not, Detroit manufacturers also foresee 1988 as pretty much a repeat of this year's RV market.

Said Jerome J. Mittman, Ford RV and special-vehicle sales manager: "The van conversion market is softening a little right now, but it's no major concern. I suspect our shipments will be about the same as they've been."

Ford shipped 60,000 Econolines, with factory prep or seat-delete packages in the 1987 model year, plus some 5,000 Aerostars.

The company also shipped about 20,000 Class A and C chassis to motor-home manufacturers, according to industry estimates.

Ford hopes to add another 15,000 to 20,000 chassis shipments when it unveils a new Class A unit next fall.

Aerostar conversions may increase a little in 1988, Mittman said, but he doesn't foresee any dramatic increases, at least until Ford comes out with an extended-length Aerostar.

For the time being, the company is quite content to produce 90 percent of its Aerostars as passenger vans, from which it makes the most profit, leaving just 10 percent for the commercial cargo and conversion market.

James E. Greene, assistant manager of Chevrolet's special vehicles department, said Chevrolet's full-size van-conversion business in 1987 increased 25 percent, while Astro volume remained about the same. But Astro is a comer in the market.

Astro accounted for 35 percent of Chevrolet's van conversions in the 1987 model year and is expected to account for about 40 percent in 1988, according to Greene.

"The demand is certainly there," he said. "We just wish we had the capacity to build more Astros."

If Astro conversion demand continues at this pace, Chevrolet will lose some full-sized van conversions to Astro, Greene said. But he noted that the conversion market is seasonal and capable of abrupt swings.

Astro's conversion popularity is even more impressive when sales incentives are considered. General Motors is offering free air-conditioning on its full-sized vans. Worth more than $700, an A/C unit is given to van converters who order a group of the most generally popular options on the vehicles.

In contrast, there is no similar spiff on the Astro.

"If you put a pencil to it, the G van with free air is almost the same price *(wholesale)* as the Astro. So, it's strictly a consumer market-driven situation, and not price-driven," said Greene, who believes female customers are a major factor in Astro's rising popularity.

Chevrolet shipped about 50,000 to 60,000 G vans to converters in 1987, and expects to repeat that in 1988. Astro shipments pegged at 18,000 to 22,000 this year, are expected to increase to 22,000 to 25,000 in 1988.

GM shipments of Class A motor-home chassis totaled about 30,000 last year. John Deere, with its new Class A chassis and aggressive pricing, carved about 6,000 sales out of this market. Ford managed about 2,000 sales with its limited-production small Class A.

Although Ford supplies Deere with its engine and powertrain, it is the carbureted version of the Ford 7.5-liter V-8, and not the new fuel-injected unit, which would boost Deere's competitiveness in the motor-home chassis segment.

Pleased with the sales performance of their Class A chassis and other product and marketing moves they are undertaking *(see related story on page E8)*, GM officials figure they can fend off their Class A competitors in the 1988 model year.

GM shipped about 6,000 cutaway chassis to the Class C market in 1987, and anticipates it might do about the same or slightly better in 1988.

Chrysler shipped about 27,000 to 28,000 full-sized vans to converters through its dealers and consignment pools last year, according to James Lynch, manager of special vehicles.

Lynch thinks there may be a slight decline in 1988 based on the current economic climate, but he looks for a generally strong market.

Said the Chrysler official: "Right now the outlook is somewhat cloudy. With current economic trends and the stock market we're experiencing, there may be some slowdown in car and truck sales. Truck sales are still pretty strong, though. I think we can work our way through the next six months and still have pretty sizable industry sales and see a nice upturn next spring.

"The only thing that might affect that, of course, would be higher oil prices or shortages, or interest rates."

Lynch said the van-conversion market remains very strong.

Chrysler shipped about 3,000 minivans to converters last year. Lynch said the exact number is difficult to pin down because so many dealers order minivans with seats, in order to retain the flexibility of selling them to an RV company or a commercial account.

Chrysler's conversion-pool accounts also order a certain number of minivans with seats.

Lynch said Chrysler has been getting "a great deal of interest" from dealers and converters for the extended minivan which provides extra room behind the rear seat for luggage and good performance with its new V-6 engine.

In January, Chrysler plans to increase production of minivans, shifting more of its mix toward extended-length models and increasing both dealer and conversion-company allocations.

"We feel there's definitely a commercial and van conversion market out there in which we can increase sales by changing the mix; but we're going to go very cautiously until we see exactly what the market can absorb," Lynch said.

Chrysler has been putting scheduling preferences on Caravan/Voyager wagons. But with its St. Louis plant up and running, there will be extra capacity to go after other markets.

Chrysler has found that many of the conversion companies, through sophisticated purchasing capabilities and design concepts, have been able to create some "very, very competitive" factory-competitive packages for its minivans, Lynch said.

Like its competitors, Chrysler has a specially discounted package on full-sized vans. Called the Prospector, it provides a Dodge dealer with a favorable discount on optional equipment purchased for van-conversion applications.

Pool companies order 85 percent of their vans with the package, according to Lynch. Chrysler consigns the vehicles to them, and they in turn wholesale them to dealers.

The new Prospector IV package, offering about a $500 retail-level discount, has a content very similar to last year's.

Although Chrysler undoubtedly will do more conversion business because of its increased minivan production capacity, the company has no plans to expand its pool accounts.

"We've aligned ourselves with 50 of the most prominent accounts in the country," Lynch said. "The only time we make a change is if a company doesn't make proper use of its consignment inventories" — meaning it doesn't turn over sales within a reasonable time period.

Lynch said that having more pool accounts would not necessarily generate more sales, but would simply result in the Dodge pool organization "storing more vehicles and tying up more cash." ■

Contents

COVER STORY: RVIA REMAINS OPTIMISTIC E2
Despite the recent stock crash, analysts are predicting 400,000 shipments.

FEATURE: FULL-SIZE VANS E3
Big-van conversion companies have their work cut out for them in '88.

FEATURE: MINIVAN MARKETS E4
Converters are putting more emphasis on minivans to meet demand.

FEATURE: CHASSIS CHOICES E8
Chassis suppliers have a new line of products in store for RV makers.

FEATURE: THE GREAT SAFETY DEBATE E10
Some RV manufacturers are still getting into trouble for violating the regs.

FEATURE: WARRANTY QUESTIONS E14
The Big 3 have different ideas about their RV responsibilities.

RVIA SHOW HIGHLIGHTS E15
Don't miss Brenda Lee at the RVIA Show's 25th-anniversary bash.

RVIA SEEKS CONTRIBUTIONS E16
Nine organizations are co-sponsoring RVIA's Market Expansion Program.

RVIA ELECTS OFFICERS E17
There are five familiar faces on the RVIA's board of directors in '88.

FEATURE: A VAN-LOVER'S DELIGHT E18
Ford's HFX concept van has all the high-tech goodies you could want.

UPCOMING RV SHOWS E19
Wintertime RV exhibitions are becoming more and more popular.

EXHIBITOR LIST E20
A directory of manufacturers and suppliers exhibiting at the RVIA Show.

COMING DEC. 14: AUTOMOTIVE NEWS OVERSEAS FOCUS EXTRA

Industry Editor
Al Fleming

Assistant Industry Editor
Edward Peabody

RVIA: voice of the RV industry

The Recreation Vehicle Industry Association (RVIA), based in Reston, Va., is the national association of RV manufacturers and component parts suppliers that together produce 95 percent of all recreation vehicles in the United States.

RVIA defines a "recreation vehicle" as a vehicle designed as temporary living quarters for recreational, camping, travel or seasonal use. RVs may have their own motor power (as with motor homes); may be mounted (as are truck campers); or towed by another vehicle (travel trailers). Off-road vehicles are not included in the definition.

RVIA has 641 members, including: 278 manufacturers; 284 suppliers; 7 manufacturer's representatives; and 72 affiliates and associates.

The basic purpose of RVIA is to serve as an industry voice with the government and general public, and as chief source for shipment statistics, market research, technical data, consumer and media information.

In addition to sponsoring two annual RV shows, RVIA maintains an inspection program to monitor compliance of the plumbing, heating, electrical, and fire and life safety systems of vehicles made by its members in conformance to American National Standards Institute standards for motor homes, travel trailers, park trailers, truck campers and folding camping trailers, and alerts consumers to look for the oval-shaped RVIA seal.

The black and silver shield displayed on the exterior of van conversions means the converter self-certifies compliance with Federal Motor Vehicle Safety Standards (FMVSS) and certain National Electrical Code (NEC) requirements.

For RVIA members that produce van conversions with at least one plumbing, heating or 120-volt electrical system, displaying the oval seal is mandatory, while displaying the van shield becomes optional.

RVIA also provides an ongoing Federal Motor Vehicle Safety Standards (FMVSS) educational program for its members, and an RVIA seal affixed to members' units signifies their participation in the program.

RVIA monitors state and national legislation that could have a positive or negative effect on the RV industry. Current issues under scrutiny include: energy; franchising; warranties; financial or credit restraints; equipment requirements; product liability; licensing; bonding; titling and registration procedures; rules regarding use and highway movement.

A study by the University of Michigan shows there are approximately 7 to 8 million RVs in the United States and that there are about 25 million RV enthusiasts. In addition, rentals of RVs are booming. ■

RV Shipments Since 1969

	Unit Shipments (in Thousands)	% Change (All Type) From Prior Year	Retail $ Value (in Billions)
1969	400.6	+20.3	$1.043
1970	380.3	– 5.1	1.122
1971	451.0	+18.6	1.597
1972	582.9	+29.2	2.365
1973	528.8	– 9.3	2.322
1974	295.8	–44.1	1.392
1975	339.6	+14.8	2.320
1976	541.1	+59.4	4.264
1977	533.9	– 1.3	5.327
1978	526.3	– 1.4	5.683
1979	307.7	–41.5	3.581
1980	181.4	–41.0	1.951
1981	239.1	+32.0	2.775
1982	258.0	+ 8.0	3.505
1983	358.0	+39.0	6.324
1984	398.2	+11.2	7.733
1985	359.2	– 9.8	7.029
1986	379.5	+ 5.7	7.564

Source: RVIA

Volvo shopping in big-truck field

Gyllenhammar hints at expansion in U.S. and worldwide

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

STOCKHOLM, Sweden — AB Volvo, which has taken over General Motors' heavy-duty truck operations in the United States, will consider new acquisitions for its worldwide truck business, including further expansion in the United States.

In an interview, Volvo Chairman Pehr Gyllenhammar said his company's high level of cash liquidity in the current stock market climate could present acquisition opportunities. He said the Volvo group is particularly interested in building up its truck and food sectors.

In the United States, Renault's Mack Truck unit is seen as a possible target, though Gyllenhammar said, "I don't know if it is for sale."

Volvo has outlined an aggressive growth strategy for its U.S. truck business. It has 76 percent interest in the newly formed Volvo-GM Heavy Truck Corp. and has announced a $100 million investment program to expand and upgrade U.S. production facilities.

Analyst John Lawson of Nomura Research Institute, London, has said that Volvo is pursuing "the clearest and boldest strategy of any truck manufacturer worldwide."

"The accelerated commitment to the U.S. market raises the stakes for Volvo's competitors who have yet to declare a strategy for globalization," Lawson said.

Volvo's better-than-expected third-quarter results put the corporation in a good position for major new purchases, according to Gyllenhammar. The group's pretax profits increased 21.5 percent in the quarter to 2.28 billion Swedish kronas ($380 million).

In his official statement, the chairman said Volvo's financial position "is especially strong in a weak stock market," adding that "with no net liability and strong net financial income, we can handle setbacks. Our high liquidity also enables us to take advantage of opportunities that may arise."

Through the third quarter, the group's liquid funds amounted to 21.3 billion kronas ($3.55 billion) compared with 17.7 billion kronas on Dec. 31, 1986.

While Volvo remains interested in truck industry acquisitions, Gyllenhammar said tough competition in Europe may have dulled the ambitions of some other truckmakers.

"I think there is more and more interest in the U.S. market, also from Europeans," he said. "On the other hand, there has almost been a price war going on in Europe for years now, and there are many manufacturers who haven't made money and that does not create a new appetite for acquisitions or expansion."

Mack frequently has been mentioned as a possible target of Sweden's Scania or Daf Trucks of the Netherlands. Both companies have U.S. ambitions, but Scania has only a small dealer network in the Northeast and some Midwest states, while Daf currently has no presence in the United States.

"I think there has been an interest from many in Mack," said Gyllenhammar. "It's a very good name and has always been a good company. But it depends very much on the plans of Renault."

Gyllenhammar said Volvo "has not declared an interest in Mack specifically."

"But I would say that we are interested enough in the U.S. market so that any movement that affects the whole market we would like to know about and perhaps participate in the discussion," he added.

Enasa, the Spanish government-owned maker of Pegaso trucks and buses, may enter the U.S. market late next year and is talking with manufacturers who have distribution networks. However, Gyllenhammar said Volvo is not interested in a link-up with Enasa.

"We think that product is very important, and I have a feeling that the Spanish manufacturer has been looking to other partners to support its product development," he said. "So to help someone else into the United States is not really our primary objective."

Enasa recently introduced a new heavy-truck range in Europe featuring a cab developed in a joint venture with Daf.

Noting that heavy-truck sales in the United States grew 18 percent during the first nine months of 1987, Gyllenhammar said he is bullish about that market.

"We've seen a very sound truck market, at least in the areas in which we operate, primarily North America and Western Europe," he said. "The truck market does not normally decline dramatically unless the whole world economy gets a big shock. I would suppose that we would still have a fairly good truck market in 1988."

Volvo-GM Heavy Truck is expected to sell some 20,000 units in the United States in 1988 including about 8,000 GMC units. In the long term, capacity at Volvo-GM's New River Valley plant in Virginia and at its Utah facilities is expected to be doubled to about 24,000 units.

Topaz will be introduced on Mexican market in February

Mercury Topaz production begins at Ford of Mexico

By Stephen Downer
STAFF CORRESPONDENT

MEXICO CITY — The Mercury Topaz, available since 1983 in the United States, now is being produced at Ford Motor Co.'s Cuautitlan plant near Mexico City. It will be introduced on the Mexican market in February, a Ford spokesman said.

In Mexico, the car is known as the Ford Topaz. It will replace the older Topaz, which was Mexico's first aerodynamic car when it was introduced several years ago.

The Topaz and the Taurus will lead Ford's lineup for the 1988 model year, following the 100-day labor dispute in Cuautitlan that wrecked Ford's production plans for 1987.

"In volume terms, we lost about 10,000 units, including cars and trucks," the spokesman said.

The Cuautitlan plant, whose production is exclusively for the Mexican market, reopened Nov. 5 with a scaled-down workforce.

The spokesman said, "We have re-employed 70 percent of the workforce that we had before the dispute started (3,200 blue collar workers). As soon as production accelerates, we will take on more."

He added, "With the new contract, Ford is in a much more competitive position in Mexico."

Other Ford cars being made at the Cuautitlan plant for the 1988 model year are the Cougar and Thunderbird. The plant produced 1,900 Thunderbirds, 3,600 Cougars and 10,100 Topazes in the 1987 model year, as well as pickup trucks, according to Ford statistics.

Mazda and NEC team up in Japan to develop auto electronics

HIROSHIMA, Japan — Mazda Motor Corp. and NEC Corp. have formed a new company in Japan to develop advanced automobile electronic technology.

Called NALDEC, an acronym for New Automobile Life Development by Electronics, the new company will be located in Hiroshima. Sachio Hata, currently general manager of corporate projects for Mazda, has been named president.

Mazda and NEC, one of Japan's leading electronics and communications equipment manufacturers, said they decided to form the new company "because of the growing application of advanced electronic technology in automobiles."

Initially, the company will focus on electronic-technology development for automotive use, although production is planned in the future, Hata said.

Mazda and NEC each will hold 50 percent equity in the firm, which will be capitalized at $1.8 million. Annual sales for the company, which will have 50 employees, are targeted at $7.1 million.

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AUCTION DATES

American Motors

Dec. 1 — D-A Auto Auction, New Stanton, Pa.

Dec. 2 — Newburg Auto Auction, Newburg, N.Y.

Dec. 3 — Greater Chicago Auto Auction, Chicago, and Wolfe's Evansville Auto Auction, Evansville, Ind.

Dec. 4 — St. Louis Auto Auction, St. Louis

Chrysler Motors

Dec. 1 — Florida Auto Auction of Orlando, Ocoee, Fla.; Aptco Auto Auction, Taylor, Mich.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Hatfield Auto Auction, Hatfield, Pa.

Dec. 2 — A.D.E. of Birmingham, Birmingham, Ala.; Columbus Fair Auto Auction, Obetz, Ohio; South Seattle Auto Auction, Kent, Wash.; and Southern Auto Auction, Warehouse Point, Conn.

Dec. 3 — Fredericksburg Auto Auction, Fredericksburg, Va.; Clanton's Auto Auction, Darlington, S.C.; and Utah Auto Auction, West Bountiful, Utah

Dec. 4 — St. Louis Auto Auction, Bridgeton, Mo., and Manheim Auto Auction, Manheim, Calif.

Dec. 8 — American Auto Auction, Walpole, Mass.; Arena Auto Auction, Chicago; Golden Gate Auto Auction, Fremont, Calif.; Hatfield Auto Auction, Hatfield, Pa.; and Dallas Auto Auction, Grand Prairie, Texas

Ford Motor Co.

Dec. 2 — Northway Auto Auction, Clifton Park, N.Y.; Lakeland Auto Auction, Lakeland, Fla.; and Southern Auto Auction, Fontana, Calif.

Dec. 3 — Albuquerque Auto Auction, Albuquerque, N.M.; Minneapolis Auto Auction, Plymouth, Minn.; and St. Louis Auto Auction, Bridgeton, Mo.

Dec. 9 — Indianapolis Auto Auction, Indianapolis, and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Dec. 10 — Baltimore-Washington Auto Exchange, Baltimore; Dallas Auto Auction, Grand Prairie, Texas; Denver Auto Auction, Aurora, Colo.; Nashville Auto Auction, Nashville, Tenn.; Southwest Auto Auction, Phoenix, Ariz.; Bay Cities Auto Auction Inc., Hayward, Calif.; and Skyline Auto Exchange, Fairfield, N.J.

General Motors

Dec. 1 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; Harrisonburg Auto Auction, Harrisonburg, Va.; and South Seattle Auto Auction, Kent, Wash.

Dec. 2 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Minneapolis Northstar Auto Auction, Shakopee, Minn.

Dec. 3 — Baltimore-Washington Auto Exchange, Baltimore; Butler Auto Auction, Gibsonia, Pa.; Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; Denver Auto Auction, Englewood, Colo.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; and Nashville Auto Auction, Nashville, Tenn.

Used Car Sales
Auction Averages

November, 1987	$5,951
Month ago	$6,001
Year ago	$5,181

Model Breakdown
Auction Averages

	NOV 1987	OCT 1987	SEP 1987
1987	$10,564	$11,220	$11,357
1986	$8,454	$8,624	$8,808
1985	$7,199	$7,257	$7,321
1984	$5,640	$5,711	$5,764
1983	$4,844	$4,897	$4,940
1982	$3,504	$3,549	$3,607
1981	$2,542	$2,549	$2,583
1980	$1,996	$2,022	$2,044
Overall Average	$5,951	$6,001	$6,043

'Lost' cars hurt Chrysler

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Chrysler Motors attributes a 22 percent drop in its 1987 domestic-car sales to the 237,983 units of production it lost in high-volume car lines.

Chrysler Motors Chairman Gerald Greenwald said last week that the company also has been affected by the 10-percent decline in the U.S. domestic-car market.

However, Chrysler's drop of 1.6 percentage points in domestic-car share this year resulted in part from the temporary production halt of the high-volume Plymouth Horizon America, Dodge Omni America, Chrysler Fifth Avenue, Dodge Diplomat and Plymouth Gran Fury, he said.

Those subcompacts and full-sized sedans accounted for 2.2 percentage points of market share in 1986, Greenwald said.

Greenwald: "Chrysler was essentially out of the small-car and large-car business this past year."

The America subcompacts were out of production for six months with a loss of 162,000 units in 1987, Greenwald said. The company lost production of 76,000 of its large, rear-wheel-drive sedans during a three-month production halt.

Greenwald said Chrysler expects to increase its market share 1.0 to 1.5 percentage points in 1988, capturing 15 percent of the North American vehicle market.

Chrysler has resumed production of the America subcompacts and the rwd sedans at its Kenosha, Wis., assembly plant. It also resumed production of the Eagle Premier in Bramalea, Ontario, Nov. 23.

Chrysler also has recently entered the luxury market with the Dodge Dynasty, Chrysler New Yorker and New Yorker Landau front-wheel-drive sedans.

"Chrysler was essentially out of the small-car and large-car business this past year while we basically held our own in the middle and our truck sales soared," Greenwald said.

Now, he said, Chrysler is competing in all segments.

Greenwald said sales in the fourth quarter of 1987 are expected to be down from last year's levels because in 1986 a strong surge in year-end sales resulted from federal tax reform.

However, he described fleet business as "booming." Chrysler's fleet orders for cars are up 17 percent in the calendar year and truck orders are up 24 percent, he said.

TRANSPLANTS

FROM PAGE 2

ure includes labor, parts and services, such as utilities, the Cami spokesman said.

No final determination has been made on the percentage of Cami production to be exported to the United States, the spokesman said.

"A lot will depend on market strength," he said, noting that GM sells a higher percentage of small cars in Canada than in the United States.

The spokesman said that Suzuki negotiated a letter of understanding with the Canadian Auto Workers.

The letter outlines a flexible work agreement that reduces the number of job classifications but retains traditional union procedures. It has to be ratified by Cami workers.

Cami is the only Asian-affiliated company in Canada that has indicated a willingness to be unionized, a Canadian Auto Workers spokeswoman said.

Honda of Canada Manufacturing, of Alliston, Ontario, the only Asian transplant company now assembling cars in Canada, is not unionized.

The Alliston plant, which will employ 650 workers when full capacity is reached in 1989, began production last year.

Volvo's Canadian workforce is unionized. The new $15 million (Canadian) plant will assemble the 740-series sedans and wagons and, like the old plant, will employ about 180 production workers.

Construction of Hyundai's one-million-square-foot plant in Quebec should be complete and weather tight at the end of this year, a Hyundai Auto Canada spokesman said. The $325 million (Canadian) project is "on schedule and on budget," he said.

Equipment is now being installed in the paint shop.

"By this time next year, the plant should be gearing up for some trial production. We plan to go into mass production at the beginning of January 1989," the spokesman said.

Full capacity of 100,000 units of a new model will be attained by 1991, he said. It is to be a mid-sized model.

"This is a model that isn't even in production in Korea yet. We plan to unveil the car publicly in 1988," he said.

The spokesman said that information about the new model that "was given out a year ago is not accurate any longer. The car was in the design stage then."

First reports were that the Bromont plant would build a car in the Stellar category. Later, it was reported the new Hyundai model would be styled by Giorgio Giugiaro, have a new V-6 engine and be more luxurious and advanced than anything Hyundai has built to date.

Unlike the other transplant operations under construction in Canada, the Hyundai plant is strictly an assembly facility, like Honda's and Volvo's.

There are no stamping or plastic facilities at Hyundai, and there is no talk now of producing components such as engines.

About 130 components will be sourced locally the first year, he said, and the rest will come from Korea. "We do intend to increase (local sourcing) year by year," he said.

The Hyundai plant, on 420 acres, will employ 1,200 workers when a second shift is added in the spring of 1990, he said.

The first technical and supervisory employees have been hired and were sent to Korea to be trained on a production line.

The Hyundai spokesman said that though most auto plants and suppliers in Canada are in Ontario, the transportation and utility access are good at Bromont, the plant is on a rail line, and it is close to the port of Montreal.

He gave Hyundai's position on the Canadian Auto Workers union: "Our first endeavor is to create a harmonious and cooperative working environment. If and when the CAW wants to unionize, that will be left up to the workers."

TRADE

FROM PAGE 1

estimated U.S. trade deficit for 1987 at $170 billion — about $10 billion higher than last year's $160 billion trade gap.

House Speaker Jim Wright, D-Texas, said that a conference committee charged with resolving differences between House and Senate trade bills will not complete their work until late February 1988. Floor action is not expected until mid-March.

The UAW claims Wall Street wants a trade bill that will check the negative balance of trade in the United States.

Steve Beckman, UAW economist, said, "It is extremely regrettable that Congress has not yet acted on trade legislation in the face of the stock market decline and the other serious economic challenges confronting the United States.

"The stock market was responding to fears that the trade problem is not going to be remedied and that the U.S. is going to continue to be at the mercy of foreigners financing the U.S. deficits," he said.

Beckman described the compromise to reduce the federal budget deficit as "progress." He added that the deal "is within the range of expectations of foreign governments and the financial markets."

Import-car dealers hold an opposite view on the trade issue. Robert McElwaine, president of the American International Automobile Dealers Association, said, "Black Monday was directly linked to fears that were tied to trade legislation.

"The economic changes that have taken place in the last month have altered people's thinking on trade, and no one in Congress wants to be remembered the way Mr. Smoot and Mr. Hawley are."

McElwaine was referring to the 1920s Smoot-Hawley tariffs that are widely cited as one of the causes of the Great Depression.

"A substantial group in the Senate wants to do a basic bill that includes trade negotiating authority for the president, a new harmonized system of tariff classification and some agricultural items in the existing trade bill," McElwaine said.

According to White House reports, Reagan has sufficient support in the Senate to uphold a presidential veto if the bill is too protectionist.

McElwaine said a trade bill of this kind "could be done in a couple of days and would face no real resistance if we could get a couple of people on board." He specifically mentioned Senate Finance Committee Chairman Lloyd Bentsen, D-Texas, and House Speaker Wright as the two members whose support is needed.

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AUCTIONS

FROM PAGE 1

Auction and Auto Dealers Exchange are independents. Others are part of chains owned by Anglo American, General Electric Credit Auto Auctions and Manheim Auctions.

Officials of most of the top auctions say dealer consignments are their most important segment. Most would like to see their dealer consignments comprise 50 percent or more of their total sales.

Lease and fleet vehicles also are important segments, followed by factory "buyback" cars and trucks.

Auction executives enjoy the high volume and prices generated by factory sales, but they wonder how long the manufacturers can continue to use buyback and guaranteed price programs to buoy new-car sales and production volume.

Said Tony Moorby, vice president of sales for Anglo, "The manufacturers are being forced into another year of program cars because retail sales are not supporting the level of production they like to maintain."

Most managers at the 10 largest auctions said the buyback programs will be strong for at least two years.

Joe Greco, manager of the Florida Auto Auction of Orlando, said roughly a third of the cars sold at his 11-lane auction on 90 acres are fleet and lease vehicles. The auction is owned by Manheim.

Contributing to the auction's success is its location, in central Florida with the huge number of daily rental companies serving thousands of vacationers.

Earlier this year, the auction set a single-day sales record by selling 4,095 units, or 68 percent of the 6,026 vehicles consigned, raking in $41 million.

Al Sindoni, general manager of second-ranking NADE, said his auction's success is due to "being in the right neighborhood and offering good service."

Unlike other top-selling auctions, NADE runs only a dealer consignment operation. But Sindoni said a reconditioning center will open by year-end, so the auction will have the capability to process fleet and factory vehicles. NADE, too, is owned by Manheim.

Clanton's Auto Auction, purchased earlier this year by GE Credit Auto Auctions for an estimated $37 million, attributes its success to customer confidence.

"We have culled out the bad dealers supplying the cars over the years," said Ray Clanton Sr., former owner and now general manager.

General Motors, Chrysler Motors and Ford Motor Co. are customers of Clanton's. Fleet, lease and factory vehicles account for roughly 20,000, or 38.9, percent of the auction's sales annually.

"Fleet and lease is very important and becoming more so because the factories control it," Clanton said. "We would be missing a big segment of the market if we weren't doing it."

David Harrison, general manager of the California Auto Dealers Exchange, said Southern California has the largest used-car market in the world. Although the auction doesn't have factory sales (program vehicles , its fleet and lease sales amount to 12 to 18 percent of its business, Harrison said.

Surprisingly for the region, he said, only 15 to 20 percent of the auction's business is import vehicles.

"There is a large number of domestic vehicles running around on California highways," he said.

Harrison said support from Manheim has contributed to the auction's growth since it opened as a greenfield operation 13 years ago.

Larry Tribble, owner of Southern Auto Auction, said he mingles imports with domestic cars at the auction instead of separating them, even though "Connecticut has one of the highest rates of import registrations in the country."

Southern Auto Auction is one of the few large independent auto auctions left. A 100-acre expansion project, including improved facilities, is on the drawing board. Tribble estimated the investment at $5 million.

He said the dramatic growth of factory buyback programs has affected the auction business.

"There are tremendous demands on auctions by the factories," he said. "An auction has to perform to their levels of expectation to keep their business. The factories are pushing thousands of cars a month through the auctions — it's an exciting time."

He said a major portion of the auction's business is disposal of repossessed and lease cars for Ford Credit, General Motors Acceptance Corp., Chrysler Credit, Toyota Motor Credit and "the financial arms of every major bank in the East disposing of vehicles."

Dan Troup, general manager of Columbus Fair Auto Auction, said dealer consignments account for roughly 75 percent of the auction's business.

"We look at factory programs as the icing on the cake for auctions because it can come and it can go," he said.

Joe Maltese, president of Michigan-based APTCO Auction, owned by Anglo-American, said 40 percent of the auction's business is factory buybacks, followed by roughly 30 percent dealer consignment and 30 percent fleet leasing.

"If the factory business went away, then we would have to recover the lost business in another market segment," he said. "Ideally, dealer consignments should be 50 percent or more — it's the most important part of the business."

PRODUCTION

Mexico auto output up 16.8% in October

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Mexican assembly plants built 27,409 cars in October, 16.89 percent more than the September total of 23,448 and 39.62 percent more than the year-ago month's 19,631.

For the first 10 months of the year, 208,047 cars were assembled, 26.08 percent more than the 165,009 completed during the same period in 1986.

Ford Motor Co.'s October output was affected by a strike at its Cuautitlan plant.

Ford's October build of 6,606 cars was 4.96 percent more than September's 6,294. Both months reflect only Tracer output.

In October 1986, Ford built 1,288 cars, all of which were Cougar, Thunderbird and Topaz models, produced at the Cuautitlan plant for sale in Mexico. Ford was not building Tracer at that time.

Ford's 10-month total of 52,401 compares with the 17,167 last year.

Chrysler Motors' Mexican output for October totaled 5,344. 31.40 percent more than September's 4,067 and 38.59 percent more the year-ago month's 3,856.

Through October, Chrysler had built 54,845 cars, an increase of 54.76 percent from the 35,438 built in 1986.

Chrysler assembles Aries and Reliant models for export to the United States and the LeBaron J for the Mexican market.

General Motors reported October production of 5,077 cars in Mexico, 11.66 percent more than the preceding month's 4,547 and 78.39 percent more than the 2,846 built in October 1986.

At the end of 10 months, GM had assembled 22,402 cars, 47.47 percent more than the 15,191 built in the comparable 1986 period.

GM produces the Chevrolet Celebrity, Buick Century and Oldsmobile Cutlass Ciera in Mexico. Of those, GM exports only the Celebrity to the United States.

Volkswagen reported it built 6,086 cars in Mexico during October, 5.60 percent more than the 5,763 built in September out 6.54 percent below the year-ago month's 6,512.

Nissan built 4,296 cars in Mexico during October, 54.69 percent more than September's 2,777, a model changeover month, but 16.24 percent below the year-ago month's 5,129.

North American car production for October totaled 776,941, 17.55 percent more than September's 660,948 but 9.69 percent below the 860,278 built in October 1986. At the end of 10 months, 6,875,047 cars had been assembled in North America, 10.87 percent below the 7,713,911 completed in the comparable period of 1986.

MEXICAN, N. AMERICAN CAR
Oct. 1987 vs. Oct. 1986

	Oct. 1987	Oct. 1986	10 mos. 1987	10 mos. 1986
Chrysler	5,344	3,856	54,845	35,438
Ford	6,606	1,288	52,401	17,167
GM	5,077	2,846	22,402	15,191
Nissan	4,296	5,129	44,373	40,968
Volkswagen	6,086	6,512	34,026	56,245
Total Cars, Mexico	27,409	19,631	208,047	165,009
Total Cars, U.S.	671,681	731,245	6,020,310	6,657,425
Total Cars, Canada	77,851	109,402	646,690	891,477
Total Cars, N. American	776,941	860,278	6,875,047	7,713,911

CANADIAN CAR	Week Ended Nov. 28, 1987	Week Ended Nov. 29, 1986	Week Ended Nov. 21, 1987	Nov. Est.	Jan. 1 to Nov. 28, 1987	Jan. 1 to Nov. 29, 1986
CHRYSLER	1,018	148	114	1,815	7,913	4,112
FORD MOTOR	11,525	11,400	8,037	39,923	394,476	462,443
GENERAL MOTORS	11,712	10,058	10,958	44,859	301,977	479,846
HONDA	500	0	504	1,748	13,906	0
VOLVO	0	225	0	0	7,989	9,195
Total Cars, Canada	24,755	21,831	19,613	88,345	726,261	975,596

U.S. TRUCK☆	Week Ended Nov. 28, 1987	Week Ended Nov. 29, 1986	Week Ended Nov. 21, 1987	Nov. Est.	Jan. 1 to Nov. 28, 1987	Jan. 1 to Nov. 29, 1986
CHEVROLET	14,139	4,753	23,406	79,509	1,034,851	1,075,421
DODGE/PLYMOUTH	5,050	3,006	9,095	31,820	284,621	130,729
FORD	18,631	17,071	32,603	113,979	1,353,342	1,261,144
GMC	4,639	1,715	6,212	25,748	346,505	329,838
NAVISTAR	1,109	972	1,686	6,340	68,413	66,588
JEEP	3,100	2,610	4,545	16,768	204,527	173,943
NISSAN	2,094	1,045	3,380	12,173	88,298	101,575
AM GENERAL*	270	30	450	1,620	15,570	2,304
MISCELLANEOUS*	1,380	1,380	2,300	8,280	107,340	104,972
Total Trucks, U.S.	50,412	32,582	83,679	296,237	3,503,467	3,246,514

CANADIAN TRUCK	Week Ended Nov. 28, 1987	Week Ended Nov. 29, 1986	Week Ended Nov. 21, 1987	Nov. Est.	Jan. 1 to Nov. 28, 1987	Jan. 1 to Nov. 29, 1986
JEEP	750	640	726	3,181	32,864	26,170
CHRYSLER	8,034	9,102	8,107	29,083	355,651	368,688
FORD	3,648	2,488	2,727	14,002	138,398	135,156
GENERAL MOTORS	6,750	908	6,021	23,883	215,594	184,542
NAVISTAR	225	199	225	906	9,025	8,668
Total Trks., Canada	19,407	13,337	17,806	71,055	751,532	723,254
U.S., Canada Trks.	69,819	45,919	101,485	367,292	4,254,999	3,969,768

*—Includes window van production. **—Estimated
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

U.S. CAR	Week Ended Nov. 28, 1987	Week Ended Nov. 29, 1986	Week Ended Nov. 21, 1987	Nov. Est.	Jan. 1 to Nov. 28, 1987	Jan. 1 to Nov. 29, 1986
AMERICAN MOTORS	0	0	0	0	15,994	46,844
Renault Total	0	0	0	0	15,994	46,844
Alliance	0	0	0	0	15,994	43,497
Encore	0	0	0	0	0	3,347
CHRYSLER MOTORS	14,050	13,516	20,004	75,984	990,053	1,198,999
Plymouth Total	3,800	5,563	6,745	23,744	221,144	385,264
Horizon	500	1,892	822	2,861	41,002	157,594
Sundance	900	1,169	1,851	5,988	82,525	28,478
Reliant	2,000	1,985	3,436	12,553	121,229	140,570
Caravelle	300	517	480	1,829	39,914	41,036
Gran Fury	100	0	156	513	6,474	17,586
Chrysler Total	4,300	2,389	4,656	19,766	329,770	348,574
Laser	0	0	0	0	0	26,978
LeBaron K	550	959	1,012	3,543	60,000	78,550
LeBaron J	1,650	0	0	4,335	103,851	0
LeBaron GTS	300	541	510	1,637	35,249	58,786
N. Yorker E-Class	0	889	0	0	57,102	66,861
N. Yorker C-Class	1,000	0	1,794	6,218	13,722	0
Fifth Avenue	800	0	1,342	4,033	59,846	117,399
Dodge Total	5,950	5,584	8,601	32,474	369,139	465,161
Daytona	1,150	227	0	2,917	56,931	30,793
Omni	400	1,799	745	2,537	35,518	150,043
Shadow	1,000	1,102	2,167	6,926	86,652	27,662
Aries	2,350	1,455	3,740	13,792	114,207	116,144
Dodge 600	350	502	686	2,500	37,102	59,771
Dynasty	300	0	554	1,695	3,297	0
Lancer	100	499	302	885	21,832	44,665
Diplomat	300	0	407	1,220	13,600	36,083
FORD MOTOR	24,037	22,094	40,780	147,120	1,672,057	1,801,598
Ford Division	17,885	15,403	30,487	108,251	1,201,952	1,108,922
Escort	5,727	3,328	9,256	33,879	357,140	347,379
Mustang	2,688	2,261	4,367	15,960	195,590	162,984
Tempo	2,490	2,325	4,384	14,829	129,460	179,571
Taurus	4,816	5,450	8,978	31,634	375,050	296,258
Thunderbird	2,144	2,039	3,482	11,949	144,712	122,730
L-M Division	6,172	6,691	10,293	36,869	470,105	492,676
Mercury Total	3,672	4,257	6,216	24,562	303,185	326,551
Lynx	0	576	0	0	21,352	55,589
Capri	0	0	0	0	0	12,344
Topaz	721	663	935	4,655	41,767	53,215
Cougar	1,442	1,835	2,497	10,269	127,670	90,833
Sable	1,509	1,183	2,784	9,638	112,161	114,570
Lincoln Total	2,500	2,434	4,077	14,307	166,920	166,125
Continental	291	241	407	1,370	11,253	17,934
Lincoln	1,849	1,826	3,061	10,718	129,606	124,598
Mark VII	360	367	609	2,219	26,061	23,593
GENERAL MOTORS	45,376	32,008	75,329	279,020	3,191,052	3,784,149
Buick Total	6,092	5,935	11,726	43,875	517,898	707,601
Skyhawk	0	0	0	2,137	30,719	76,713
Century	2,064	3,446	3,313	11,870	146,009	210,291
Regal (rwd)	415	0	757	2,547	39,206	54,056
Somerset/Skylark	900	1,537	1,288	5,170	60,457	102,230
LeSabre (fwd)	1,440	952	2,156	8,309	132,396	143,331
LeSabre (rwd)	219	0	376	1,322	9,099	13,787
Electra (fwd)	820	0	3,451	11,150	87,655	83,777
Riviera	234	0	365	1,370	12,357	23,416
Cadillac Total	4,091	2,427	6,698	24,515	248,878	289,815
Cimarron	0	51	41	200	10,045	21,724
Allante	90	0	100	290	4,210	0
Brougham (rwd)	1,188	0	1,905	7,176	69,229	69,988
DeVille (fwd)	2,028	2,376	3,321	12,167	129,090	155,309
Eldorado	378	0	631	2,283	17,355	22,625
Seville	407	0	700	2,399	18,949	20,169
Chevrolet Total	20,069	10,175	33,274	119,338	1,261,463	1,196,287
Chevette	0	1,719	0	0	0	96,287
Camaro	1,590	2,640	2,497	9,056	111,778	161,733
Cavalier	4,724	1,150	7,079	26,587	285,499	362,657
Celebrity	3,890	3,514	6,775	23,364	275,171	237,180
Corsica/Beretta	4,973	308	8,760	31,068	316,388	8,333
Monte Carlo	1,078	844	1,825	6,665	88,547	101,861
Caprice	3,430	0	5,700	20,280	178,135	202,465
Corvette	384	0	638	2,318	25,945	25,771
Oldsmobile Total	7,772	5,747	12,141	44,807	560,817	863,685
Firenza	9	0	0	1,015	12,710	36,291
Calais	1,980	1,429	2,492	10,674	106,241	109,132
Cutlass Ciera	722	2,817	1,367	4,018	107,975	218,988
Cutlass Supreme	889	626	1,441	5,364	69,958	102,273
88 (fwd)	2,040	0	3,794	13,391	164,551	257,319
88 (rwd)	270	0	446	1,612	13,590	17,599
Olds 98	1,018	875	2,172	7,215	65,561	104,898
Toronado	253	0	429	1,518	14,613	17,185
Pontiac Total	7,952	7,724	11,490	46,485	601,996	726,761
Acadian*	0	233	0	0	0	14,872
Fiero	714	937	0	2,967	29,656	62,695
1000	0	307	0	0	0	19,187
Firebird	930	1,314	1,572	5,498	72,021	98,997
2000 Sunbird	1,350	494	1,983	7,335	80,030	123,444
Grand Am	3,120	2,820	4,801	19,238	228,493	210,129
6000	671	1,619	1,094	4,102	66,336	122,662
Bonneville	1,152	0	1,927	6,984	116,985	25,884
Safari/Parisienne	15	0	113	361	8,475	48,891
HONDA	3,945	3,969	7,218	26,035	297,998	211,636
Civic	913	1,015	1,849	6,039	81,685	15,162
Accord	3,032	2,954	5,369	19,996	216,313	196,474
MAZDA	223	0	406	1,209	2,509	0
NISSAN	786	1,744	1,325	4,540	108,512	54,343
NUMMI	2,250	2,389	3,705	13,321	176,335	178,080
Corolla	600	646	1,071	3,830	39,800	6,236
Nova	1,650	1,743	2,634	9,491	136,535	171,844
VOLKSWAGEN	1,200	1,016	1,815	6,985	59,298	77,682
Golf/GTI	780	866	1,115	4,485	44,335	77,282
Jetta	420	150	700	2,520	14,963	400
Total Cars, U.S.	91,867	76,736	150,582	554,214	6,513,808	7,153,331
Total Cars, Canada	24,755	21,831	19,613	88,345	726,261	975,596
U.S., Canada Cars	116,622	98,567	170,195	642,559	7,240,069	8,128,927
U.S., Canada Trks.	69,819	45,919	101,485	367,292	4,254,999	3,969,768
U.S., Canada Cars and Trks.	186,441	144,486	271,680	1,009,851	11,495,068	12,098,695

*—All Acadians are built for sale in Canada. **—Estimated.
Monthly estimates may contain error of one or two units due to rounding.

Car output is 91,867 in short week

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Last week's targeted domestic auto production dipped from the prior week's as automakers worked only three days due to the Thanksgiving holiday.

Scheduled output of 91,867 fell 38.99 percent from the previous week's 150,582 but rose 19.72 percent from the year-ago holiday week's 76,736.

So far this year, 6,513,808 cars have been assembled, 8.94 percent below the 7,153,331 completed last year at this point.

Companies split last week's estimated production as follows: General Motors, 49.40 percent; Ford Motor Co., 26.16 percent; Chrysler Motors, 15.29 percent; Honda of America Manufacturing Inc., 4.29 percent; New United Motor Manufacturing Inc., 2.45 percent; Volkswagen of America, 1.31 percent; Nissan Motor Manufacturing Co. U.S.A., 0.86 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 0.24.

GM's Oklahoma City plant will shut down for inventory adjustment on Dec. 14. The plant is slated to return after the Christmas holiday.

Chrysler's St. Louis (No. 1) plant resumed output last week. It had been idle for two weeks for inventory adjustment.

All plants were closed last Thursday and Friday for the Thanksgiving holiday.

Holiday slashes truck schedule

U.S. truck production was scheduled at 50,412 units last week, a drop of 39.76 percent from the prior week's 83,679 due to the Thanksgiving holiday, but an increase of 54.72 percent from the year-ago week's 32,582, which was also a shortened by the holiday.

Year-to-date, 3,503,467 trucks have been assembled, 7.91 percent more than the 3,246,514 built last year at this point.

Because of the holiday, there was no overtime scheduled last week.

Car-truck build rises in Canada

Canadian automakers scheduled production of 24,755 cars last week, 26.22 percent more than the previous week's 19,613 and 13.39 percent more than the year-ago week's 21,831.

So far this year, 726,261 cars have been built, 25.56 percent below the 975,596 assembled last year at this time.

Targeted truck production of 19,407 units last week was 8.99 percent more than the prior week's 17,806 and 45.51 percent more than the year-ago week's 13,337.

Year-to-date, 751,532 trucks have been completed, 3.91 percent more than the 723,254 built last year at this point.

Chrysler Motors' Bramalea, Ontario, plant resumed output last week. The plant, which assembles the Eagle Premier, had been closed since Nov. 4 because of quality problems.

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Rift brews in Chrysler, UAW affair

Union talks tough on path to '88 talks

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

HAINES CITY, Fla. — As preparations for 1988 national contract bargaining at Chrysler Motors got under way here last week, the UAW's top negotiator with Chrysler called labor-management relations the worst in many years.

But his counterpart at Chrysler said he had "no evidence of that at all" and called relations "positive."

Marc Stepp, UAW vice president in charge of the Chrysler department, said in an interview, "I had a lot of trust and respect for former Chrysler labor relations people. But today, the Gerry Greenwalds and the Tony St. Johns do not have my trust."

Stepp said the sore point is Chrysler's outsourcing, "in violation of the spirit of the 1985 agreement."

Stepp made his remarks two days before a meeting between UAW local leaders and the company's top management, including Chrysler Motors Chairman Gerald Greenwald, Chrysler Motors Vice President Anthony St. John and Chrysler Corp. Chairman Lee Iacocca.

St. John, who is Chrysler's top negotiator, said in a telephone interview after the meeting, "Joint activities, especially during the past two years, reflect positively" on the UAW-Chrysler relationship.

St. John said the annual joint meeting "is probably unique in the auto industry."

"You must have caught him at a bad time," he said of Stepp's charges.

Stepp said in the interview, "The relationship between Chrysler and the international union is worse than it's been in many years."

Later he said the joint meeting "went very well," but that it did not provide "the opportunity or the setting" to discuss the outsourcing problem.

Stepp also said there was no opportunity to discuss Greenwald's remark to the union leaders that an economic downturn might delay construction of the new Jefferson plant in Detroit. Stepp said the Chrysler executives "just came and spoke and left."

The Chrysler-UAW meeting in Florida followed a meeting of the UAW national Chrysler council, which includes local leaders from 70 units forming nine subcouncils.

The subcouncils elected a 10-member national bargaining committee, which will begin negotiations with Chrysler next summer.

The Chrysler contract expires

see UAW, page 58

AUTOMOTIVE NEWS/JOE WILSEENS

More incentives on GM models
Four of the five General Motors car divisions have announced incentives for buyers of selected cars and trucks. This Buick Century is offered with a $600 rebate or free air conditioning between Nov. 25 and Jan. 11. **Story on Page 59.**

Trucks pace November gain

21% rise helps U.S. vehicles top '86 despite car falloff

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

November car and truck sales were stronger than expected coming into the final stretch, giving domestic and imported automakers confidence that consumers have not spun out since Black Monday.

For the second month in a row, the rise in light-truck sales overshadowed the drop in domestic car sales. They combined for a modest sales gain of 2.41 percent over the same month last year.

Combined sales of 791,821 U.S.-built light trucks and cars were recorded last month compared with 773,175 domestic vehicles in November 1986.

Light-duty trucks were up 21.32 percent to 305,853 from 252,101 units in November 1986.

However, for the eight domestic car makers, November sales fell 6.74 percent to 485,968 units compared with 521,074 for the same month a year ago.

The Big 3 domestic makers put in place incentives during the month that helped bolster November's light-duty truck sales by 21.32 per-

see SALES, page 6

L-M to sell vehicle from Ford-Nissan

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — The proposed agreement between Ford Motor Co. and Nissan Motor Co. to develop and produce a multipurpose vehicle will be ready for approval by Ford directors in April or May.

Sources close to the project say Nissan executives are expected to sign the agreement the following month.

Negotiators have set initial annual production at 100,000 units, with a 50-50 split between the two companies. The vehicle will be introduced in the North American market in 1992.

It will be marketed by Ford through its Lincoln-Mercury dealers and by Nissan through its existing dealer network.

A 20-member team formed by the two automakers last May has agreed that Nissan will be responsible for design and development of the new vehicle. Production will be handled by Ford, which is expected to assign the work to one its existing assembly plants.

Three of Ford's U.S. assembly plants are producing on single shifts; the rest are running two shifts daily. The company said last week, however, that future capacity requirements will play a role in determining whether Ford will be interested in Volkswagen's Westmoreland County, Pa., plant, scheduled to close in mid-1988.

Design and styling of the multipurpose vehicle is being done by Nissan Design International, a San Diego-based Nissan subsidiary that has developed three Nissan image leaders, the Hardbody pickup, the Pathfinder sport-utility vehicle and the Pulsar NX sporty coupe.

A majority of the parts and components for

see FORD-NISSAN, page 56

RAPID RIPOFF: *Innovative thieves use a file, elbow grease and pick their targets, primarily Japanese*

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — A new, fast technique that permits thieves to open auto doors and start engines in less than 30 seconds is causing great concern among law enforcement officials in Southern California and across the United States.

The technique involves a regular car key that has been filed down to a point. It is used to open car doors and start ignitions, primarily on cars made in Japan.

The "keys" — classified as picks by some police officials — became a serious problem in Southern California about two years ago.

Since then, the filed keys and the resulting problems have become more widespread in scope, surfacing in Northern California, Oregon, Washington, Colorado, Texas, Virginia, Louisiana and British Columbia, according to the International Association of Auto Theft Investigators.

Law enforcement officials estimate that filed keys are used in more than 25 percent of the thefts of Toyotas, Nissans and older Datsuns.

In the first half of 1987, according to the California Highway Patrol, 80 percent of the most-often-stolen cars in California were Toyotas, Nissans and Datsuns, ranging in model years from 1976 to 1985. Volkswagen Beetle models

LANCE GRAVES

from 1966 and 1967 filled the two other top spots.

Approximately 112,700 vehicles were stolen in California during the six-month period, an increase of 14 percent over the same period a year earlier, the highway patrol said. The most commonly stolen car is a late-model Toyota. The average value of a stolen auto is $4,500.

In California, about 90 percent of the stolen cars are recovered, but only 63 percent of them are considered to be in driveable condition, the highway patrol said.

In Los Angeles, police believe the filed keys account for only a small percentage of the stolen vehicles. However, in neighboring Orange County, William Bierer, a highway patrol vehicle theft investigator, said he believes the great majority of stolen Japanese vehicles are taken with filed keys.

"We have a very, very large problem," Bierer said. "They are very sophisticated."

Detectives Grant Varner and Marcus Frank, of the Westminster, Calif., police department, are credited with first recognizing the extent of the problem. In August 1986, the Westminster Police Department made a nationally distributed training videotape entitled "Auto Theft Made Easy," showing a 15-year-old boy using a filed key.

The filed keys work like a pick to open car doors and, in the same manner, start the engine, Frank said. A filed key that may not fit one Toyota or Nissan may work in another model, parked elsewhere in a parking lot, so the thieves keep trying until one or more cars are opened

see THIEVES, page 59

Subaru of America loses $30 million — Page 2
Amway to market Coachmen conversions — Page 3
Nissan, Toyota pay $600 million in U.S. taxes — Page 4

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GM economist puts '88 sales near '87 total

Eads says U.S. muffed chance to slash budget

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — General Motors' top economist says the Reagan administration and Congress missed a golden opportunity to reduce the national deficit following the Oct. 19 stock crash, and another opportunity doesn't appear to be on the horizon.

Nevertheless, George Eads, GM's corporate economist, doesn't predict a recession for 1988. However, his scenario calls for slower economic growth in 1988 than in 1987, with motor-vehicle sales off slightly.

Eads is forecasting motor-vehicle sales of 14.9 million units, just below 1987's expected 15.0 million. His breakdown for 1988 is 10.1 million cars and 4.8 million trucks. That compares with 10.1 million cars and 4.9 million trucks expected by GM for 1987.

In his first interview with Automotive News since joining GM in 1986, Eads said the economy could go two ways other than the path GM is predicting.

There is some chance, he said, that the Oct. 19 stock market crash and subsequent insufficient action by the government to contain the deficit could develop into a full-blown recession.

Eads said for that to happen, the financial markets would have to experience more turmoil than they have to date and consumer confidence would have to falter more.

"It is not impossible," Eads said, giving it a 20 to 25 percent chance of occurring.

Another alternative, but a less likely one, would be that the economy shrugs off the crash and economic growth climbs. However, Eads gives that alternative only 10 percent probability.

The economy would have had a better chance had Washington taken some real action on trimming the budget deficit, Eads said.

AUTOMOTIVE NEWS JOE WILSSENS

Eads: upcoming presidential election doesn't hold any promise for solving the deficit problem

"I think we just missed a major opportunity to truly put all parts of the domestic spending, as well as the tax side, on the table and come up with something that would really produce over a three- to five-year period a real reduction of deficit," Eads said.

Eads is particularly well qualified to address the political scene; he served as a member of President Carter's Council of Economic Advisers from June 1979 to January 1981. He helped develop policies on energy, agriculture, industry, international trade and regulatory reform. Before joining GM, Eads had been dean of the School of Public Affairs at the University of Maryland.

He figures that the advertised $30 billion deficit-cutting package will amount to only about half of that in true cuts.

"At one point," Eads said, "I said the real fear (from the stock market crash) was there for maybe five hours, but it may not have been there even that long."

Now, Eads said, it appears the economy will simply "muddle through" as problems mount and solutions become more difficult.

"We missed this one (to cut debt)," he said. "I don't see what would naturally generate the opportunity."

He sees negotiations on budget cutting reopening only under the most dire circumstances, namely a deep recession.

"Seeing how quickly they shrugged off what we got," he said, "I don't like to think of what it would take to reopen that."

Furthermore, Eads doesn't see the upcoming presidential elections holding any promise for solving the deficit problem, particularly because none of the candidates has rushed forth with innovative solutions since the Oct. 19 collapse. He expects presidential candidates to avoid economic issues because there is no way to open up the debate and come out looking good as a candidate.

"In terms of seeing bold new solutions, I don't see it as a time for that bold new solution," Eads said. "That would mean a willingness to tackle tough problems, and that means offending somebody. You can't win an election by offending somebody."

Instead, Eads expects that Republicans will look at the bright side and talk about the expansion, the number of jobs created and how well the economy is doing. If the economy is showing signs of a recession, the Democrats will blame it on Reagan but will avoid saying what they will do about it.

Coachmen to sell vans with Amway

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

LOUISVILLE, Ky. — Coachmen Industries will market van conversions through Amway Corp. dealers and distributors beginning in January.

Its specially designed Starflyte conversion packages will be available on Dodge, Chevrolet, Ford and GMC chassis.

Dealers have an opportunity to earn money on both the chassis and the conversions.

They first negotiate a regular chassis price with the customer. Separately, they will be able to sell conversion packages retailing for $4,860, without options, for a $150 profit.

Coachmen will wholesale Starflyte conversions to dealers, and Coachmen will pay Amway distributors their agreed-upon sales commission.

Coachmen will get its van chassis from Amway's Auto Dealer Network, a group of 1,500 car dealers in 26 states, and through some of its own participating dealers. It has 200 dealers selling its own Coachmen and Consolidated Leisure conversions.

In areas where neither Amway nor Coachmen have dealers, Amway's National Fleet Services Inc., will find local ones to meet demand, William Snook, president of Coachmen Vans said.

National Fleet administers the Amway Auto Network. It is the tie between Amway's auto dealers and its 750,000 distributors best known for selling cleaning and household products.

Snook doesn't feel the Amway conversions will compete with Coachmen's other conversions because of the way they are priced, equipped and styled.

He stressed that Coachmen was selling conversion packages — not vans.

"Everything is going through franchised car dealers. We, being a bailment pool company, have to be very careful not to infringe on any areas of our bailment pool agreements," he said.

Bailment pool companies are allowed to release converted vans only to dealers that hold a franchise for that chassis. That means Coachmen cannot, for example, sell a converted Chevy van to a GMC or Ford dealer.

Coachmen was one of about five or six converters to bid on the contract which, Snook feels, will substantially increase its 2,000-unit-a-year van conversion business.

"We're very excited about it. When you get 750,000 people pitching your product, there have to be some very positive results," Snook said.

He conceded, though, that high shipping costs may prohibit Coachmen from being price-competitive in in Western and Southwest markets. Its van plants are concentrated in the Midwest.

Coachmen has West Coast plants it could use to convert vans, though, if there's enough volume increase, Snook said.

NHTSA lists models for 35-mph crashes

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — NHTSA has listed the 34 new vehicles it will crash-test as part of its New Car Assessment Program for the 1988 model year.

The safety agency said 24 passenger cars, four vans, five pickup trucks and one multipurpose vehicle will be crashed at 35 mph into a fixed barrier. The results will be announced beginning in early 1988.

Four-door cars to be tested are: Acura Legend, Chevrolet Corsica, Chrysler New Yorker, Dodge Colt wagon, Ford Tempo, Mazda 929, Nissan Maxima, Nissan Sentra wagon, Oldsmobile Delta 88, Peugeot 505, Renault Medallion and Volvo 740-GLE.

Two-door models: Buick Regal, Chevrolet Beretta, Daihatsu Charade, Ford Festiva, Honda Civic hatchback, Mazda RX-7, Nissan Pulsar, Pontiac LeMans, Saab 900-S hatchback, Toyota Corolla, Toyota Tercel and Volkswagen Fox.

Pickups to be tested: Chevrolet 1500 CK, Dodge D-150, Ford F-150, Isuzu Spacecab and Nissan. Vans to be crashed: Chevrolet Astro, Chevrolet G20, Nissan and VW Vanagon. A Mitsubishi Montero multipurpose vehicle also will be tested.

A crash test at 35 mph is 5 mph faster than the speed prescribed for compliance with several existing federal motor-vehicle safety standards, including the standard for "occupant crash protection." The crash tests are designed to indicate, for vehicles within the same size and weight class, relative levels of occupant protection and safety performance.

Instrumented dummies are used in the tests. The head, chest and upper legs of the dummies are equipped with instruments that monitor impact forces. Each dummy is protected by a vehicle's standard occupant protection equipment, either manual safety belts or automatic belts and/or air bags.

NHTSA said it "will continue to examine several aspects of the program, particularly the relationship of these test results to real-world crashes and injuries, in order to improve crashworthiness information provided to consumers."

INDEX

Auction dates	44
Classifieds	45
Coming events	36
Dealing with dealers	28, 30
Legal briefs	34
News briefs	8
Obituaries	56
Opinion	10
Personnel	38, 39
Production	60
Sales, car	6
Truck industry	14

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CAR TOYS: *Gifts few will find when Santa leaves*

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

And now, for the self-indulging auto votary to whom money is just a way of keeping score, comes a license-plate frame in 24-carat gold, priced at a mere $20,000.

Or how about gorging one's self on a $167,000 AMG 300E "Hammer." To order, just dial an 800-number or pop a check into the corner mailbox.

If that's stretching your budget a tad, you can settle for a replica of a Ferrari Testarossa in flawless crystal for the pauperish sum of $1,499.95.

All this and more is available by mail order from the newest edition of the Beverly Hills Motoring Accessories winter catalog, out just in time for the holidays.

"I don't know if anyone ever ordered the AMG 'Hammer' by mail, but I suppose they could," a company spokesman said.

Can't think of the ideal Christmas gift for the pretentious BMW owner in your life? Perhaps a BMW cellular armrest fitting almost all 3-, 5-, 6- and 7-series models with standard seats. Cost? A bargain at only $599.95 in leather.

For those afternoon respites of Perrier and Brie during leisurely countryside motoring excursions, Mercedes-Benz owners can equip their coupes and sedans with a refrigerator-freezer for $1,995.

The security-conscious can gain peace of mind with a "Blitz-Safe" for $199.95. It recedes the stereo into the dash, leaving only a locking flap and the appearance that the car has no stereo.

Says the manufacturer, "Even if theft is attempted, it would take an hour and a half for a thief to remove your stereo."

Other trifles include a car safe called "the Vault" with bolts for $99.95; and an electric convertible hardtop hoist for the garage at $499.

$20,000 license-plate frame is 24-carat gold

SALES

DOMESTIC CAR SALES

	Nov. 21-30 1987	Same Period 1986	Nov. Month 1987	Same Month 1986	Jan. 1 to Nov. 30 1987	Same Period 1986
Alliance	891	1,427	1,695	3,427	23,640	61,689
Eagle	155	193	472	433	4,039	6,811
Total Eagle	1,046	1,620	2,167	3,860	27,688	68,500
Horizon	987	2,512	2,916	8,087	44,493	102,199
Sundance	1,697	1,465	5,127	4,743	70,669	14,250
Turismo	132	389	336	1,242	16,761	43,261
Reliant	2,928	3,340	9,749	7,688	85,151	117,316
Caravelle	766	834	2,031	2,455	33,189	35,873
Gran Fury	255	336	641	1,016	7,312	16,074
Total Plymouth	6,765	8,876	20,800	25,231	286,694	328,973
Laser	0	219	0	653	4,306	26,935
LeBaron K	929	1,139	3,236	3,773	51,914	88,887
LeBaron J	3,128	0	8,796	0	78,798	0
LeBaron GTS	810	667	1,784	2,706	28,746	63,113
Fifth Avenue	1,541	1,711	5,110	5,500	52,635	100,326
New Yorker C	1,098	0	2,721	0	4,236	0
New Yorker E	741	977	2,182	3,140	48,107	50,623
Total Chrysler	8,235	4,913	23,829	15,790	268,748	332,580
Omni	714	2,042	2,213	7,011	35,197	89,773
Shadow	1,603	1,870	5,147	5,576	71,108	14,276
Charger	65	482	243	1,473	17,813	49,256
Daytona	1,372	173	3,678	568	36,957	34,828
Aries	2,732	3,154	8,945	9,204	89,316	95,933
Lancer	516	520	1,077	1,909	21,012	45,594
Diplomat	314	487	1,145	1,861	11,776	32,794
Dynasty	308	0	812	0	1,313	0
Dodge 600	703	781	2,621	3,197	33,190	58,600
Total Dodge	8,326	9,289	25,881	30,819	317,684	420,052
CHRYSLER MOTORS	24,372	24,700	72,677	75,690	860,814	1,150,105
Escort	10,040	9,783	28,737	26,404	364,343	366,026
Mustang	4,210	2,649	12,144	7,325	161,234	156,004
Tempo	6,519	5,773	18,172	17,239	199,392	240,475
Taurus	10,717	9,517	26,195	29,782	322,326	220,520
Thunderbird	3,413	2,434	9,312	7,357	122,853	129,992
LTD	0	0	0	0	0	23,567
Crown Victoria	2,951	3,481	8,763	10,604	109,891	120,675
Total Ford Div.	37,850	33,639	103,323	98,711	1,280,041	1,257,279
Lynx	1,769	1,288	4,963	3,467	64,178	60,345
Topaz	1,513	1,556	4,625	5,377	58,282	61,416
Sable	3,489	2,887	8,348	9,303	95,318	87,318
Cougar	2,821	653	7,226	1,765	103,474	106,962
Capri	0	65	0	234	0	11,512
Marquis	0	0	0	0	2,510	10,180
Grand Marquis	3,057	3,259	8,890	10,125	105,720	108,879
Total Mercury	12,649	9,708	34,072	30,271	429,482	446,612
Continental	45	593	161	1,932	10,682	18,174
Lincoln	4,020	3,904	10,694	12,067	115,129	115,908
Mark VII	810	758	2,443	2,444	25,252	20,650
Total Lincoln	4,875	5,255	13,298	16,443	151,063	154,732
Total L-M Division	17,524	14,963	47,370	46,714	580,545	601,344
FORD MOTOR CO.	55,374	48,602	150,693	145,425	1,860,586	1,858,623
Skyhawk	1,018	876	2,894	3,134	35,902	68,260
Somerset Regal	1,232	1,356	3,277	4,041	63,165	105,454
Century	2,696	3,748	8,434	11,509	138,776	223,826
Regal	2,671	1,016	6,985	2,849	53,882	74,015
LeSabre	2,818	3,360	7,947	10,702	130,347	117,658
Electra	2,495	2,402	5,799	6,686	71,987	101,030
Riviera	163	721	677	1,654	15,392	21,511
Total Buick	13,093	13,479	36,013	40,575	509,451	714,276
Cimarron	200	361	636	1,095	11,788	21,904
Allante	128	0	348	0	2,241	0
Seville	697	906	1,900	2,151	19,456	19,214
Cadillac	4,927	5,067	14,001	15,675	189,007	215,265
Eldorado	768	488	2,146	1,417	19,007	22,483
Total Cadillac	6,720	6,822	19,031	20,338	241,499	278,866
Chevette	30	2,538	97	7,381	16,859	65,904
Nova	1,280	1,376	4,008	5,046	131,277	164,367
Cavalier	6,653	4,613	20,876	16,968	276,333	333,876
Citation	0	0	0	0	0	1,033
Camaro	1,820	1,864	5,610	6,941	110,410	155,069
Celebrity	6,494	6,623	19,123	27,803	283,947	372,694
Corsica/Beretta	4,798	246	13,308	3,091	195,415	5,628
Monte Carlo	1,418	1,699	4,611	5,477	59,230	104,595
Chevrolet	3,572	4,011	11,159	14,448	162,682	208,481
Corvette	681	638	2,101	1,983	23,208	30,689
Total Chevrolet	26,746	23,608	80,893	89,138	1,259,361	1,442,336
Firenza	370	500	1,006	1,495	16,057	32,613
Calais	2,059	2,103	5,814	6,659	95,461	108,753
Cutlass Ciera	4,727	4,977	14,008	18,292	228,582	306,751
Cutlass Supreme	1,566	2,565	5,026	8,709	88,492	182,465
Olds 88	3,510	3,987	9,858	13,437	158,033	245,552
Olds 98	1,586	1,949	4,786	6,510	64,453	101,403
Toronado	382	302	1,228	1,451	15,585	15,733
Total Oldsmobile	14,200	16,383	41,726	56,553	666,663	993,270
Fiero	698	877	1,937	2,897	39,857	64,306
1000	16	276	61	836	4,781	17,258
Sunbird	1,632	1,548	5,264	4,702	74,161	97,885
Firebird	1,409	1,377	4,023	4,636	69,083	87,767
Grand Am	5,071	4,711	15,119	15,787	197,880	185,318
6000	3,464	2,986	10,315	11,452	112,465	184,783
Gr. Prix/Bonn. G.	576	532	1,478	1,882	13,907	39,400
Bonneville H	3,271	0	8,564	0	92,936	35,650
Paris./Safari	220	1,882	686	6,718	9,497	65,780
Total Pontiac	16,359	14,189	47,447	48,912	614,567	778,147
GENERAL MOTORS	77,118	74,481	225,110	255,516	3,291,541	4,206,895
HONDA	11,812	15,674	24,913	30,308	287,426	210,316
Civic	2,356	3,741	4,252	7,236	77,416	16,950
Accord	9,456	11,933	20,661	23,072	210,010	193,366
MAZDA	297	0	526	0	686	0
NISSAN	1,678	2,428	4,906	6,954	114,213	44,186
TOYOTA	1,466	1,360	3,627	2,275	37,773	3,102
VOLKSWAGEN	1,729	2,480	3,514	4,906	57,547	68,354
DOMESTIC TOTAL	173,846	169,635	485,988	521,074	6,530,586	7,541,589
IMPORT TOTAL	0	0	246,064	261,315	2,856,103	2,915,843
INDUSTRY TOTAL	0	0	732,052	782,389	9,386,689	10,457,423

SALES

FROM PAGE 1

cent and helped sales of U.S.-built cars gain 2.48 percent in the final 10-day period over last year's comparable 10 days.

Imported car sales fell 5.83 percent for the month with the decline especially apparent in the luxury bracket. But the import market looked brighter in another light: November 1986's import total set a record for the month, helped by the pending reform of the U.S. tax laws. Many European importers expected to be down this year.

Analysts looked for improvement but were surprised by the strength of November's final 10 days. Some admitted they may have lowered forecasts too much in light of the stock market omen.

"Consumers are obviously not in the grips of panic," said Ann Knight, auto analyst with Paine-Webber Inc., New York. "Sales are where they would have been without an Oct. 19."

David Healy, an analyst at Drexel Burnham Lambert, said "I think the stock market crash isn't impacting car sales. This is the fourth stronger 10-day sales period."

Jack Kirnan, analyst, Kidder, Peabody and Co., said he was "dumbfounded" because all economic factors — income growth, interest rates, debt, consumer confidence levels — "were on the bearish side." He suggested that the 2.5 percent increase in employment levels over the last 10 months may have helped. "We got a surge in manufacturing employment and these individuals can buy cars," because they have higher incomes, he said.

Where the U.S. market was, Nov. 1987

	Total Sales	Pct. of Total
SUBCOMPACT	57,495	7.85
COMPACT	141,940	19.39
INTERMEDIATE	184,104	25.15
STANDARD	98,043	13.39
SPECIALITY	4,386	0.60
IMPORT	246,084	33.62
TOTAL	732,052	100.00

U.S. CAR SALES BY MARKETING UNITS

	Nov. 1987	Nov. 1986	11 Mos. 1987	11 Mos. 1986
Alfa Romeo	372	672	5,888	7,627
American Honda	80,994	74,907	656,179	618,998
BMW	6,291	7,035	81,095	86,287
Buick	36,013	40,575	509,451	714,276
Cadillac	19,031	20,338	241,499	278,866
Chevrolet	92,524	97,871	1,384,956	1,591,281
Chrysler	24,445	16,435	279,366	334,149
Dodge	29,339	35,276	371,620	482,887
Eagle	3,558	3,958	39,832	72,264
Ford	106,547	98,711	1,303,079	1,257,279
Hyundai	18,074	15,925	244,265	146,470
Isuzu	2,722	5,260	35,797	34,248
Jaguar	1,761	1,829	20,071	21,707
Lincoln	13,298	16,443	151,063	154,732
Maserati	73	84	842	1,211
Mazda	19,100	18,134	188,391	194,417
Mercedes	6,748	8,390	82,156	85,622
Mercury	34,917	30,861	443,147	460,169
Mitsubishi	4,683	4,304	62,769	43,998
Nissan	36,235	39,140	494,025	499,137
Oldsmobile	41,726	56,553	666,663	993,270
Peugeot	870	1,562	8,223	13,176
Plymouth	23,984	29,473	315,431	387,513
Pontiac	50,111	48,912	647,221	778,147
Porsche	1,557	2,168	22,351	26,924
Saab	2,965	3,787	42,002	44,504
Sterling	1,045	0	13,260	0
Subaru	13,443	11,819	160,540	163,986
Toyota	54,881	62,662	548,994	565,657
Volvo	5,493	7,873	102,529	111,127
VWoA	15,048	17,209	216,012	255,834
Yugo	3,204	4,023	45,972	31,660
TOTAL	732,052	782,389	9,386,689	10,457,423

Chevrolet includes Sprint and Spectrum. Honda combines imports and domestics and Acura. Dodge includes Colt, Conquest, Vista. Plymouth includes Colt, Conquest, Vista. VWoA combines imports and domestics and Audi. Nissan includes Sentras built in the U.S. Mercury includes Merkur XR4TI and Merkur Scorpio. Ford includes Festiva. Chrysler includes Conquest. Pontiac includes Lemans.

IMPORTED CAR SALES

	Nov. 1987	Nov. 1986	11 Mos. 1987	11 Mos. 1986
Acura	8,740	7,152	99,031	43,589
Alfa Romeo	372	872	5,888	7,627
Audi	2,305	3,596	39,486	56,007
BMW	6,291	7,035	81,095	86,287
Chevrolet	11,631	8,733	125,595	148,945
Chrysler	616	655	10,618	1,569
Dodge	3,458	4,457	53,936	62,835
Ford	3,224	0	23,038	0
Eagle	1,391	98	12,144	3,764
Honda	27,341	37,447	271,722	365,093
Hyundai	18,074	15,925	244,265	146,470
Isuzu	2,722	5,260	35,797	34,248
Jaguar	1,761	1,829	20,071	21,707
Maserati	73	84	842	1,211
Mazda	18,572	18,134	187,705	194,417
Mercedes-Benz	6,748	8,390	82,156	85,622
Mercury	845	590	13,665	13,557
Mitsubishi	4,683	4,304	62,769	43,998
Nissan	31,329	32,186	379,612	454,952
Peugeot	870	1,562	8,223	13,176
Plymouth	3,184	4,242	48,737	58,540
Pontiac	2,664	0	32,654	0
Porsche	1,557	2,168	22,351	26,924
Saab	2,965	3,787	42,002	44,504
Sterling	1,045	0	13,260	0
Subaru	13,443	11,819	160,540	163,986
Toyota	51,254	60,387	511,221	562,555
Volkswagen	9,229	8,707	114,979	131,473
Volvo	5,493	7,873	102,529	111,127
Yugo	3,204	4,023	45,972	31,660
TOTAL	246,084	261,315	2,856,103	2,915,843

Import and domestic car sales in November of 732,052 dropped 6.43 percent compared to 782,389 in November 1986. Two years ago, the November count was 763,304.

Of the Big 3 automakers, Ford delivered 3.62 percent more cars; General Motors sold 11.90 percent fewer cars; and Chrysler Motors' sales slipped 3.98 percent below November 1986.

Import-car sales declined 5.83 percent for the month to 246,084 from 261,315 last year. Imports accounted for 33.62 percent of the November U.S. market this year. Last November, imports took a 33.39 percent share.

The industry selling rate in November this year averaged 30,502 cars a day this year compared with 32,560 in 1986. There were 24 selling days in both Novembers.

In terms of overall market share for November, GM's domestic cars took 30.74 percent; Ford's domestics took 20.59 percent; and Chrysler's domestics (including Jeep/Eagle Division), 9.93 percent.

U.S.-built car share for Honda was 3.40 percent; Nissan, 0.67 percent; Toyota, 0.50 percent; Volkswagen, 0.48 percent; and recent entrant Mazda captured 0.07 percent of the market.

The eight domestic automakers gained real momentum in the final 10-day period of November this year. Car companies started November with a 10.41 percent decline in the first 10 days. Sales fell 12.03 percent in the mid-November period, although there were more deliveries and a stronger daily selling rate in that period than in the first one.

Domestic carmakers finished the month with a flourish, delivering 2.48 percent more cars in the final 10 days than a year ago.

"Incentives have helped us," said L.R. Windecker, analyst at Ford, which had the strongest gain among all eight domestics in the final period. "We are in a relatively good position."

Cougar sales surged 300 percent for the month and Thunderbird sales moved up 26.57 percent. Both models were in short supply a year ago. Incentives helped both models, said Joe Glowacki, vice president and general manager of Rice and Holman Ford, Mt. Laurel, N.J.

GM sales were off 11.90 percent for the month in spite of an improvement of 3.54 percent during the Nov. 21-30 sales period. Corsica/Beretta continued to outperform most other GM makes.

Although the luxury import market seems to be lagging, Cadillac reported Allante deliveries increased and Eldorado sales moved up 51.4 percent over the previous November.

Chrysler Motors sales ebbed 3.98 percent below last November. But sales of the reskinned Dodge Daytona jumped 547.54 percent in the month, perhaps helped by flashy new TV spot and print advertising and a lower price.

Although import sales — especially among the higher-end makes — dropped in November, the drop generally was not as substantial as in October.

Luxury import-car makers reported the following declines compared with November 1986: Alfa Romeo, 57.34 percent lower; Peugeot, 44.30 percent; Porsche, 28.18 percent; Saab, 21.70 percent; and Mercedes-Benz, 19.57 percent.

Sales of Honda's high-line Acura rose 22.20 percent in November and Hyundai sales were up 13.49 percent in November. Deliveries picked up 5.99 percent for Volkswagen imports, and Mazda import deliveries gained 2.42 percent.

AUCTION BRIEFS

GE Credit Auto Auction has purchased the Ohio Auto Auction, bringing to 17 the number of auctions owned by the financial service company.

The purchase price for the auction was not disclosed. It was purchased from its founder, Henry Stanley Jr. The auction has four selling lanes and recently expanded its reconditioning center to 25,000 square feet.

Howard H. Price, vice president — operations of GE Credit Auto Auctions, has been assigned territorial management responsibility for the auction. Reporting to Price will be Whitey Huff, who will continue as general manager of the auction. Bill Humphrey stays as fleet and lease manager.

David Frazier, formerly vice president — finance for GE Credit Auto Auctions, will be vice president of sales and operations.

A New Year's eve car preview party will be held at the Miami Beach Convention Center, Miami Beach, Fla., prior to a collector-car auction and show planned for Jan. 1-3 at the center.

The Miami sale will include a 1927 Bugatti Type 57 featuring a body by Graber. Other top-dollar cars include a 1932 Duesenberg J-441 Derham dual windshield phaeton and a 1931 Cadillac Fleetwood roadster.

Cars of the stars include a 1956 Cadillac Sedan DeVille originally owned by Elvis Presley. Singer Barry Gibb has consigned a 1955 Buick convertible, a 1965 Mustang GT convertible and a 1955 Cadillac Series 62 convertible.

Indiana-based **Kruse International** is the host for the auction.

AUCTION DATES

American Motors

Dec. 8 — Statesville Auto Auction, Statesville, N.C.

Dec. 9 — Kansas City Auto Auction, Kansas City, Mo., and Columbus Fair Auto Auction, Columbus, Ohio

Dec. 10 — Corry Auto Auction, Corry, Pa.

Chrysler Motors

Dec. 8 — American Auto Auction, Walpole, Mass.; Arena Auto Auction, Chicago; Golden Gate Auto Auction, Fremont, Calif.; Hatfield Auto Auction, Hatfield, Pa.; and Dallas Auto Auction, Grand Prairie, Texas

Dec. 9 — Southwest Auto Auction, Phoenix, Ariz.; Butler Auto Auction, Gibsonia, Pa.; Minneapolis Auto Auction, Plymouth, Minn.; and Denver Auto Auction, Aurora, Colo.

Dec. 10 — Northway Exchange, Clifton Park, N.Y., and Indianapolis Auto Auction, Indianapolis

Dec. 15 — Florida Auto Auction of Orlando, Ocoee, Fla.; Aptco Auto Auction, Taylor, Mich.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; NuCarPrep System, Santa Fe Springs, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Dec. 16 — A.D.E. of Birmingham, Birmingham, Ala.; Columbus Fair Auto Auction, Obetz, Ohio; South Seattle Auto Auction, Kent, Wash.; and Southern Auto Auction, Warehouse Point, Conn.

Dec. 17 — Clanton's Auto Auction, Darlington, S.C., and Fredricksburg Auto Auction, Fredericksburg, Va.

Ford Motor Co.

Dec. 9 — Indianapolis Auto Auction, Indianapolis, and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Dec. 10 — Baltimore-Washington Auto Exchange, Baltimore; Dallas Auto Auction, Grand Prairie, Texas; Denver Auto Auction, Aurora, Colo.; Nashville Auto Auction, Nashville, Tenn.; Southwest Auto Auction, Phoenix, Ariz.; Bay Cities Auto Auction Inc., Hayward, Calif.; and Skyline Auto Exchange, Fairfield, N.J.

Dec. 11 — Interstate Auto Auction, Mercer, Pa.

Dec. 15 — South Seattle Auto Auction, Kent, Wash., and Harrisonburg Auto Auction, Harrisonburg, Va.

Dec. 16 — Atlanta Auto Auction, Red Oak, Ga.; Columbus Fair Auto Auction, Obetz, Ohio; Concord Auto Auction, Acton, Mass.; Clanton's Auto Auction, Darlington, S.C.; Lakeland Auto Auction, Lakeland, Fla.; and Southern California Auto Auction, Fontana, Calif.

General Motors

Dec. 8 — Florida Auto Auction of Orlando, Ocoee, Fla.

Dec. 9 — Indianapolis Auto Auction, Indianapolis; Southern California Auto Auction, Fontana, Calif.; and Omaha Auto Auction, Omaha, Neb.

Dec. 10 — St. Louis Auto Auction, Bridgeton, Mo., and Utah Auto Auction, West Bountiful, Utah

Dec. 16 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Used Car Sales
Auction Averages

December to date	$5,933
Month ago	$5,981
Year ago	$5,138

Model Breakdown
Auction Averages

	DEC 1987	NOV 1987	OCT 1987
1987	$10,502	$10,564	$11,220
1986	$8,422	$8,454	$8,624
1985	$7,184	$7,199	$7,257
1984	$5,629	$5,640	$5,711
1983	$4,830	$4,844	$4,897
1982	$3,483	$3,504	$3,549
1981	$2,533	$2,542	$2,549
1980	$1,988	$1,996	$2,022
Overall Average	$5,933	$5,951	$6,001

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Bank seizes dealer funds from Canadian auction sale

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

OSHAWA, Ontario — More than 150 Canadian used-car dealers are out a total of $1.5 million after Lloyd's Bank in Whitby seized funds from the Oshawa Auto Auction's Oct. 21 car sale.

Money from the sale of automobiles was being held in trust at Lloyd's Bank. The Oshawa Auto Auction is Ontario's second-largest auto auction, selling roughly 750 vehicles per week.

According to Bob Beattie, director of the Ontario Used Car Dealers Association, auction owner Frank Wills is considering two offers for the business from private individuals.

Dealers had considered filing a lawsuit against the bank but are now waiting the outcome of the sale that is expected to result in the return of their money.

Beattie said legal action now could kill the offer. But he warned that if the sale falls through, the dealers are ready to pursue legal action.

"The bank knows its actions were wrong," said Beattie. "They knew the money was in trust."

He said the bank seized the money because there "were some financial difficulties between it and the auction."

As an agent for dealers, checks from buyers are normally deposited in trust in the auction's account at the bank.

After liens and titles are researched, the auction issues a check to the seller, usually within two days of the sale.

According to Beattie, dealers could have lost up to $2.5 million. The bank wanted to seize the money from the Oct. 28 regular sale but the auction didn't deposit the money after hearing about the seizure of its other funds.

Beattie said dealers canceled nearly all of their checks to the auction and then settled accounts among themselves.

"It was a real show of cooperation," he said.

Paul Feldman, lawyer for the auction, declined to comment on the seizure of the money by the bank. Bank officials were unavailable for comment.

The bank also returned checks marked "NSF" (non-sufficient funds) that had been issued by the auction to dealers, said Beattie.

Lloyd's Bank had sought appointment of a receiver for the auction but its request was denied by the court.

A "monitor" was named instead. Beattie explained that a monitor studies a company's liabilities and assets, then reports its findings to the court.

As of late last week, the bank again had asked the court to appoint a receiver for the auction.

But if Wills reaches an agreement to sell the auction, a receiver will not be necessary, explained Beattie.

The auction holds a sale every Wednesday but has been closed since the funds were seized.

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Japanese share drops in Europe

Political climate remains volatile despite slowdown in imports

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — After several years of growth, Japanese automakers apparently will finish 1987 with a market-share decline in Europe.

But the political clamor about Japanese imports has not quieted, and a new report predicts a sharp rise in combined Japanese market share in 1988 and continued growth during the next five years.

Through the first 10 months of 1987, Japanese car sales in Western Europe rose only 0.3 percent to 1,199,700, while overall sales climbed nearly 6 percent to 10,554,700, according to industry estimates compiled by Automotive News.

The Japanese market share slipped from 12 percent through the first 10 months of 1986 to 11.4 percent for the same period this year. Japanese sales in October alone declined 1.4 percent.

An informal agreement with the European Community caps Japan's annual growth in shipments to the Common Market at 10 percent. The 1987 increase is expected to wind up at about 7 percent.

The drop in market share follows an angry response by European politicians and industry leaders to a dramatic surge in car imports from Japan in the first quarter. The Japanese insisted at the time that the heavy imports were merely to replenish inventories following an intentional drop-off in late 1986 to comply with the 10 percent quota.

In a speech in Brussels last week, European Commissioner Karl-Heinz Karjes staked out a new bargaining position with the Japanese. He said that European countries would be willing to ease national import restrictions in exchange for a halt in the growth of imports from Japan during the next several years.

Assorted restrictions on Japanese sales are now in place in France, Italy, Spain, the United Kingdom and Portugal. The national limits could vanish in the face of efforts to create a single European market by 1992, but some auto executives fear that the Japanese can better exploit a unified European market.

Karjes said the individual restrictions will be eased only if Japan agrees on a "stabilization" plan carrying through 1992 and possibly longer. He is scheduled to take his proposal to Tokyo this month.

Meanwhile, DRI-Europe, a London-based research organization, has predicted that Japanese sales in Europe will rise from about 1.36 million in 1987 to 1.38 million next year, even though it believes the overall market will decline. Japanese cars' market share will improve almost 12 percent, according to DRI.

By 1992, it projected a 12.6 percent share on sales of 1.5 million units, with the rise due mainly to transplant production.

Each of the top three Japanese companies in Europe — Nissan, Toyota and Mazda — lost market share through the first 10 months of 1987. The leader, Nissan, had 3 percent of the European market through October, with sales volume up 1.6 percent to 312,000.

EUROPEAN SALES

Manufacturer	10 months 1987	1987 share	10 months 1986	Change '87 vs '86
VW-Audi-Seat	1,578,400	15.1	1,443,400	+ 9.4
Fiat Group**	1,522,800	14.6	1,409,400	+ 8.1
Ford	1,271,600	12.2	1,171,100	+ 8.6
PSA***	1,250,900	12.0	1,118,700	+11.8
Japanese (all)	1,199,700	11.5	1,196,300	+ 0.3
Nissan	312,000	3.0	307,100	+ 1.6
Toyota	297,000	2.8	297,000	+ 0.0
Mazda	198,400	1.9	210,000	– 5.6
Mitsubishi	130,200	1.2	122,500	+ 5.2
General Motors****	1,132,600	10.8	1,109,200	+ 2.1
Renault	1,095,900	10.5	1,019,000	+ 7.6
Mercedes-Benz	372,100	3.6	373,600	– 0.4
Austin Rover	366,100	3.5	362,800	+ 0.9
BMW	248,600	2.4	256,600	– 3.1
Volvo	224,500	2.1	226,200	– 0.7
Others	183,800	1.7	186,500	– 1.4
Total	10,447,000	100.0	9,872,800	+ 5.8

** Includes Alfa Romeo
*** Peugeot, Citroen, Talbot
**** Opel, Vauxhall, Isuzu, GM-U.S./Canada

Volkswagen Group held the top spot in the European sales race through October, with 1,578,400 units, good for 15 percent of the market and a 9.4 percent increase in volume over the same period in 1986. The rise is attributable to VW's Audi and Seat divisions, both of which increased 10-month sales 32 percent — to 296,000 and 209,300, respectively — while the VW brand rose just 1.1 percent.

Fiat Group, including Alfa Romeo, was second at 1,522,800, an improvement of 8.1 percent and a 14.4 percent share of the market. Ford was next at 12 percent on sales of 1,271,600, an increase of 8.6 percent. Peugeot SA, including Peugeot and Citroen, followed at 11.9 percent. Through October, Peugeot SA sales were 1,250,900, an 11.8 percent improvement.

General Motors was fifth at 1,132,000, an increase of 2.1 percent and a 10.7 percent share. Renault was up 7.6 percent across Europe to 1,095,900, good for 10.4 percent of the market.

Though the impact of the Oct. 19 stock market plunge on European sales was not fully evident in the figures, overall sales were up 4.8 percent in October to 1,070,000.

DRI downgrades world market forecasts

By Richard Johnson and Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTERS

DRI-Europe has revised its 1988 worldwide new car sales forecast downward by 498,000 units to reflect October's Wall Street collapse and the general sluggishness in demand for cars in the United States and in Europe.

It said world car sales would finish the year at 32,293,000 and predicted that 1988 worldwide car sales will slip 1.54 percent or 498,000 units to 31,795,000.

DRI also scaled back its 1990 forecast of 12 months ago by 6.5 percent, to 32,698,000 cars.

The London-based research group's most recent outlook for the finish of 1987 and 1988 is more pessimistic than its earlier second-half forecast. DRI-Europe is predicting lower sales this year in North America and Europe, while forecasting some improvement in sales in Asia-Pacific, especially with South Korean exports.

Projected 1988 U.S. car sales are expected to fall off to 9.7 to 9.8 million units, which is down 700,000 units or 6.66 percent from the earlier forecast of 10.5 million units.

North American sales are expected to decline about 3.74 percent or by about 422,000 units to 10.8 million in 1988 compared with about 11.3 million in 1987.

The slowdown in European car demand is expected to lead to a decline of 400,000 units for a total of 11.6 million in 1988 compared to the 12 million forecast for 1987.

DRI said "crash effects have compounded the slowdown already expected for 1988."

"The macroeconomic impact is not large after lower interest rates are taken into account," according to the report. "But West Germany must handle a further, damaging rise of the deutschemark in Europe by mid-1988." Not only are registrations expected to fall from 2.70 million to 2.63 million, but the U.S. sales decline means lost production. Output will fall to 4.7 million from 4.3 million in 1987, said DRI-Europe.

United Kingdom car sales are projected to decline 7.5 percent to 1.82 million in 1988. Its sales will move past Spain into fourth place in Europe by 1989.

DRI predicts that France's car sales will fall below 2 million units. But it expects Fiat's new Tipo subcompact range will help boost Italy's car sales in 1988. It projects the Italian market will "remain at a high level of 1.89 million units after 1.91 million in 1987."

New registrations in Japan are expected to increase 1.77 percent to 3.22 million units in 1988, up from 3.16 million units in 1987. Japanese production is expected to decline from 7.4 million to just under 7.3 million units. South Korean exports of new cars should increase from 512,000 units in 1987 to 733,000 in 1988, a rise of 43.16 percent or 221,000 units, according to DRI's forecast.

The research organization pointed to the Wall Street collapse, sluggish 1.7 percent U.S. gross national product growth next year, a rising federal deficit and the continued downturn of the dollar as factors prompting the revision.

"The dollar will continue to slide with or without G7 action, causing a reassessment of the global balance of automobile production," DRI said, referring to the seven Western economic powers.

North American car production will be about 7.5 million or 100,000 units more than 1987's projected 7.4 million cars according to DRI. Western European car production will be cut by about 444,000 units in 1988 because of projected slow demand. Production is anticipated to drop from 12.4 million cars in 1987 to 11.9 million in 1988.

PRODUCTION

Auto output trails '86

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Last week's scheduled domestic auto production increased tremendously over the prior week's build, which was held down by the Thanksgiving holiday.

But the total couldn't match that of the year-ago week.

Automakers targeted production of 151,761 cars last week, 64.72 percent above the holiday week's 92,130 but 2.79 percent below the year-ago week's 156,114.

So far this year 6,665,832 cars have been assembled, 8.79 percent below the 7,307,873 built last year at this point.

Companies split last week's estimated output as follows: General Motors, 48.76 percent; Ford Motor Co., 26.79 percent; Chrysler Motors, 16.14 percent; Honda of America Manufacturing Inc., 3.74 percent; New United Motor Manufacturing Inc., 2.31 percent; Volkswagen of America, 1.05 percent; Nissan Motor Manufacturing Co. U.S.A., 0.88 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 0.33 percent.

Chrysler will lay off 600 workers at its St. Louis (No. 1) plant in January due to slow sales of certain models. The St. Louis facility builds the Chrysler LeBaron J and LeBaron K; the Dodge Aries, 600 and Daytona; and the Plymouth Reliant and Caravelle models.

As reported earlier, GM will permanently close its Pontiac, Mich., plant Friday, affecting about 1,700 workers. The plant assembles the rear-wheel-drive Buick Regal, Oldsmobile Cutlass Supreme Classic and Chevrolet Monte Carlo.

GM permanently closed its Framingham, Mass., plant last week because of slow sales of its Chevrolet Celebrity and Oldsmobile Cutlass Ciera models. About 3,700 workers have been placed on indefinite layoff.

Ford scheduled Saturday overtime at its Wixom, Mich.; Edison, N.J.; and Kansas City, Mo., plants.

All Ford plants except Edison are slated for daily overtime this week.

Chrysler's St. Louis (No. 2) plant scheduled overtime last Saturday. That plant and the Sterling Heights, Mich., facility are slated for daily overtime this week.

Truck build tops 83,000

Domestic truck production was scheduled at 83,713 units last week, 67.81 percent more than the previous week's 49,886 and 22.95 percent more than the year-ago week's 68,089.

The prior week's output was reduced by the Thanksgiving holiday.

General Motors slated overtime last Saturday at its Flint, Mich., and Moraine, Ohio, plants, and Ford Motor Co. scheduled Saturday overtime at its Wayne, Mich.; Twin Cities, Minn.; Lorain, Ohio; Louisville, Ky.; and St. Louis plants.

Canada car assembly dips

Scheduled Canadian auto production of 22,404 cars last week was 1.26 percent below the previous week's 22,690 and 4.20 percent below the year-ago week's 23,386.

So far this year, 746,600 cars have been completed, 25.11 percent below the 996,930 built last year at this time.

Truckmakers targeted production of 18,988 units last week, 5.40 percent more than the prior week's 18,015 and 38.30 percent more than the year-ago week's 13,730.

Year-to-date, 769,128 trucks have been assembled, 4.27 percent more than the 737,628 built last year at this point.

CANADIAN CAR	Week Ended Dec. 5, 1987	Week Ended Dec. 6, 1986	Week Ended Nov. 28, 1987	Nov. Est.	Jan. 1 to Dec. 5, 1987	Jan. 1 to Dec. 6, 1986
CHRYSLER	1,172	150	940	1,971	9,007	4,260
FORD MOTOR	11,520	10,839	9,670	40,372	404,141	493,919
GENERAL MOTORS	9,072	12,172	11,613	46,574	310,950	489,331
HONDA	640	0	467	1,843	14,513	0
VOLVO	0	225	0	0	7,989	9,420
Total Cars, Canada	22,404	23,386	22,690	90,761	746,600	996,930
U.S. TRUCK☆	**Week Ended Dec. 5, 1987**	**Week Ended Dec. 6, 1986**	**Week Ended Nov. 28, 1987**	**Nov. Est.**	**Jan. 1 to Dec. 5, 1987**	**Jan. 1 to Dec. 6, 1986**
CHEVROLET	22,870	14,789	13,106	83,050	1,056,688	1,076,933
DODGE/PLYMOUTH	7,800	6,152	5,039	33,369	292,410	136,535
FORD	32,985	31,976	18,339	120,284	1,386,035	1,293,138
GMC	7,627	5,410	4,523	27,157	354,016	335,254
NAVISTAR	1,851	1,612	1,078	6,879	70,233	67,910
JEEP	4,600	4,060	2,957	17,545	208,984	178,303
NISSAN	3,230	1,740	2,094	12,819	91,528	102,620
AM GENERAL*	450	50	450	1,890	16,200	2,354
MISCELLANEOUS*,.	2,300	2,300	2,300	9,660	110,560	107,272
Total Trucks, U.S.	83,713	68,089	49,886	312,454	3,566,654	3,300,319
CANADIAN TRUCK	**Week Ended Dec. 5, 1987**	**Week Ended Dec. 6, 1986**	**Week Ended Nov. 28, 1987**	**Nov. Est.**	**Jan. 1 to Dec. 5, 1987**	**Jan. 1 to Dec. 6, 1986**
JEEP	750	640	370	2,951	33,234	26,820
CHRYSLER	8,034	9,167	7,766	30,422	383,417	377,585
FORD	3,648	2,754	3,623	14,707	142,021	138,599
GENERAL MOTORS	6,330	968	6,026	24,425	221,200	185,758
NAVISTAR	226	201	223	906	9,256	8,966
Total Trks., Canada	18,988	13,730	18,015	73,461	769,128	737,628
U.S., Canada Trks.	102,701	81,819	67,901	385,914	4,335,782	4,037,947

—Includes window van production. *—Estimated
Jeep includes commercial jeep. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain some of last or next month's sales due to cutoffs.

U.S. CAR	Week Ended Dec. 5, 1987	Week Ended Dec. 6, 1986	Week Ended Nov. 28, 1987	Nov. Est.	Jan. 1 to Dec. 5, 1987	Jan. 1 to Dec. 6, 1986
AMERICAN MOTORS	0	0	0	0	15,994	46,844
Renault Total	0	0	0	0	15,994	46,844
Alliance	0	0	0	0	15,994	43,497
Encore	0	0	0	0	0	3,347
CHRYSLER MOTORS	24,500	25,851	14,893	81,727	1,015,396	1,223,815
Plymouth Total	6,750	10,109	4,030	25,324	298,124	395,227
Horizon	900	3,936	510	3,051	41,912	161,386
Sundance	1,750	2,447	1,058	6,496	84,433	30,547
Reliant	3,500	2,878	1,971	13,224	124,700	143,955
Caravelle	450	848	387	2,006	40,451	41,753
Gran Fury	150	0	104	547	6,628	17,586
Chrysler Total	7,250	4,609	4,521	21,437	337,241	352,543
Laser	0	0	0	0	0	26,978
LeBaron K	1,000	2,025	591	3,784	61,041	80,309
LeBaron J	2,750	0	1,719	4,954	106,670	0
LeBaron GTS	450	1,049	321	1,748	35,720	55,627
N. Yorker E-Class	0	1,534	0	0	57,102	68,230
N. Yorker C-Class	1,600	0	1,063	8,601	15,385	0
Fifth Avenue	1,450	0	827	4,350	61,323	117,399
Dodge Total	10,500	11,134	6,342	34,966	380,031	476,045
Daytona	1,850	605	1,116	3,253	58,747	31,420
Omni	850	3,648	437	2,744	36,405	153,642
Shadow	2,150	2,214	1,206	7,564	89,008	29,564
Aries	3,400	2,728	2,428	14,550	117,685	118,999
Dodge 600	700	1,148	406	2,696	37,856	60,953
Dynasty	800	0	347	1,902	4,144	0
Lancer	350	791	144	999	22,226	45,384
Diplomat	400	0	258	1,258	13,958	36,083
FORD MOTOR	40,660	40,409	23,952	155,167	1,712,632	1,641,671
Ford Division	30,385	28,120	17,748	114,211	1,232,220	1,136,739
Escort	9,489	6,759	5,653	35,713	366,565	354,153
Mustang	4,630	4,279	2,689	16,887	200,221	167,230
Tempo	4,896	5,091	2,456	15,774	134,322	184,376
Taurus	7,907	9,426	4,789	33,188	382,930	305,827
Thunderbird	3,463	2,563	2,151	12,649	148,182	125,153
L-M Division	10,275	12,289	6,204	40,956	480,412	504,932
Mercury Total	6,374	7,572	3,708	25,873	309,595	334,086
Lynx	0	1,259	0	0	21,352	56,747
Capri	0	0	0	0	0	12,344
Topaz	1,432	1,271	735	4,955	43,213	54,610
Cougar	2,304	2,240	1,436	10,724	129,968	92,998
Sable	2,638	2,802	1,537	10,194	114,827	117,387
Lincoln Total	3,901	4,717	2,496	15,083	170,817	170,846
Continental	549	475	302	1,491	11,813	18,408
Lincoln	2,795	3,537	1,817	11,245	132,369	128,139
Mark VII	557	705	377	2,347	26,635	24,299
GENERAL MOTORS	73,990	76,243	44,755	293,197	3,264,421	3,861,084
Buick Total	12,020	15,213	6,105	46,292	529,931	722,187
Skyhawk	1,080	0	0	2,353	31,799	76,713
Century	4,090	5,737	2,240	12,864	150,275	215,863
Regal (rwd)	705	1,511	427	2,700	39,923	55,691
Somerset/Skylark	1,555	2,279	750	5,331	61,862	104,551
LeSabre (fwd)	2,400	2,729	1,440	8,789	134,796	145,694
LeSabre (rwd)	341	337	207	1,378	9,428	14,147
Electra (fwd)	1,579	1,805	827	11,473	89,241	85,578
Riviera	270	515	214	1,404	12,607	23,950
Cadillac Total	6,951	7,350	3,957	25,771	255,695	296,838
Cimarron	70	238	0	214	10,115	22,075
Allante	100	0	89	309	4,309	0
Brougham (rwd)	1,980	1,401	1,170	7,554	71,191	71,548
DeVille (fwd)	3,375	4,766	1,927	12,741	132,364	159,491
Eldorado	792	564	382	2,445	18,151	22,982
Seville	634	381	389	2,508	19,565	20,742
Chevrolet Total	30,644	22,078	19,668	125,066	1,291,706	1,225,348
Chevette	0	2,679	0	0	0	99,155
Camaro	2,547	0	1,479	9,454	114,214	162,401
Cavalier	7,420	2,872	4,252	27,599	292,447	366,987
Celebrity	4,276	6,325	3,926	24,255	279,483	247,019
Corsica/Beretta	8,279	1,688	5,172	32,923	324,866	10,901
Monte Carlo	1,744	2,486	1,130	7,066	70,343	104,719
Caprice	5,738	5,377	3,319	21,317	183,762	207,755
Corvette	640	651	390	2,452	26,591	26,411
Oldsmobile Total	11,455	16,429	7,259	47,185	572,359	876,039
Firenza	480	0	0	1,111	13,190	35,800
Calais	3,245	2,416	1,708	11,051	111,214	111,516
Cutlass Ciera	126	4,489	896	4,217	108,275	223,607
Cutlass Supreme	1,571	1,796	898	5,687	71,538	104,136
88 (fwd)	3,427	4,607	2,087	14,123	168,025	259,187
98 (rwd)	420	390	275	1,701	14,015	17,743
Olds 98	1,742	2,370	1,144	7,689	67,449	106,857
Toronado	444	361	251	1,605	15,055	17,191
Pontiac Total	12,920	15,173	7,766	48,883	614,730	740,672
Acadian*	0	612	0	0	0	15,105
Fiero	1,215	1,795	573	3,069	30,730	64,344
1000	0	612	0	0	0	19,693
Firebird	1,501	0	866	5,734	73,458	99,868
2000 Sunbird	2,070	789	1,351	7,750	82,101	123,252
Grand Am	4,920	4,879	3,113	20,215	233,406	214,591
6000	1,096	2,897	681	4,331	67,442	125,502
Bonneville	1,937	3,214	1,090	7,309	118,860	29,284
Safari/Parisienne	181	375	92	474	6,733	49,033
HONDA	5,680	6,716	4,071	27,297	303,804	217,005
Civic	1,908	1,614	1,003	6,511	83,683	16,117
Accord	3,772	5,102	3,068	20,786	220,121	200,888
MAZDA	501	0	214	1,300	3,001	0
NISSAN	1,330	2,915	786	4,806	109,842	56,087
NUMMI	3,500	3,980	2,234	14,005	179,819	183,669
Corolla	1,000	1,023	662	4,092	40,862	7,782
Nova	2,500	2,957	1,572	9,913	138,957	176,087
VOLKSWAGEN	1,600	0	1,225	7,330	60,923	77,498
Golf/GTI**	900	0	800	4,665	45,255	77,098
Jetta**	700	0	425	2,665	15,668	400
Total Cars, U.S.	151,761	156,114	92,130	564,529	6,665,832	7,307,873
Total Cars, Canada	22,404	23,386	22,690	90,761	746,600	996,930
U.S., Canada Cars	174,165	179,500	114,820	675,590	7,412,432	8,304,803
U.S., Canada Trks.	102,701	81,819	67,901	385,914	4,335,782	4,037,947
U.S., Canada Cars and Trks.	276,866	261,319	182,721	1,061,504	11,748,214	12,342,750

—All figures are built for sale in Canada. **—Estimated
Monthly estimates may contain some of last or next month's sales due to cutoffs.

Brazil tallies record for auto exports

By Rik Turner
STAFF CORRESPONDENT

SAO PAULO, Brazil — The Brazilian auto industry chalked up record exports of $2.4 billion through the first 11 months of 1987 and expects to maintain a similar performance for the entire year.

Andre Beer, president of ANFAVEA, the automakers' association, said domestic sales dropped 34.7 percent compared with the first 11 months of last year. He said he expects the situation to worsen because of the 20 percent price increase granted by the government in November.

At Autolatina, exports are expected to total $1 billion for the year, said Wolfgang Sauer, the company's president.

The Ford-Volkswagen holding company is currently battling the government in court over its right to price products to cover inflationary cost increases. Autolatina believes an agreement signed earlier this year frees the company to raise prices to cover inflation. With inflation running at 300 percent in Brazil, a second price increase is likely this month.

Sauer added that total annual losses at the two companies are still forecast in the $300 million-$400 million range. Nonetheless, said Sauer, the company has gone ahead with investments. It is honoring an agreement signed with the government earlier this year that freed pricing in exchange for a commitment to invest and export.

"We've invested $200 million this year and will be putting in $250 million in 1988," he said.

Sauer said Autolatina hopes that exports next year will maintain their strong performance. But he recognizes the difficulty of doing so, given the uncertain economic climate in the wake of the Wall Street crash.

It may be particularly difficult for its U.S. export operation, which started this year by exporting VW Fox models to the United States.

For the industry as a whole, Beer said exports will almost certainly not be as good next year.

Chrysler kills AMC's Eagle

SOUTHFIELD, Mich. — Chrysler Motors plans to discontinue production of the low-volume, four-wheel-drive Eagle station wagon on Dec. 14.

Eagle was an American Motors model. Chrysler acquired AMC in August.

Chrysler cited declining sales among the reasons for the production halt.

The 1980 Eagle was the first domestic mass-produced 4wd automobile. At one time, Eagle also was offered in two- and four-door sedan versions.

Sales have declined steadily since the peak year of 1983, when 31,207 units were sold. U.S. sales for 1987 through the end of November were 4,039.

"Programs to keep our dealer body competitive require tremendous investments, severely restricting funds to update existing products, especially those products based on old technology and of declining interest to our customers," said E. Thomas Pappert, Chrysler Motors group vice president — sales.

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Chrysler comes to crossroads

Will Eagle lure yuppies?

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Motors' launch of its new Jeep-Eagle franchise is more than the liftoff of a new division.

Its success or failure in digesting the former American Motors and creating the new Eagle car network will weigh heavily on the company's future image and its bottom line.

Chrysler is launching the new network amid a recent spate of questions about its performance and prospects.

Domestic-car sales in the 1987 calendar year have dropped 22 percent in a car market that is off only 10 percent.

The company is burdened with excess production capacity at a time when the industry is facing decreased demand and an increasing number of competitors.

Chrysler's breakeven point has risen in the months before and since the AMC acquisition, forcing employee layoffs, spending cuts and some product and program delays.

Some of the company's dealers have seen their profitable operations slip into the red in the final quarter of the year. Some lower-volume dealers are no longer able to accept additional inventory because they have reached their credit limit.

In addition, Chrysler is grappling with its problems at a time when the industry as a whole faces an uncertain future.

For many of the company's dealers and outside analysts, the underlying issue remains the future of the Jeep-Eagle Division.

"Can they make anything out of Eagle? That is the question," said Maryann Keller, auto analyst with

see FUTURE, page 49

AUTOMOTIVE NEWS/JOE WILSSENS

'No Child Without a Christmas'
The goal of this year's Chevrolet-Pontiac-Canada Group employee Christmas show was to raise funds to buy gifts for at least 1,000 underprivileged children in the Detroit area. More than 35 acts took the stage, including St. Nick and his wife. Donations were accepted through the Goodfellows organization. Last year, the week-long show raised $12,000.

DIAMOND-STAR: *Sporty coupe for Plymouth*

By Christopher A. Sawyer
CRAIN NEWS SERVICE

The new Plymouth sports coupe to be built by the Chrysler-Mitsubishi joint venture, Diamond-Star Motors, will be introduced 15 months from now for about $9,400 for the base model.

Details of the new car were revealed to a focus group designed to test consumer reaction to the car. Auto enthusiast Dan DiZinno, who participated in the group, revealed details of the new car to AutoWeek, a car enthusiasts' magazine and sister publication of Automotive News.

Like many car buffs living near the General Motors proving grounds in Mesa, Ariz., DiZinno had always expected that the secret prototype he might some day reveal to the world would come from GM. Other sources also contributed to AutoWeek's detailed description of the Chrysler car, codenamed H24S.

The base car will be fitted with a single-overhead-cam 1.8-liter engine powering the front wheels.

Dan DiZinno

Diamond-Star's turbo 2 + 2 for Plymouth.

A top-of-the-line car will follow the base model by three or four months. That four-wheel-drive performance 2 + 2 will be priced below $16,500 in current dollars (some sources have put it as low as $15,950 in current dollars). Buyers will get a fully equipped sports coupe with full-time 4wd, powered by a 202-horsepower, 2-liter, double-overhead-cam intercooled turbo engine.

The H24S will have a wheelbase of 95 to 100 inches and will stretch less than 180 inches overall. Height will be just over 50 inches. Fully loaded, weight should run about 2,900 pounds. Performance is expected to be near the top of the sports-coupe

see DIAMOND, page 50

GM eyes new vehicle from abroad

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — General Motors is studying a plan to produce an all-new utility car/van in Brazil for distribution by its Pontiac Division in North America and by Adam Opel in Europe.

A preliminary development phase, including feasibility studies, has already been approved. A final decision from GM's board of directors is expected in February.

Opel, GM's West German passenger-car affiliate, is supervising engineering of the project. Preliminary body engineering work has been carried out by Usines Chausson SA, the French coachbuilder and body and process engineering specialist. Chausson is competing with Italy's Pininfarina for the main project body development work.

One source familiar with the program described it as a versatile concept, with 4x4 and 4x2 configurations and different versions. It has been separately described by a GM source as a vehicle of a type that does not currently exist. Final packaging and design have not necessarily been frozen into place, sources say.

Another GM source said the new product was conceived as a four-wheel-drive vehicle complementing the Chevrolet-Pontiac-Canada Group's forthcoming APV (All-Purpose Van).

The Pininfarina-designed, plastic-bodied APV, based on GM's A-body platform, was originally scheduled to receive a 4x4 variation about two years after introduction. However, insiders say the 4wd option was scrapped for cost reasons, and efforts turned to designing the new utility car/van as a 4wd model from the ground up.

The vehicle is intended for distribution in both North America and Europe. But the program was delayed for nearly a year while GM looked for a production source.

"The program will certainly be done in South America," said a source close to the project.

General Motors produces passenger cars and trucks at its GM do Brasil affiliate and exports some Brazilian-built trucks to the Middle East.

In a recent interview with Automotive News, GM Chairman Roger Smith said, "There ought to be export potential from Brazil.

"We've got to do something in Brazil," he said. "That's a super country. This whole thing has got to be more globalized than it's ever been before. We've got to spend more time looking at that."

see PONTIAC, page 52

'87 production off 5%

Cars down, trucks up in U.S., Canada

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

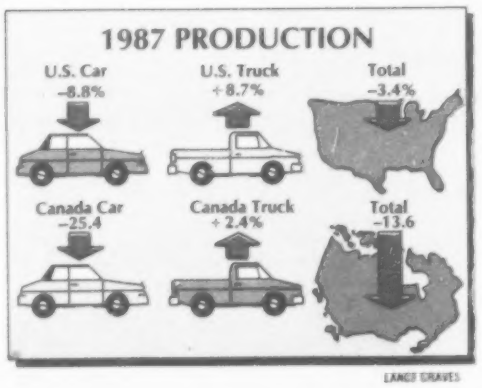
With only one week of work left this year, 1987 production of cars and trucks in the United States and Canada will total 12.60 million, almost 5 percent below the 13.24 million built last year.

Production results in the United States are mixed: Down 8.8 percent for cars, to 7.14 million; up 8.7 percent for trucks, to 3.85 million; and a combined total 3.4 percent below last year, at 10.99 million vehicles.

In Canada, estimated car output plummets 25.5 percent to 800,000 units but trucks outnumber cars for the first time at 810,000 units, a 2.4 percent gain from last year. Combined car-truck output for the year in Canada will turn up 13.6 percent short of last year, at 1.61 million units.

Combined output for the two

see ROUNDUP, page 55



LANCE DRAVES

Optimistic outlook spices RV show

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

LOUISVILLE, Ky. — The National RV Trade Show drew 8,752 people, the largest crowd in recent years.

The attitudes and expectations of the attendees were generally upbeat as the industry appears to have shrugged off any perceptible impact from the stock market's dive in October.

Some manufacturers, though, continued to report disappointment in van conversion sales, which had been sluggish earlier in the year.

Meanwhile, many, like Starcraft and Winnebago,

see RV SHOW, Page 52

INSIDE:
Porsche: No plans to sell out — Page 2
Chrysler prepares sales scenarios — Page 3
'88 domestic, import car prices — Page 30

NEWSPAPER

Chrysler hopes for 9.5 million, is ready for less

Market scenarios start at 8 million cars for '88

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Although Chrysler Corp. is projecting 9.5 million new-car sales in the United States in 1988, it has contingency plans for market scenarios as low as 8.0 million units.

"For the first year in history, we're doing scenarios," said Donald P. Hilty, corporate economist. "Economists are supposed to stick their necks out; that's what we get paid for . . . but this year we're just not that certain."

Chrysler's scenarios for calendar 1988 range from a high of 10.1 million cars and 5.0 million trucks to a low of 8.0 million cars and 3.5 million trucks.

Hilty said the working projection of 9.5 million cars and 4.7 million trucks is "cautiously optimistic," based on the belief that there are "long-term strengths in the industry based on operating costs, the need for cars and trucks and demographics."

"We're programming for 5 percent below trend," Hilty said.

Chrysler's doomsday scenario of 8.0 million cars and 3.5 million trucks, he said, is a "shock scenario" that could be caused by "an interest rate shock or an oil shock" to the economy.

"We don't think that's the most likely, but we're not unique," he said. "I think all companies are looking at scenarios. It's prudent."

Hilty: "New York City — and surrounding communities — appear to be the only soft spot."

Chrysler believes there will be real growth in gross national product next year, but its "average recession" scenario would peg vehicle sales at 9.0 million cars and 4.4 million trucks.

On the high side, Hilty said, sales of 10.1 million cars and 5.0 million trucks are possible if there is "a definite, believable" plan to reduce the federal budget deficit that will make the financial community comfortable.

"We're looking for signposts to tell us what scenario we're on," he said.

The high degreee of economic uncertainty has prompted Hilty to study a number of unusual indicators, including airline and hotel bookings for the year-end holiday period.

"Sun bookings — that is Florida, California, Arizona and Hawaii — are holding up," he said. "The only ones that seem to be a little soft are the ski holidays . . . and we think maybe those are the yuppies from New York."

Hilty said the key to sorting through the 16 various scenarios for 1988 is to remain flexible.

He said that Chrysler sees improvements in regional economies and markets, including the agricultural and "oil" regions.

"The New York City market — and the surrounding bedroom communities — appear to be the only soft spot," he said.

Car inventories rise; totals are 83 days for U.S., 61 for imports

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Stocks of new domestic and imported cars continued to climb in spite of improved sales in the last period of November and in spite of incentives launched by the Big 3 U.S.-based automakers.

On Dec. 1, combined imported and U.S.-built car stocks were 6.54 percent higher than on Nov. 1 and 13.95 percent fa'ter than a year ago.

Since Ford Motor Co. and Chrysler Motors reported higher sales in late November than in earlier periods, both automakers reduced the number of days in which they could sell off their stockpiles. General Motors' days' supply, however, continued to climb.

Higher inventories could be seen in stores that sell imported cars, especially those that sell German luxury cars. Import-car sales fell 5.83 percent last month, although the segment accounted for a third of the market in November.

December opened with a stockpile of 778,-720 imported cars and trucks, a 66-day supply, compared with 743,244 imported vehicles, a 58-day supply, on Nov. 1. The imported vehicle stockpile climbed 19.93 percent above 649,336 on Dec. 1, 1986.

Stocks break down to a 61-day supply of imported cars or 577,206 units and an 84-day supply of imported trucks, representing 201,514 units on Dec. 1.

The Dec. 1 stockpile of U.S.-built cars was the highest since July 1. There were 1,683,-501 domestically produced cars, an 83-day supply. That was 8.18 percent more than last month's 1,558,931 count, an 80-day supply and it was 10.14 percent higher than last year's Dec. 1 count of 1,531,295, a 71-day supply.

The average Dec. 1 days' supply of U.S.-built cars for 1982-86 was 63. For import cars, the average was 36 days.

A number of dealers claimed to be controlling inventories although several said cars were much harder to sell this year.

"We monitor our inventory on a weekly basis throughout the year. We're very conscious of carrying inventory; there are some areas where we see slowness," said Edward J. Butera, vice president and general sales manager, Warnock Holding Co., Livingston, N.J., which owns five dealerships that include all Big 3 makes. "We are still really short of a few Ford vehicles — the Mustang GTs in Ford stores and the and 4x4s with automatic transmissions," he said.

Jim Lupient, owner of Jim Lupient Oldsmobile, Golden Valley, Minn., said, "We're doing a little maneuvering. We have a 69-day supply with very little carryover on '87s. We've kept control this year because we knew what would happen after 1.9 (percent loans) ended."

see STOCKS, page 54

Ex-dealer charges GM, Chevy blackballed him

By John A. Russell
AUTOMOTIVE NEWS STAFF REPORTER

NEWARK, N.J. — A former Chevrolet dealer has sued General Motors and its Chevrolet Motor Division alleging that the company refused his plan to purchase another dealership. He claimed GM effectively blackballed him in the industry, making it impossible for him either to purchase another GM outlet or to work in a management position for a GM dealership.

The dealer, Larry F. Tynan, is the former president of the Chevrolet Dealer Alliance, an activist group founded on the lines of the Ford Dealer Alliance approximately five years ago. Tynan was also president and owner of Towne Chevrolet in Middletown, N.J., until he sold the operation in 1985.

Tynan alleged in his complaint, filed in state court here, that an offer he made on a Chevrolet-Oldsmobile dealership was refused by Chevrolet because of his activities as president of the alliance and his vocal criticisms of Chevrolet during his tenure on various Chevrolet dealer councils, including the National Dealer Council.

In a letter to the selling dealership, J&B Chevrolet and Olds, Inc., of Belvidere, N.J., Chevrolet zone manager R.W. Emerick Jr. said that prior experience with Tynan, during his ownership of Towne Chevrolet, was a "mutually unsatisfactory experience."

During the period Tynan "incessantly expressed extreme dissatisfaction with Chevrolet and General Motors policies, personnel, products, strategies or anything else related to our business relationship," the letter said.

Tynan said in his complaints that GM and Chevrolet violated New Jersey franchise law. The refusal was not based on the reasons required under the statute, which relate to character, financial ability and business experience, he said.

Instead, he charged, he was being punished for "the exercise of his constitutional rights under the 14th Amendment of the U.S. Constitution and also under the New Jersey Constitution.

Tynan's complaint alleged that by virtue of the letter sent to J&B refusing to approve the offer, the company "put all General Motors dealers throughout the country on notice that to employ the plaintiff in a management position would invite sanctions."

The letter from Emerick said, "We therefore believe it is not in the best interest of Chevrolet, General Motors, or the consuming public to enter a dealer agreement with any company in which Mr. Tynan would exercise management of ownership."

Tynan, in a telephone interview with Automotive News, claimed this was the key sentence that effectively blackballed him.

Tynan also is suing to obtain a refund in parts supplied to warranty retail customers. Under New Jersey law, the reimbursement is at the prevailing retail rate. Tynan claimed he is owed $178,587 by the division.

Under New Jersey proceedings any monetary awards are assessed by the jury and are usually not included in the complaint.

A spokesman for Chevroletsaid the division had no immediate comment.

INDEX

Auction dates	39
Classifieds	40
Coming events	33
'88 car prices	30
News briefs	8
Opinion	10
Personnel	20
Production	55
Sales, imports	54
Sales, trucks	14
Service management	16
Truck industry	14

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GM shuts Flint and Pontiac plants that opened in '20s

DETROIT — Two General Motors plants, both rich in history, closed their doors permanently last week.

The Chevrolet-Pontiac-Canada Group's assembly plant in Pontiac, Mich., closed after more than 60 years of producing vehicles.

Most recently, the Pontiac plant built GM's G-body cars — Buick Regal, including the hot-selling Regal Grand National; Oldsmobile Cutlass Supreme; and Chevrolet Monte Carlo. Those models are being phased out and replaced by newer, front-wheel-drive models.

The closing puts 1,700 hourly and 60 salaried employees on indefinite layoff.

At the same time, the assembly facility's companion body plant, the Buick-Oldsmobile-Cadillac Group Flint Body plant, in Flint, Mich., also closed. The closing of the Flint plant leaves 2,850 hourly and 250 salaried workers jobless.

The Pontiac plant opened in 1927 as part of Pontiac Motor Division. Car production was interrupted during World War II, when the plant made aerial torpedos and anti-aircraft guns.

The plant closed again in 1982 as Pontiac prepared for the production of the new Fiero in the nearby Fisher Body plant in the Pontiac complex and the just-opening Orion Township plant.

At that time, the closing was to be permanent. However, when larger rear-wheel-drive cars continued to be in demand, the plant was temporarily put back into service in 1984.

In June 1986, the plant turned out its 300,000th car since re-opening. In its 60-year history, the plant produced more than 10 million cars, branded with such names as Tempest, Chieftain, Star Chief, LeMans, Grand Prix and GTO.

The Flint plant was opened by William C. Durant in 1923. It marked his third attempt to build an auto empire after resigning as GM president in 1920. Durant's newly founded Flint Motor Car Co. was to build cars to compete against Buick. Durant's efforts failed, however, and he sold the plant in 1926 to the Fisher brothers, whose company had been partly owned by GM since 1919.

The plant was expanded so that for several decades it was the world's largest automobile body-making plant.

Throughout its history, the plant produced a number of body styles for GM products, mostly Buicks and including the Riviera, Special, LeSabre and Electra. During World War II, the plant produced tank parts and other defense materials and tooling for the war effort.

The plant also played a major role in the sit-down strike of 1936-37. The plant was home to a strong nucleus of union supporters who staged the 44-day sit-down strike that began late December 1936.

Since 1948, the plant made more than 10 million car bodies.

Light trucks extend string of records

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Light trucks continued to set sales records in November and the first 11 months of the year.

Among the month's highlights:

- Domestic manufacturers, aided by a weak dollar and more-competitive prices, picked up 7 percentage points of market share.
- Most importers, excluding Nissan and Suzuki, were off from year-ago levels.
- Suzuki, however, continued a slide dating back to last summer.
- Full-sized pickups were a major driving force behind big sales gains for Ford and General Motors.

November sales of 356,300 light-duty trucks were up 11.79 percent over the previous November high of 318,727 in 1986.

For 11 months, record industry sales of 4,282,988 units topped last year's previous high of 4,190,794 by 2.20 percent.

Domestic manufacturers captured 84.01 percent of the light-truck market in November, up from 77.04 percent last year.

Calendar year-to-date, domestics had an 81.21 percent share of the market, up from 79.72 percent in 1986.

Ford led the domestic industry's gains.

Its sales of 115,013 light trucks in November were up 37.22 percent from a year earlier.

For 11 months, Ford sales of 1,286,884 light trucks were up 6.52 percent from last year.

Chevrolet also had a respectable 19.25 percent gain in November on sales of 87,075 light-duty vehicles.

Year-to-date, Chevrolet sales of 1,075,902 units still trail last year's by 5.24 percent.

Big pickups, as a segment, have been declining steadily over the past few years. But in November, Ford retailed 49,170 full-sized F-series models, up 66.28 percent over a year ago. Chevrolet retailed 32,830 of its full-sized C/K units for a 28.28 percent sales gain.

GMC's 8,911 Sierra sales were up 29.73 percent, while Dodge's 8,172 full-sized D/W series sales had a more moderate 6.85 percent gain.

Chrysler retailed 54,772 trucks in November, up 4.59 percent from a year ago. That compared to a 22.25 percent gain on sales of 649,122 trucks for the 11-month period.

GMC's 23,013 sales were up 25.93 percent in the month. For 11 months, GMC's 279,603 light-duty sales were slightly behind 280,452 a year ago.

Jeep managed a 7.62 percent sales gain in November. For 11 months, Jeep was a shade ahead of year ago: 186,771 compared to 186,165.

The imports have been hard hit in the price-sensitive small pickup market.

Toyota retailed 18,546 trucks in November, off 38.11 percent from a year ago. For 11 months, Toyota sales of 278,780 trucks were off 20.11 percent.

Nissan managed a small gain on sales of 16,008 trucks in November, up from 15,425 in like 1986. For 11 months, its 201,121 sales were slightly below 203,031 a year earlier.

Mazda, Isuzu and Mitsubishi were all off last month. Mitsubishi still had a large 52.77 gain for the 11-month period.

Suzuki retailed 5,082 Samurais in November, off from 5,916 in October, 6,077 in September and 7,905 in August.

LIGHT-DUTY TRUCK SALES

	Nov. 1987	Nov. 1986	11 Mos., 1987	11 Mos., 1986
Vans	14,643	12,703	171,080	161,681
Aerostar	10,407	12,408	146,996	134,907
Club Wagon	2,548	2,201	24,867	24,428
Ranger	22,917	15,303	283,779	248,001
Bronco	5,167	3,918	46,720	44,310
Bronco II	10,158	7,712	111,063	93,449
Pickups	49,170	29,570	502,379	501,320
Ford	**115,013**	**83,815**	**1,286,884**	**1,208,096**
Vans	9,133	7,826	104,318	126,504
Sportsvan	858	853	10,938	14,575
Astro	11,280	11,283	137,444	133,274
S-10	14,615	10,906	206,493	188,467
S-10 Blazer	9,865	9,172	141,797	147,696
El Camino	610	1,117	13,369	19,988
Blazer	2,794	2,359	28,273	38,791
Suburban	5,090	3,888	52,895	56,050
Pickups	32,830	25,613	380,375	410,090
Chevrolet	**87,075**	**73,017**	**1,075,902**	**1,135,435**
Vans	3,790	4,184	60,087	67,295
Ram Wagon	2,178	2,143	27,834	36,961
Voyager	12,021	8,573	127,430	98,353
Caravan	14,331	9,179	138,282	104,331
Mini Ram Van	1,243	965	12,561	13,427
Ram 50	3,601	8,941	61,778	71,075
Raider	1,454	1,162	18,384	3,467
Ramcharger	1,784	1,298	21,699	21,161
Dakota	6,198	8,275	92,214	18,166
Pickups	8,172	7,648	88,853	96,739
Chrysler	**54,772**	**52,368**	**649,122**	**530,975**
Vans	2,950	2,243	34,852	35,320
Safari	2,398	2,189	29,269	27,632
S-15	2,729	2,120	44,525	42,730
S-15 Jimmy	2,851	2,154	34,291	35,918
Jimmy	740	732	7,621	8,519
Caballero	95	109	1,647	2,377
Suburban	1,617	1,435	17,189	17,962
Pickups	8,911	6,869	103,670	104,330
P Model	602	308	5,165	4,011
W-4	120	116	1,374	1,153
GMC	**23,013**	**18,275**	**279,603**	**280,452**
Wrangler/CJ	2,793	2,530	27,262	31,208
Wagoneer	995	1,508	11,301	11,464
Cherokee	11,172	9,504	99,522	96,708
Grand Wagoneer	1,566	1,883	12,663	14,945
Comanche	2,864	2,555	34,746	30,425
J-10/J-20	60	93	1,277	1,415
Jeep	**19,450**	**18,073**	**186,771**	**186,165**
Toyota	18,546	29,965	278,780	348,946
Nissan	16,008	15,425	201,121	203,031
Mazda	6,969	11,084	115,261	142,385
Isuzu	5,553	7,657	82,134	79,371
Mitsubishi	4,478	4,533	47,683	31,213
Suzuki	5,082	4,214	76,257	40,937
Subaru	14	301	1,265	3,788
Range Rover	327	0	2,205	0
Imports	**56,977**	**73,179**	**804,706**	**849,671**
Industry Total	**356,300**	**318,727**	**4,282,988**	**4,190,794**

Compiled by Karen Detkowski

Freightliner offers plan to cut fleet cost

PORTLAND, Ore. — Freightliner has introduced a Fleet Assistant software computer program to help fleet managers improve the efficiency and cut the life-cycle costs of their vehicles and equipment.

Fleet Assistant is a modular program with a number of options. The base unit focuses on vehicle lifetime costs and controls.

Other modules, which can be added as needed, can log work to be done, generate repair orders, inventory parts, create purchase orders, log mechanics' time and produce invoices.

Fleet Assistant's key functions include:

- Tracking and scheduling preventive maintenance.
- Detecting common problems to head off potential downtime.
- Tracking the lifetime cost of each vehicle in incremental mileage intervals or time periods.
- Monitoring the lifetime costs of groups of trucks, trailers or reefers.
- Identifying vehicles with poor mileage and high maintenance costs to help project replacement dates.
- Generating reports for state taxes, vehicle specifications, schedules, insurance and other financial requirements, using standard computer codes or any system a fleet manager might designate.

Freightliner Software is marketing the program with a complete support package, including regional training classes.

GMC offers easy ordering for Hot Shots

LAS VEGAS, Nev. — GMC Truck is offering a simplified ordering program for Hot Shot medium-duty trucks.

Those low-frame-height medium-duty trucks are used for hauling light but bulky products that require more cubic space than gross vehicle weight.

A Hot Shot truck is a tractor with a high-horsepower diesel engine and small-diameter tires that create overall low frame height.

The low frame height, about 34 inches, allows the mounting of a low-profile fifth wheel with a flatbed trailer that is 42 inches high.

The 42-inch height permits 10-foot-high loads on all portions of the trailer, while staying within the legally mandated 13½-foot maximum overall height.

Hot Shots are used to carry light and stackable items and can also be used as wreckers, ambulances, tank container vehicles, portable satellite dish vehicles and rollback flatcar carriers.

GMC offers specialized option content and vehicle refinements to meet customer requirements in its E-Z Spec ordering procedure.

Hot Shot specifications available on GMC medium-duty vehicles feature a high-horsepower Detroit Diesel 8.2-liter engine, five- and six-speed transmissions, single or two-speed rear axles, a 32,000-pound gross combination weight rating, GVW ratings up to 22,000 pounds and small-diameter tires that give the chassis an overall low frame height of approximately 34 inches.

Allison Transmission now a separate GM division

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

As a prelude to officially starting its new Detroit Diesel Corp. joint venture with Penske Corp. in January, General Motors has set up Allison Transmission as a separate division.

A Detroit Diesel Allison spokesperson said government approval for Detroit Diesel Corp. to begin operating is anticipated within a week or so. Detroit Diesel Corp. will produce and market GM's medium-duty and heavy-duty diesel engines for trucks and commercial use. The 6.2-liter and 8.2-liter diesels will stay with Allison.

The new Allison Transmission Division will handle design, manufacturing and sales of all medium-duty and heavy-duty automatic transmissions within GM, including the new state-of-the-art heavy-duty World Transmission scheduled for introduction in the 1991 model year.

The new division is headquartered in Indianapolis and becomes part of GM's automotive components groups.

It reports to John D. Debbink, GM vice president and group executive of the chassis and transmission components group.

In making the announcement, Robert C. Stempel, GM president, said, "Creation of this new division to handle all current and future medium- and heavy-duty transmissions will further strengthen the automotive components groups' competitive position in the worldwide market."

GM is the leader in the world market for automatic transmissions for medium-duty and heavy-duty commercial and military vehicles.

It sold a record 71,000 fully automatic transmissions for commercial vehicles during the 1987 model year, up from a previous high of 69,900 in the 1985 model year, according to an Allison Transmission spokesman.

In total, it sold 79,300 medium- and heavy duty automatic transmissions for commercial and military vehicles worldwide during the 1987 model year, accounting for 78 percent of the world market for such transmissions, according to GM.

Robert M. Clark has been named general manager of the newly formed Allison Transmission Division.

He formerly was general manager of the Rochester Products Division. He has been with GM 31 years.

James F. Ault replaced Clark as general manager at Rochester Products.

Ault has been general manager of Delco Remy Division.

Homi K. Patel is the new general manager of Delco Remy, succeeding Ault.

He formerly was director of the steering systems business unit of GM's Saginaw Division.

In confirming Allison's planned introduction of its new World Transmission in 1991, Stempel said the transmission was engineered around a new GM-patented gear and clutch system and closed-loop electronics.

When Allison was developing the World Transmission, it surveyed major original-equipment manufacturers and customers in Europe, Japan and North America to ensure it was designed to their specific requirements, Stempel said.

The World Transmission can be programmed to provide either four, five or six forward speeds.

Its highly advanced electronics also feature diagnostic capability that will greatly simplify service procedures, according to Stempel.

It will replace Allison's current line of AT, MT and HT automatic 4-speed and 5-speed transmissions, which have had record sales the past two years, an Allison Transmission Division spokesman confirmed.

Deere reports profit for quarter

MOLINE, Ill. — Deere & Co. reported net income of $32.6 million in the fourth quarter of its fiscal 1987 year ended Oct. 31, compared with a net loss of $139.7 million in last year's strike-affected final quarter.

Fourth-quarter 1987 income included $39.9 million of income tax benefits resulting mainly from tax loss carryforwards.

For the full year, Deere had a net loss of $99 million or $1.46 per share, compared with a net loss of $229 million or $3.33 per share in fiscal 1986.

Deere Chairman Robert A. Hanson said that while a number of important agricultural indicators improved during the year, he was still cautious because of uncertainties in the market outlook.

Deere's initial worldwide production schedules for 1988 will be about 20 percent higher than actual 1987 output, which was affected by three months of the work stoppage.

Most of the increase is scheduled for the first half of the year.

Deere's North American agricultural and industrial equipment production schedules are up significantly over last year.

Overseas production is scheduled to be slightly higher.

However, Deere still will be operating far below maximum capacity, Hanson added.

AUCTION DATES

American Motors

Dec. 15 — D-A Auto Auction, New Stanton, Pa.

Dec. 16 — Newburgh Auto Auction, Newburgh, N.Y.

Dec. 17 — Greater Chicago Auto Auction, Chicago, and Wolfe's Evansville Auto Auction, Evansville, Ind.

Dec. 18 — St. Louis Auto Auction, St. Louis

Dec. 22 — Statesville Auto Auction, Statesville, N.C.

Dec. 23 — Kansas City Auto Auction, Kansas City, Mo., and Columbus Fair Auto Auction, Columbus, Ohio

Dec. 29 — D-A Auto Auction, New Stanton, Pa.

Dec. 30 — Newburgh Auto Auction, Newburgh, N.Y.

Dec. 31 — Greater Chicago Auto Auction, and Wolfe's Evansville Auto Auction, Evansville, Ind.

Chrysler Motors

Dec. 15 — Florida Auto Auction of Orlando, Ocoee, Fla.; Aptco Auto Auction, Taylor, Mich.; Metro Auto Auction of Kansas City, Mo.; Lee's Summit, Mo.; NuCarPrep System, Santa Fe Springs, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Dec. 16 — A.D.E. of Birmingham, Birmingham, Ala.; Columbus Fair Auto Auction, Obetz, Ohio; South Seattle Auto Auction, Kent, Wash.; and Southern Auto Auction, Warehouse Point, Conn.

Dec. 17 — Clanton's Auto Auction, Darlington, S.C., and Fredricksburg Auto Auction, Fredericksburg, Va.

Dec. 18 — St. Louis Auto Auction, Bridgeton, Mo., and Manheim Auto Auction, Manheim, Pa.

Used Car Sales
Auction Averages

December to date	$5,920
Month ago	$5,975
Year ago	$5,144

Dec. 22 — American Auto Auction, Walpole, Mass.; Arena Auto Auction, Chicago; Minneapolis Auto Auction, Plymouth, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Dec. 23 — Butler Auto Auction, Butler, Pa.

General Motors

Dec. 15 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; Harrisonburg Auto Auction, Harrisonburg, Va.; and South Seattle Auto Auction, Kent, Wash.

Dec. 16 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Mo.; Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Dec. 17 — Butler Auto Auction, Gibsonia, Pa.; Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; Denver Auto Auction, Englewood, Colo.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; Nashville Auto Auction, Nashville, Tenn.; and Southwest Auto Auction, Phoenix, Ariz.

Dec. 22 — Florida Auto Auction of Orlando, Ocoee, Fla.

Model Breakdown
Auction Averages

	DEC 1987	NOV 1987	OCT 1987
1987	$10,401	$10,564	$11,220
1986	$8,372	$8,454	$8,624
1985	$7,163	$7,199	$7,257
1984	$5,609	$5,640	$5,711
1983	$4,812	$4,844	$4,897
1982	$3,472	$3,504	$3,549
1981	$2,531	$2,542	$2,549
1980	$1,978	$1,996	$2,022
Overall Average	$5,920	$5,951	$6,001

Ford Motor Co.

Dec. 15 — South Seattle Auto Auction, Kent, Wash., and Harrisonburg Auto Auction, Harrisonburg, Va.

Dec. 16 — Atlanta Auto Auction, Red Oak, Ga.; Columbus Fair Auto Auction, Obetz, Ohio; Concord Auto Auction, Acton, Mass.; Clanton's Auto Auction, Darlington, S.C.; Lakeland Auto Auction, Lakeland, Fla.; and Southern California Auto Auction, Fontana, Calif.

Dec. 17 — Greater Chicago Auto Auction, Chicago; Aptco Auto Auction, Taylor, Mich.; Houston Predelivery Center, Houston; 166 Auto Auction, Springfield, Mo.; St. Louis Auto Auction, Bridgeton, Mo.

AUCTION BRIEFS

A $1 million auto reconditioning center opened recently at the **Nashville Auto Auction**, Nashville, Tenn. It is capable of reconditioning 7,500 vehicles a week.

Staffed by 40 reconditioning specialists, the 12,200-square-foot facility is on the auction's 116-acre property at 1450 Lebanon.

The auction holds consignment sales in addition to factory sales by General Motors, Ford Motor Co., Ford Motor Credit and Nissan. It has five selling lanes, courtesy transportation, vehicle transport services and body and mechanical repair shops.

A heavy-truck auction is slated for Jan. 15 at the **Dallas Auto Auction**, a subsidiary of Anglo American Auto Auctions. Subsequent heavy-truck auctions are planned for other Anglo auctions in Kansas City, Mo.; Baltimore; Nashville, Tenn.; and Chicago.

Anglo acquired the Fort Wayne (Ind.) Vehicle Auction and Southern States Vehicle Auction, Atlanta, in July. The auctions specialize in the sale of heavy trucks.

The company plans to develop separate heavy-truck sales facilities in several of its auctions around the country.

GM, Motorola join forces on auto controls

KOKOMO, Ind. — General Motors' Delco Electronics Corp. and Motorola have signed a technical agreement to develop power-integrated circuits for smarter and more precise controls in cars.

Delco and Motorola's discrete and special technologies group will pool their technologies to achieve a shorter design cycle time.

The companies expect to speed up research on merging microprocessors and power controls for a single silicon chip, according to Gene Ori, general manager of Motorola's discrete group.

The initial device being developed is a custom chip for an anti-lock braking system.

Products developed under the joint agreement should result in more efficient and cost effective controls for motors, actuators and lighting systems, said Donald J. Almquist, general manager of Delco Electronics.

Goodyear moves account from JWT to Y&R

CHICAGO — Goodyear Tire & Rubber Co. has moved its $25 million U.S. tire advertising account from J. Walter Thompson's New York office to Young and Rubicam.

JWT's Detroit office is keeping Goodyear's $10 million Motorsports account, including Eagle high-performance tires and Goodyear's racing events.

AUCTION DIRECTORY

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SALES AND INVENTORIES

DOMESTIC DAYS' SUPPLIES

	Dec. 1, 1987	Nov. 1, 1987	Dec. 1, 1986
Alliance	73	135	133
Eagle	90	95	51
Total Eagle	77	124	120
Horizon	32	56	49
Sundance	71	76	57
Turismo	96	84	199
Reliant	86	82	78
Caravelle	82	78	60
Gran Fury	79	83	103
Total Plymouth	74	78	70
Laser	—	—	189
LeBaron K	103	102	52
LeBaron J	101	107	—
LeBaron GTS	173	227	115
Fifth Avenue	100	76	106
New Yorker C	73	91	—
New Yorker E	189	198	92
Total Chrysler	111	112	95
Omni	40	55	51
Shadow	80	77	44
Charger	122	79	172
Daytona	130	147	145
Aries	90	80	60
Lancer	211	298	133
Diplomat	119	121	86
Dynasty	45	62	—
Dodge 600	65	64	61
Total Dodge	92	94	68
CHRYSLER MOTORS	93	97	75
Escort	73	75	62
Mustang	64	61	60
Tempo	39	68	76
Taurus	77	99	52
Thunderbird	82	75	62
Crown Victoria	53	49	59
Total Ford Div.	66	75	61
Lynx	77	91	81
Topaz	52	75	74
Sable	72	81	50
Cougar	95	92	82
Capri	—	—	133
Grand Marquis	39	33	45
Total Mercury	66	70	59
Continental	—	77	37
Lincoln	52	52	39
Mark VII	40	47	52
Total Lincoln	49	52	41
Total L-M Division	61	64	53
FORD MOTOR CO.	65	72	58
Skyhawk	99	112	158
Somerset Regal	177	153	163
Century	108	90	78
Regal	82	73	136
LeSabre	122	110	103
Electra	113	97	67
Riviera	118	82	85
Total Buick	113	100	102
Cimarron	110	141	108
Allante	139	233	—
Seville	54	61	51
Cadillac	77	53	66
Eldorado	51	74	89
Total Cadillac	74	59	68
Chevette	112	106	63
Nova	222	147	146
Cavalier	75	84	113
Camaro	150	133	143
Celebrity	119	89	62
Corsica/Beretta	175	138	23
Monte Carlo	166	129	114
Chevrolet	83	80	81
Corvette	98	85	89
Total Chevrolet	121	105	88
Firenza	131	90	146
Calais	114	91	76
Cutlass Ciera	78	63	58
Cutlass Supreme	107	99	92
Olds 88	99	86	61
Olds 98	99	74	87
Toronado	64	78	62
Total Oldsmobile	95	79	72
Fiero	144	160	174
1000	78	67	174
Sunbird	63	92	133
Firebird	95	101	114
Grand Am	63	48	43
6000	65	87	66
Grand Prix	55	86	132
Bonneville H	90	110	—
Paris./Safari	80	96	79
Total Pontiac	74	79	82
GENERAL MOTORS	101	90	84
HONDA	13	10	5
MAZDA	47	—	—
NISSAN	59	40	56
TOYOTA	49	46	—
VOLKSWAGEN	117	89	86
DOMESTIC TOTAL	83	80	71
Subcompact	54	54	—
Compact	67	67	—
Intermediate	98	95	—
Standard	81	72	—
Speciality	122	121	—

IMPORT DAYS' SUPPLIES

	Dec. 1, 1987	Nov. 1, 1987	Dec. 1, 1986
Chevrolet	142	163	133
Chrysler/Mitsubishi	84	129	113
Acura	22	22	25
Honda	14	10	5
Isuzu	123	112	48
Mazda	57	46	45
Mitsubishi	102	85	81
Nissan	97	108	65
Subaru	56	53	50
Toyota	32	27	16
JAPAN	57	56	39
Audi	124	119	120
BMW	58	30	57
Mercedes-Benz	59	46	27
Merkur	108	93	163
Porsche	110	99	31
VW	97	89	91
GERMANY	82	59	66
Alfa Romeo	67	54	34
Festiva	121	87	—
Hyundai	28	26	23
Jaguar	28	20	22
Peugeot	73	81	62
Pontiac	106	78	—
Eagle/Renault	211	272	92
Saab	76	52	35
Sterling	89	75	—
Volvo	71	72	48
Yugo	85	58	36
Other Countries	63	53	33
Total Import Cars	61	56	41
Isuzu	135	101	78
Mazda	74	62	47
Mitsubishi	66	64	64
Nissan*	116	83	97
Range Rover	46	24	—
Suzuki	49	45	25
Toyota	48	41	36
Chrysler	132	100	55
Total Imp. Trucks	84	65	56
Total Imp. Vehicles	66	58	45

*Includes domestic trucks.

STOCKS

FROM PAGE 3

Seven of the eight U.S. carmakers reported fatter inventories than on Nov. 1.

Ford Motor Co.'s stocks moved up 6.02 percent above last month's levels. However, Ford has had tight inventories most of this year. Larger stocks were needed to meet increased demand. Ford began December with an optimal 65-day supply, which was shorter than its 72 days' worth of cars on Nov. 1. Last year, Ford carried a 58-day supply Dec. 1.

General Motors' stocks were equal to a 101-day supply on Dec. 1, compared to a 90-day supply on Nov. 1. GM had 17 models with inventories representing more than 100 selling days. Chevrolet Nova stocks climbed to a 222-day supply vs. 147 days on Nov. 1.

Although Chrysler Motors' inventories were up 11.94 percent from Nov. 1, the company began December with a 93-day supply vs. 97 days' worth on Nov. 1. Last year Chrysler had a 75-day supply on Dec. 1. Horizon/Omni stocks were reduced to 32- and 40-day supplies compared to 56 and 55, respectively on Nov. 1. November sales were strengthened by New Yorker and LeBaron J, and that helped reduce the corporate days' supple.

Honda began December with the leanest days-supply numbers. Though stocks were nearly a third larger than on Nov. 1, Honda had a slim 13-day supply of U.S.-built cars. Its higher-end imported Acura line inventories remained steady at 22 days' worth, and Honda began the month with a 14-day supply of imported Civics and Accords.

Nissan's U.S.-built-car inventories increased. The Japanese carmaker began December with a 59-day supply vs. 40 days' worth of domestically produced cars a month ago. Its import-car supply was 97 days for a combined car stock of 85 days, and its truck supply was up to 116 days.

Companies shared the Dec. 1 domestic inventory as follows: GM, 56.47 percent; Ford, 24.18 percent; Chrysler, 16.73 percent; Volkswagen, 1.02 percent; Honda, 0.81 percent; Toyota, 0.44 percent; Nissan, 0.29 percent; and Mazda, 0.06 percent.

On Nov. 1, the shares were: GM, 54.88 percent; Ford, 24.57 percent; Chrysler, 17.81 percent; Volkswagen, 0.88 percent; Nissan, 0.77 percent; Honda, 0.64 percent; Toyota, 0.45 percent.

By market class, intermediate-car inventories were the heaviest, and represented a 98-day supply while the subcompact market class was the slimmest and represented a 54-day supply on Dec. 1.

The 61-day supply of import cars compares with a 56-day supply on Nov. 1 and a 41-day supply on Dec. 1, 1986. Inventories were nearly 20 percent above stocks a year ago.

Import-truck inventories were up to 201,514 units, an 84-day supply, compared with 177,501, a 66-day supply on Nov. 1. Last year on Dec. 1, truck inventories represented a 56-day supply.

Inventories of Audi, Merkur and Porsche were inflated; each had more than 100 days' worth of cars in stock on Dec. 1. West Germany's share of the import stockpile on Dec. 1 rose 3.03 percentage points from Nov. 1.

Import-car inventories were divided as follows on Dec. 1: Japan, 67.57 percent; West Germany, 14.70 percent; other countries, 17.73 percent. Last month, Japan had 71.95 percent; West Germany, 11.67 percent and other countries, 16.38 percent.

Isuzu, Mitsubishi and Chevrolet's import-car supplies stood at over 100 days' worth even though Chevrolet's import-car days' supply was lower than a month ago.

IMPORT SALES BY MODEL

	Nov. 1987	Nov. 1986	11 Mos., 1987	11 Mos., 1986
ACURA	8,740	7,152	99,031	43,589
Integra	3,496	3,297	50,160	22,769
Legend	5,244	3,855	48,871	20,820
ALFA ROMEO	372	872	5,888	7,627
GTV-6	0	61	66	602
Milano	227	498	2,595	2,670
Spider	145	313	3,227	4,355
AUDI	2,305	3,596	39,486	56,007
4000S	96	670	8,985	11,448
4000CS Quattro	99	405	2,891	3,757
5000S	622	1,598	16,852	29,313
5000CS Turbo	179	396	3,473	5,942
5000CS Turbo Quattro	594	354	4,702	2,899
80	236	0	294	0
90	339	0	402	0
Coupe GT	140	173	1,889	2,648
BMW	6,291	7,035	81,095	86,287
318i	2	6	18	900
524 TD	0	20	28	1,736
325	3,906	4,274	53,344	54,489
528e	761	1,612	8,823	13,163
535i/535iS	452	277	6,175	7,223
6-Series	158	274	1,895	2,593
7-Series	861	572	8,966	6,183
M3	173	0	918	0
M5	50	0	370	0
M6	28	0	558	0
CHEVROLET	11,631	8,733	125,595	148,945
Spectrum	6,105	5,748	71,314	91,446
Sprint	5,526	2,985	54,281	57,499
CHRYSLER/MITSUBISHI	7,258	9,354	113,291	122,944
Colt	5,137	5,583	74,275	85,419
Conquest	616	772	10,991	5,982
Vista	1,505	2,999	28,025	31,543
EAGLE/RENAULT	1,391	98	12,144	3,764
18i	0	98	0	2,372
Fuego	0	0	0	1,392
Medallion	1,391	0	12,144	0
FORD Festiva	3,224	0	23,038	0
HONDA	27,341	37,447	271,722	365,093
Civic/CRX	11,947	18,549	117,240	194,915
Accord	9,646	12,291	92,823	100,160
Prelude	5,748	6,607	61,659	70,018
HYUNDAI	18,074	15,925	244,265	146,470
ISUZU	2,722	5,260	35,797	34,248
I-Mark	2,044	4,136	29,061	22,632
Impulse	678	1,124	6,736	11,616
JAGUAR	1,761	1,829	20,071	21,707
XJ6	1,439	1,388	15,186	17,467
XJS	322	441	4,885	4,240
MASERATI	73	84	830	1,211
MAZDA	18,572	18,134	187,705	194,417
323	6,551	6,443	69,251	65,020
626	4,849	7,401	69,395	79,756
MX-6	2,392	0	8,475	0
929	2,227	0	4,681	0
RX-7	2,553	4,290	35,903	49,641
MERCEDES BENZ	6,748	8,390	82,156	85,621
190	1,077	1,776	16,271	18,783
260E	523	213	5,604	333
300	1,689	2,437	21,424	23,672
300SDL Turbo	186	662	5,918	5,763
300SEL	304	0	304	0
420SEL	1,125	1,255	13,807	13,885
560SEL	655	858	5,648	8,758
560SL	1,004	970	10,686	10,485
560SEC	162	157	1,583	1,951
Tourist	23	62	911	2,010
MERKUR	845	590	13,665	13,557
XR4Ti	556	590	8,723	13,557
Scorpio	289	0	4,942	0
MITSUBISHI	4,683	4,304	62,769	43,998
Starion	244	545	4,827	5,180
Cordia	421	387	3,993	4,542
Tredia	226	628	4,792	8,553
Mirage	1,102	1,470	13,592	12,914
Galant	797	1,274	10,093	12,809
Precis	1,390	0	19,204	0
Van/Wagon	503	0	6,268	0
NISSAN	31,329	32,186	379,812	454,952
Sentra	11,123	8,444	105,923	151,041
Pulsar	3,385	2,819	58,773	41,561
Stanza	5,100	5,051	62,384	61,703
Maxima	6,509	7,241	87,312	103,430
200SX	1,384	3,208	28,851	42,627
300ZX	2,128	3,004	31,534	48,368
Hawaii	1,700	2,419	5,035	6,222
PEUGEOT	870	1,562	8,223	13,176
PONTIAC LeMans	2,664	0	32,654	0
PORSCHE	1,557	2,168	22,351	26,924
924S	118	350	2,870	2,756
944	389	570	6,017	8,644
944S	48	231	1,837	323
944 Turbo	211	136	2,483	5,835
911 Coupe	319	396	3,852	3,908
911 Turbo	128	87	1,438	1,222
911 Cabriolet	153	174	2,042	1,877
928S	191	224	1,812	2,359
SAAB	2,965	3,787	42,002	44,504
900	640	884	9,204	13,165
900S	798	1,165	13,499	13,844
900 Turbo	681	730	8,372	7,852
9000S	303	46	3,441	46
9000 Turbo	526	917	6,768	8,830
Tourist	15	45	718	767
STERLING	1,045	0	13,260	0
SUBARU	13,443	11,819	160,540	163,986
Hatchback	836	850	7,566	15,006
3-Door	1,236	961	13,382	10,808
4-Door Sedan	2,143	2,787	36,833	46,080
XT	978	1,499	16,741	22,238
Station Wagon	6,601	5,722	74,778	69,854
Justy	1,649	0	11,238	0
TOYOTA	51,254	60,387	511,221	562,555
Corolla	13,811	14,326	100,340	135,364
Tercel	8,928	8,973	89,448	68,020
Celica	5,199	8,785	72,177	96,625
Supra	1,916	3,211	27,288	29,899
Camry	16,534	15,670	163,186	134,655
Cressida	1,243	3,709	20,024	37,900
Land Cruiser	605	471	4,198	3,864
Van	594	2,258	11,974	19,277
4Runner SR 5	630	491	2,177	5,198
MR2	869	1,916	14,632	26,094
Hawaii	925	577	5,477	5,659
VOLKSWAGEN	9,229	8,707	116,979	131,473
Cabriolet	504	899	13,018	13,051
Jetta	3,289	5,289	47,689	86,416
Vanagon	564	901	9,938	11,475
Quantum	234	924	6,418	10,528
Scirocco	253	894	6,645	10,003
Fox	4,385	0	35,271	0
VOLVO	6,493	7,873	102,529	111,127
240 Series	2,486	3,464	47,496	53,243
740 Series	2,513	3,430	39,632	46,763
760 Series	1,376	877	13,549	10,085
780	72	0	466	0
Tourist	46	102	1,386	2,036
YUGO	3,204	4,023	45,972	31,660
IMPORT TOTAL	246,084	261,315	2,856,091	2,915,843

Compiled by Karen Dabkowski

PRODUCTION

Nov. car output dips

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

U.S. auto production last month totaled 583,503, the lowest for November since 1982 when 404,542 cars were built.

Last month's ouput dipped 13.13 percent from October's 671,681 and was slightly below (0.72 percent) the year-ago month's 587,724.

Last week's targeted auto output of 149,727 declined 2.72 percent from the prior week's 153,907 and was 17.70 percent below the year-ago week's 181,921.

So far this year, 6,817,705 cars have been assembled, 8.94 percent below the 7,487,135 completed last year at this point.

Companies split last week's scheduled build as follows: General Motors, 46.22 percent; Ford Motor Co., 26.65 percent; Chrysler Motors, 17.77 percent; Honda of America Manufacturing Inc., 4.63 percent; New United Motor Manufacturing Inc., 2.17 percent; Volkswagen of America, 1.34 percent; Nissan Motor Manufacturing Co. U.S.A., 0.89 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 0.33 percent.

GM permanently closed its Pontiac, Mich., (No. 8) plant and its companion Flint body assembly plant last week. The shutdown of the two facilities affects about 4,700 workers.

Overtime was scheduled last Saturday at Ford's Wixom, Mich.; Wayne, Mich.; and Kansas City, Mo., plants.

Ford slated daily overtime at all of its car plants this week.

Chrylser's St. Louis (No. 2) and Belvidere, Ill., plants were scheduled for overtime last Saturday. Both plants are also slated for daily overtime this week.

Truck build best since '78

November's domestic truck output of 314,808 was the highest for that month since 1978, when 339,721 were built.

Last month's production was 14.78 percent below October's 369,408 but 28.83 percent above the year-ago month's 244,357.

The total for November 1986 was affected by a strike at Delco Electronics Corp. that trimmed production at General Motors truck plants.

Last week's scheduled output of 85,550 was 0.64 percent more than the previous week's 85,007 and 4.74 percent more than the year-ago week's 81,679.

Year-to-date, 3,673,498 trucks have been built, 8.78 percent more than the 3,376,911 completed last year at this time.

Overtime was slated last Saturday at Ford Motor Co.'s Wayne, Mich.; Lorain, Ohio; and St. Louis plants.

Daily overtime is scheduled this week at all Ford truck plants.

Car output rises in Canada

Canadian car output during November totaled 90,338 units, 16.04 percent more than October's 77,851 but 7.65 percent below the year-ago month's 97,817.

Last week's estimated output of 22,584 cars was 11.61 percent more than the previous week's 20,234 but 10.32 percent below the year-ago week's 25,183.

So far this year, 767,014 cars have been assembled, 24.94 percent below the 1,021,928 completed last year at this point.

Truck production for November totaled 73,755 units, 3.45 percent below the October output of 76,390 but 49.77 percent more than the year-ago month's 49,246.

Scheduled output of 19,042 trucks last week was 4.29 percent more than the prior week's 18,259 and 35.73 percent more than the year-ago week's 14,029.

Year-to-date, 787,441 units have been built, 4.85 percent more than the 751,019 assembled last year at this time.

CANADIAN CAR	Week Ended Dec. 12, 1987	Week Ended Dec. 13, 1986	Week Ended Dec. 5, 1987	Nov. Total	Jan. 1 to Dec. 12, 1987	Jan. 1 to Dec. 13, 1986
CHRYSLER	1,308	94	1,179	1,966	10,322	4,325
FORD MOTOR	11,520	11,247	10,134	40,096	414,275	504,983
GENERAL MOTORS	9,232	13,617	8,503	46,481	319,613	502,975
HONDA	524	0	418	1,795	14,815	0
VOLVO	0	225	0	0	7,989	9,645
Total Cars, Canada	22,584	25,183	20,234	90,338	767,014	1,021,928

U.S. TRUCK☆	Week Ended Dec. 12, 1987	Week Ended Dec. 13, 1986	Week Ended Dec. 5, 1987	Nov. Total	Jan. 1 to Dec. 12, 1987	Jan. 1 to Dec. 13, 1986
CHEVROLET	24,897	25,226	24,939	86,460	1,083,654	1,097,950
DODGE/PLYMOUTH	8,850	6,081	8,264	33,224	301,724	142,787
FORD	31,559	31,197	32,703	119,411	1,417,312	1,324,264
GMC	7,800	9,334	6,661	27,140	360,850	343,690
NAVISTAR	1,844	1,616	1,825	6,684	72,051	69,521
JEEP	4,600	4,164	4,647	17,546	213,631	182,363
NISSAN	3,250	1,711	3,218	12,793	94,766	104,360
AM GENERAL*	450	50	450	1,890	16,650	2,404
MISCELLANEOUS*	2,300	2,300	2,300	9,660	112,860	109,572
Total Trks., U.S.	85,550	81,679	85,007	314,808	3,673,498	3,376,911

CANADIAN TRUCK	Week Ended Dec. 12, 1987	Week Ended Dec. 13, 1986	Week Ended Dec. 5, 1987	Nov. Total	Jan. 1 to Dec. 12, 1987	Jan. 1 to Dec. 13, 1986
JEEP	900	327	1,223	3,563	34,607	27,120
CHRYSLER	8,034	9,158	7,996	30,191	371,413	386,752
FORD	3,533	2,909	3,508	14,729	145,414	141,353
GENERAL MOTORS	6,350	1,434	5,304	24,311	226,524	186,726
NAVISTAR	225	201	228	961	9,483	9,068
Total Trks., Canada	19,042	14,029	18,259	73,755	787,441	751,019
U.S., Canada Trks.	104,592	95,708	103,266	388,563	4,460,939	4,127,930

—Includes window van production. *—Estimated
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

U.S. CAR	Week Ended Dec. 12, 1987	Week Ended Dec. 13, 1986	Week Ended Dec. 5, 1987	Nov. Total	Jan. 1 to Dec. 12, 1987	Jan. 1 to Dec. 13, 1986
AMERICAN MOTORS	0	1,492	0	0	15,994	48,344
Renault Total	0	1,492	0	0	15,994	48,344
Alliance	0	1,492	0	0	15,994	44,997
Encore	0	0	0	0	0	3,347
CHRYSLER MOTORS	26,600	26,214	26,581	81,941	1,044,077	1,251,465
Plymouth Total	7,500	9,853	7,164	25,450	306,038	405,236
Horizon	1,150	3,923	1,076	3,046	43,238	165,422
Sundance	1,900	2,300	1,784	6,496	86,367	33,094
Reliant	3,700	2,783	3,679	13,360	128,579	146,333
Caravelle	500	847	457	1,997	40,958	42,801
Gran Fury	250	0	168	551	6,896	17,586
Chrysler Total	7,050	5,122	7,407	21,512	344,448	358,950
Laser	0	0	0	0	0	26,978
LeBaron K	1,000	1,210	1,015	3,770	62,056	82,734
LeBaron J	2,800	1,099	2,813	4,957	109,533	1,099
LeBaron GTS	500	1,192	484	1,773	36,254	60,776
N. Yorker E-Class	0	1,621	0	0	57,102	69,964
N. Yorker C-Class	1,550	0	1,700	6,649	17,035	0
Fifth Avenue	1,200	0	1,395	4,363	62,468	117,399
Dodge Total	12,050	11,239	12,010	34,979	393,591	487,279
Daytona	1,900	687	1,942	3,260	60,739	32,125
Omni	1,150	3,648	1,101	2,729	37,806	157,190
Shadow	2,500	2,082	2,224	7,565	91,582	31,978
Aries	3,500	2,818	3,702	14,552	121,487	121,727
Dodge 600	700	1,084	782	2,697	38,640	61,901
Dynasty	1,600	0	1,410	1,902	6,354	0
Lancer	350	920	348	1,001	22,574	46,275
Diplomat	350	0	501	1,253	14,409	36,083
FORD MOTOR	39,903	43,464	40,832	154,983	1,752,707	1,684,739
Ford Division	29,088	30,420	30,315	114,085	1,261,238	1,167,058
Escort	9,449	7,790	9,464	35,710	375,989	361,702
Mustang	4,631	4,288	4,634	16,887	204,856	171,597
Tempo	4,119	4,522	4,831	15,656	138,376	189,127
Taurus	7,895	11,383	7,925	33,181	390,843	317,037
Thunderbird	2,994	2,437	3,461	12,651	151,174	127,595
L-M Division	10,815	13,044	10,517	40,898	491,469	517,681
Mercury Total	6,804	8,994	6,464	25,814	316,489	342,782
Lynx	0	1,205	0	0	21,352	58,040
Capri	0	0	0	0	0	12,344
Topaz	1,364	973	1,496	4,894	44,641	55,486
Cougar	2,773	3,410	2,309	10,722	132,746	96,231
Sable	2,667	3,406	2,659	10,198	117,515	120,681
Lincoln Total	4,011	4,050	4,053	15,084	174,980	174,899
Continental	615	404	534	1,485	12,413	18,814
Lincoln	2,850	3,039	2,897	11,243	135,321	131,179
Mark VII	546	607	622	2,356	27,246	24,906
GENERAL MOTORS	69,203	95,334	72,966	292,347	3,332,600	3,951,257
Buick Total	9,070	18,101	11,767	46,151	538,748	740,977
Skyhawk	1,080	1,770	1,047	2,206	32,846	78,573
Century	1,730	5,660	4,190	12,968	152,105	221,600
Regal (rwd)	290	1,681	667	2,711	40,175	57,502
Somerset/Skylark	1,444	1,497	1,243	5,213	62,994	107,394
LeSabre (fwd)	2,400	2,971	2,426	8,804	137,222	149,233
LeSabre (rwd)	182	367	345	1,379	9,614	14,483
Electra (fwd)	1,706	1,798	1,588	11,464	90,956	87,383
Riviera	238	867	261	1,406	12,836	24,809
Cadillac Total	6,978	8,280	6,995	25,758	262,717	305,165
Cimarron	70	497	55	215	10,170	22,513
Allante	100	32	81	309	4,390	32
Brougham (rwd)	1,980	1,574	2,056	7,559	73,247	72,949
DeVille (fwd)	3,375	4,584	3,387	12,726	135,751	164,257
Eldorado	832	940	804	2,451	18,995	23,829
Seville	621	653	612	2,498	20,164	21,585
Chevrolet Total	30,103	31,293	29,999	124,746	1,321,164	1,251,779
Chevette	0	2,820	0	0	0	101,833
Camaro	2,545	3,383	2,487	9,449	116,699	165,809
Cavalier	7,454	9,461	6,763	27,411	299,244	376,269
Celebrity	3,666	5,558	4,465	24,402	283,338	249,469
Corsica/Beretta	8,180	2,626	8,462	32,664	333,229	12,184
Monte Carlo	1,755	1,471	1,746	7,038	72,100	106,120
Caprice	5,863	5,323	5,517	21,328	189,404	213,033
Corvette	640	651	559	2,454	27,150	27,062
Oldsmobile Total	11,410	17,191	10,818	46,986	583,132	893,444
Firenza	480	835	326	1,045	13,516	36,655
Calais	3,356	3,237	2,602	10,799	113,927	114,600
Cutlass Ciera	0	4,598	246	4,312	108,395	228,093
Cutlass Supreme	1,507	822	1,671	5,698	73,145	104,849
88 (fwd)	3,450	4,410	3,391	14,120	171,439	263,983
88 (rwd)	400	374	397	1,705	14,392	18,233
Olds 98	1,768	2,280	1,743	7,708	69,218	109,233
Toronado	449	635	442	1,599	15,502	17,798
Pontiac Total	11,642	20,469	13,387	48,706	626,839	759,892
Acadian*	0	555	0	0	0	15,717
Fiero	1,200	1,748	1,063	3,021	31,778	66,139
1000	0	555	0	0	0	20,306
Firebird	1,495	2,050	1,496	5,751	74,948	101,055
2000 Sunbird	2,036	2,343	2,529	7,532	84,596	125,465
Grand Am	4,800	6,307	4,995	20,249	238,281	220,845
6000	29	2,865	1,121	4,357	67,496	128,459
Bonneville	1,937	3,673	1,968	7,322	120,828	32,498
Safari/Parisienne	145	373	215	474	8,912	49,408
HONDA	6,930	6,529	6,792	27,242	311,846	224,981
Civic	1,970	1,617	1,867	6,270	85,612	18,511
Accord	4,960	4,912	4,925	20,972	226,234	206,470
MAZDA	501	0	505	1,200	3,506	0
NISSAN	1,340	2,857	1,338	4,794	111,190	59,002
NUMMI	3,250	4,005	3,268	13,986	182,837	187,849
Corolla	1,000	2,889	1,096	4,113	41,958	8,805
Nova	2,250	1,116	2,172	9,873	140,879	179,044
VOLKSWAGEN	2,000	2,026	1,625	7,010	62,948	79,498
Golf/GTI	1,300	1,776	1,000	4,490	46,655	78,848
Jetta	700	250	625	2520	16,293	650
Total Cars, U.S.	149,727	181,921	153,907	583,503	6,817,705	7,487,135
Total Cars, Canada	22,584	25,183	20,234	90,338	767,014	1,021,928
U.S., Canada Cars	172,311	207,104	174,141	673,841	7,584,719	8,509,063
U.S., Canada Trks.	104,592	95,708	103,266	388,563	4,460,939	4,127,930
U.S., Canada Cars and Trks.	276,903	302,812	277,407	1,062,404	12,045,658	12,636,993

*—All Acadians are built for sale in Canada. **—Estimated.
Monthly estimates may contain error of one or two units due to rounding.

ROUNDUP

FROM PAGE 1

countries will show a shortfall of 10.8 percent for cars at 7.94 million and a gain of 7.5 percent for trucks at 4.66 million units. The car-truck total will be off 4.8 percent at 12.6 million units.

The U.S. car total will be the lowest since 1983, when 7.11 million were built. The loss this year came from General Motors and Chrysler, both down about 16 percent. The numerical decline was greater for GM.

Throughout the year, GM closed 13 car plants at various times to reduce inventories, and several plants were shut down more than once.

GM also cut line speeds and shifts during the year at seven plants due to sluggish sales and scheduled very little overtime.

It also permanently shuttered four plants this year: Framingham, Mass.; Norwood, Ohio; Pontiac, Mich. (No. 8); and Clark Avenue in Detroit.

Chrysler Motors' year-end car production will fall about 16 percent short of last year's combined Chrysler-American Motors production figure.

Part of the problem was a temporary production halt of Omni/Horizon, Fifth Avenue, Diplomat and Gran Fury models as Chrysler shifted production to the former AMC plant in Kenosha, Wis.

Chrysler also lost production when it closed its St. Louis (No. 2) plant for two weeks for inventory adjustment and its Bramalea, Ontario, plant for several weeks due to quality problems.

On the other hand, Ford Motor Co.'s calendar-year car output should increase by about 4 percent.

There were no Ford plants closed during the year, except for model changeover, of course, and although Ford's Saturday overtime schedule did not match last year's, it scheduled daily overtime for most car plants all year round.

Honda of America Manufacturing will end the calendar year about 90,000 units ahead of 1986, a gain of 39 percent, reflecting the addition of a second line at its Marysville, Ohio, plant, late in 1986 and this year's opening of a plant in Alliston, Ontario.

Volkswagen of America's output is slated to decrease 21 percent despite the addition of a Jetta line to its Westmoreland, Pa., plant late in 1986. VWoA plans to close its U.S. plant in 1988 because of slow sales.

Nissan Motor Manufacturing Co. U.S.A. will end the year an estimated 50,000 units, or 88 percent, ahead of 1986 when the plant was closed for several months for model changeover. The increase also reflects the addition of the four-door Sentra to its Smyrna, Tenn., plant late in 1986.

New United Motor Manufacturing Inc., the GM-Toyota joint venture, is scheduled to trail its 1986 total slightly despite the addition of the Toyota Corolla FX model to Chevrolet Nova production late last year at its Fremont, Calif., plant.

A newcomer to the U.S. market this year was Mazda Motor Manufacturing (U.S.A.). The new plant in Flat Rock, Mich., will assemble about 4,500 cars in 1987.

ITT Automotive buys site for headquarters

BLOOMFIELD HILLS, Mich. — ITT Automotive has purchased a 35-acre site in nearby Auburn Hills for a new engineering center and world headquarters.

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GM dealers buy stock, seek clout

Detroiters kick off message to board

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER
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DETROIT — Some Detroit-area General Motors dealers are purchasing 1,000-share blocks of GM stock, hoping to create a national wave that will give dealers more influence in the boardroom of the giant automaker.

"I personally know of at least 100 dealers across the country who already have bought stock," said Michael Rinke, Rinke Pontiac-GMC, Warren, Mich. "We bought ours."

At the regular December meeting of the 18-member Detroit-area Tri-County Pontiac Dealers Association, the 16 members present voted unanimously to recommend "the concept of General Motors dealers buying General Motors stock," according to an association statement.

The statement, issued by association president Robert S. Sellers in response to Automotive News inquiries, said, "The dealers are confident in the future of General Motors and that a GM stock purchase represents good value."

The statement also said the dealers believe that if every GM dealer nationally owned an average of 1,000 shares, it would launch "a new era of dealer-factory relations" and reaffirm the "historic partnership" between GM and its dealers, which the group called "the finest relationship in the industry."

Sellers declined to elaborate.

But despite the upbeat language of the association, a primary impetus for the stock purchases, at least as described by some dealers, is the specific goal of winning

see GM DEALERS, page 40

AUTOMOTIVE NEWS/JOE WILSSENS

Vigil at Cadillac
Workers at the Buick-Oldsmobile-Cadillac Group's Clark Avenue plant in southwest Detroit, which closed last week, marked the event Thursday with a candlelight vigil in front of Cadillac headquarters there. UAW Local 22, which represents the plant's workers, said, "The vigil is to show the American public our concern and utter outrage at the loss of jobs and the hardships a community suffers when plants are closed." Clark Avenue's sister plant, Fleetwood body, also was closed last week. Cadillacs had been built at Clark Avenue since 1923. **Story on Page 6.**

PORSCHE: *Chairman Schutz quits, victim of automaker's falling U.S. sales*

By Leon Mandel and Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTERS

STUTTGART, West Germany — Last Tuesday night, automotive dignitaries from around the world gathered for the annual gilt-edged European and American Porsche Cup gala — an elaborate celebration of the coveted marque's racing achievement in 1987.

But while the evening's entertainment — a magician — made things disappear, many speculated about the most noticeable sleight-of-hand of all: That Porsche Chairman Peter Schutz was inexplicably missing, as he had been the night before from a dinner for his North American visitors.

Instead, before a crowd of 1,000 sequined and glittering guests sat Dr. Ferry Porsche, not with Schutz as he had in past years, but with board members Heinz Branitzki, Hans Halbach, Rudi Noppen and Helmuth Bott.

Everything was explained the next afternoon.

Schutz, after months of frustration, had resigned at the behest of the Porsche heirs who control the company. Only a month before, the architect of Porsche's surge in the U.S. market during the 1980s, had said of his job: "In a corporate culture filled with firefighters, I am the arsonist" — a reference to the discord.

Ironically, the same American market that made Schutz's star rise also brought it down. The 57-year-old German-born American was seen as a victim of the company's heavy dependence on the United States at a time when the dollar has fallen to record lows against the German mark. With more than 60 percent of production shipped to America, Porsche is reeling from lower sales and profits and has been a rumored takeover candidate of late.

Schutz will be replaced at the end of this year by Branitzki, 58, the company's deputy chief executive and chief financial officer. However, Branitzki, a member of the Porsche board for the past 15 years, is widely viewed as a temporary successor.

No sharp redirection of company policy is expected. Porsche already has cut production and instituted shorter shifts in response to the de-

see PORSCHE, page 38

GM leads holiday blitz to sell '87s

By Laura Clark, Francis J. Gawronski and John A. Russell
AUTOMOTIVE NEWS STAFF REPORTERS

Domestic and imported automakers are taking on Santa Claus in a holiday sales drive to clean out their 1987 models and to build momentum for 1988.

General Motors is planning to launch a major advertising campaign between Christmas and News Year's Day to promote incentives and value packages offered by all five of its car divisions.

Both of GM's domestic competitors will begin major promotions the week following Christmas. Chrysler Motors will launch its new Jeep-Eagle franchise and Ford will introduce its redesigned Lincoln Continental on Dec. 26.

Meanwhile, Chrysler Motors last week expanded its consumer program offering low-interest loans and rebates.

Chevrolet likewise expanded its dealer incentives. Cadillac announced a double-pronged incentive. A number of importers are also offering incentives to dealers and their sales staffs to clean out 1987 inventories. Among them are Alfa Romeo, Mazda, Mercedes-Benz, Saab, Suzuki and Toyota.

John G. Middlebrook, GM vice president in charge of marketing and product planning, said the Christmastime campaign, centered on television, will bring all the retail promotions "under one GM umbrella."

Middlebrook said no increases in option-package discounts or rebates are planned in connection with the promotion, nor is cut-rate financing — which was offered as an alternative to rebates in the 1987 model year.

GM sources said each division can decide which cars to promote and dealers have an option to tie in.

Peugeot Motors of America also is planning a holiday advertising activity. The French importer is sending greeting cards to 50,000 Peugeot owners. The card, designed by Peugeot's advertising agency HDM, New York, shows children's toys on its front, along with a Peugeot 505 Turbo and eight-passenger wagon.

The greeting reads, "Santa isn't the only one who has been busy this year. Come and see our

see INCENTIVES, page 38

$ALES GIANTS

1st ranking of leading dealers for 19 major imported makes

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

Dealerships holding the 10 highest volume franchises for each of the 19 major, established import makes reported total dealership dollar sales of $7.0 billion in 1986 and 291,255 deliveries of their franchise-ranking makes.

Those 190 franchises, some of which are dualed in the same dealership or are owned by individuals or families with other large domestic or import franchises, comprise the Automotive News Import Sales Giants.

It is the first ranking of the largest individual import

see SALES GIANTS, page 17

RUTH SKURDA

U.S.-Brazil fight may curb VW Fox

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — White House trade advisers are seriously contemplating a restriction on Volkswagen importing Fox automobiles from Brazil, in retaliation for Brazilian barriers to U.S. computer exports.

One of the proposals under consideration is a 100 percent tariff on each Fox model.

Volkswagen of America, the American International Automobile Dealers Association and the National Automobile Dealers Association are arguing, however, that such a move could force hundreds of Volkswagen dealers in the United States out of business.

The U.S. departments of state, labor and

see VW FOX, page 40

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oviets wooing Ford
or car, truck venture
Page 2

U.S. cars drop 1.9%
in early December
Page 27

Mexico may supply
VW Golf to U.S.
Page 40

AUTOMOTIVE NEWS JOE WILSSENS

Do not open until Dec. 26

Santa got a head start on his own season by driving a 1988 Lincoln Continental off the line at Ford Motor Co.'s assembly plant in Wixom, Mich. The new front-wheel-drive Continental is priced from $26,078 and goes on sale Dec. 26. Ford hopes the date retains its magic for the company: Taurus and Sable went on sale Dec. 26, 1985.

Chrysler strives for 'slickness'

Better ride and handling, less noise and vibration are goals

By Arthur Flax and Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTERS

HIGHLAND PARK, Mich. — Chrysler Motors is accelerating its efforts to improve the sound, feel and ergonomics of its cars.

"There is a huge undertaking going on around here," said Robert Sinclair, Chrysler Motors engineering vice president. "Hal (Harold K. Sperlich, Chrysler Motors president) would call it the 'slickness' program. . . . It involves refinement of ride, handling, elimination of noise, vibration and harshness."

Chrysler always has been concerned about vehicle refinement. The refinement program, however, has accelerated in the last year as a result of competitive pressures from Japanese manufacturers, particularly Honda.

A major auto enthusiast magazine recently rated five Honda cars (Acura Legend and Integra and Honda Accord, Civic and CRX) among the 10 best cars in the world.

"Do you think we pay attention? Of course, because the customers are paying attention and Honda is delivering," Sinclair said.

"The time frame for our program is as fast as possible," he said. "There are chapters of it in the 1989 models, 1990, 1991. As fast as we can roll it out. Expensive? You bet. It's a big part of the total forward spending plan."

Chrysler's slickness program aims to make the "feel" or "seat-of-the-pants" impressions of Chrysler Motors automobiles more pleasurable to customers. Components such as gearshift mechanisms, lighting and climate controls will be evaluated and refined across the product line. Sinclair said some component suppliers are going to change.

"Sound, feel, ergonomics. Is the switch where I want it to be? Is it easy to operate? Does it sound right? How controls feel in relation to the human operator is all part of it," he said.

The development of Chrysler's five-speed manual gearbox is an example of the efforts of the slickness program.

"If you want to fault Chrysler's five-speed-manual shift quality, fault the hell out of it," Sinclair said. "I fault the hell out of it. I was involved in making about 55 changes in it. Next year it will be better, I guarantee you.

"The year after that, we think we will finally have done what we should have done in the first place because we will put a three-plane shifter in place and finally it will be a pleasure to operate. It hasn't been. And that's our fault. It has not been what the customer deserves, and I'm sorry it has taken so long."

Sinclair, who plans to retire Feb. 1, noted that engineering always involves a tradeoff between product cycle time frames, the amount of development money available, price and the value goals for the vehicles.

"Take the LeBaron J coupe for example," he said. "Beautiful car. Why do we have a four-banger in there? Because we couldn't afford to get the V-6 and four-speed electronic transmission in when it went into production in St. Louis.

"Will the LeBaron get a V-6 by 1989? That's a reach. We beat each other up every day. Can you do it faster? We work across a stable of vehicles and can't do everything at once," he added.

The customer has a right to demand "motoring pleasure," Sinclair said.

"The car should be a pleasure to look at," he said. "It should have superb fit and finish. It ought to run smoothly and quietly. It should be a pleasure to operate. You don't want to search to turn the radio up. You don't want buzzes, squeaks or rattles. All of that is what we are trying to eliminate."

As with General Motors' Mona Lisa product-comparison program that led to the GM-10 cars, and Ford's 400 best-in-class comparison program that was used in the development of the Taurus/Sable, Chrysler is disassembling competitive models to analyze and compare the products with Chrysler vehicles, Sinclair said.

Sam's in car business in 7 states with 15 dealers

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Sam's Wholesale Clubs has bowed out of the car business in Arkansas and Texas but will continue to refer its members to dealers in seven other states for a standard $100 fee on each discounted car sold.

Those states are Florida, Alabama, Colorado, Kansas, Missouri, North Carolina and South Carolina. Outlets in Tennessee are considering the plan.

Sam's, the wholesale division of Wal-Mart Stores Inc., notified the Arkansas Motor Vehicle Commission recently that it had rescinded agreements with participating auto dealers to sell cars to Sam's club members at $100 over invoice (Automotive News, Nov. 9).

"The state asked us to do it and we are cooperating," said Bill Campbell, company planning director.

Sam's came under fire from the state and the Arkansas Automobile Dealers Association after launching a system in which club members paid $100 over dealer invoice for new cars. The fee was supposed to be returned to Sam's. Members first obtain approval from Sam's then make purchases from dealers recruited by the company.

In exchange, Sam's advertises the program in its outlets.

"It is up to the local (Sam's) managers to make agreements with dealerships," said Campbell.

Managers are urged to recruit dealers who will not restrict the types of vehicles sold.

Sam's operates 84 outlets in 19 states. About 15 dealers in seven states participate, he said.

Campbell declined to say how many cars have been sold but said the system has been generally well-received by Sam's members.

According to Campbell, the program's intent was to ease costs to owners of small businesses that do not qualify for fleet rates. He said 60 percent of Sam's sales are to businesses that buy goods for resale.

Both Texas and Arkansas told Sam's the system could violate state brokering laws. But in Florida, dealers are embracing the program.

"We've had a few calls from dealers but no problems," said David D. Jeffries, Florida Automobile Dealers Association executive vice president. "It's strictly a referral service. Sam's is paid a bird-dog fee."

Dodge World in Kissimee, Fla., has received some inquiries from Sam's members but hasn't sold any vehicles yet. "It's hard to judge how well the system will do because it just started here," said manager Tom Palme.

In Arkansas, one dealer said he will continue to offer discounted cars to customers, even though Sam's has left the business.

"The only reason the commission attacked us was pressure from the non-participating car dealers," said Bill Schwyhart, president of Hart Motor Co. in Rogers.

Chrysler settles odometer-fraud lawsuit

By Jack Bernstein
SPECIAL CORRESPONDENT

ST. LOUIS — Chrysler Corp. last week pleaded no contest to criminal charges of odometer fraud and agreed to pay at least $16.4 million to plaintiffs in related civil suits.

U.S. District Court Judge John F. Nangle has scheduled a sentencing hearing Feb. 19. At that time, Nangle could impose fines of up to $120 million.

As part of the plea bargaining agreement announced last week, the federal government dropped criminal charges against two Chrysler executives, Frank J. O'Reilly and Allen F. Scudder, who has since retired.

The criminal case stems from a federal grand jury indictment in June that charged Chrysler and the two executives with odometer tampering.

The company has maintained it acted legally, and initially pleaded innocent to the charges but admitted making a mistake in failing to notify customers that vehicle odometers were disconnected during overnight quality testing programs.

The company now tests vehicles with odometers connected and places a notice of test mileage in tested vehicles.

"We have already said that testing of cars with odometers disconnected was stupid," the company said in explaining its decision to enter a no-contest plea. "It makes no sense to go to trial to defend that practice."

As part of the separate civil settlement also announced last week, owners of 32,750 Chrysler, Plymouth and Dodge vehicles identified as tested vehicles will be awarded $500 each. That settlement is expected to total $16.4 million.

If additional vehicles are identified, Chrysler will be required to increase the restitution fund to guarantee a $500 payment to each affected owner. The company had said following the indictment that an estimated 60,000 1985 and 1986 models may be affected.

In addition, the company said that affected owners will receive extended warranties.

Missouri Attorney General William L. Webster, who acted as lead negotiator for the National Association of Attorneys General in reaching the civil settlement, said last week the extended warranties are expected to cost the company an additional $9.8 million.

Forty-five states, the District of Columbia, Puerto Rico and Guam joined the settlement. The Kentucky attorney general, however, indicated that he will pursue a civil suit against Chrysler despite the settlement.

Also last week, Nangle agreed to take jurisdiction of 13 private class-action suits filed across the country.

The federal indictment followed an investigation that began when Missouri Highway Patrol officers stopped Chrysler employees for speeding near the Fenton, Mo., assembly plant. The officers discovered that the odometers were disconnected on the newly assembled cars.

INDEX

Auction dates	27
Automotive world news	23
Classifieds	30
News briefs	8
Obituaries	40
Opinion	10
Personnel	16
Production	42
Sales, car	27
Sales, truck	12
Truck industry	12

63rd year—No. 5212

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Majerus dies at 63; held No. 2 post in UAW

MILWAUKEE — Raymond E. Majerus, 63, UAW secretary-treasurer since 1980 and head of the union's aerospace, Dana and Champion Spark Plug departments, died Dec. 16.

Majerus, the UAW's second ranking officer, directed negotiations that resulted in new agreements this year at Rockwell Aerospace, Martin Marietta and Bell Helicopter.

He headed the union's American Motors department until October 1986, when heavy collective bargaining schedules in the aerospace department prompted him to request reassignment of his AMC duties.

Before becoming secretary-treasurer, Majerus was director of UAW Region 10 for eight years. The region comprises Wisconsin, Minnesota, North Dakota, South Dakota, Montana and Wyoming.

Born in Campbellsport, Wis., Majerus started working at Kohler enamel shop in Kohler, Wis., after being discharged from the U.S. Army following World War II.

Active in the Kohler Workers Association, an independent union, he led a wildcat strike in 1952 and was fired along with 11 others. He subsequently led a movement within the Kohler union to merge with the UAW.

When the UAW reached its first contract with Kohler, a provision barred Majerus from entering the plant. He worked as an organizer outside the plant in 1954 and was a key figure in the strike that began in April of that year and lasted until Sept. 1, 1960.

Legal disputes resulting from the strike lasted another five years. The strikers were ultimately reinstated with full back pay.

Harold A. Poling, vice chairman and chief operating officer of Ford Motor Co., said last week, "Ray Majerus devoted his life to the ideals and principles of the UAW. He worked diligently on behalf of the many men and women he represented, and he played an important role in the labor history of this country.

"The automotive and aerospace industries will miss his conviction, frankness and friendship."

Raymond E. Majerus

TOP SELLING IMPORT FRANCHISES

Rank	(ALL DOLLAR FIGURES IN MILLIONS) Principal or top official	Years in business	Employees	Other makes, same location	Best selling model	Total 1986 sales all franchises, depts. at location	Parts & service volume	Retail new units	1986 fleet sales	Total 1986 new units
ALFA ROMEO										
1. **Subcor Motors** Englewood, N.J.	Dan Farrell	20	16	Callaway Twin Turbo Alfa	Spider Veloce	$4.3	$1.1	180	0	180
2. **High Performance Cars** Waltham, Mass.	Serge Dermanian	23	21	Maserati	Milano	5.0	0.4*	178	0	178
3. **Paul Spruell Alfa** Chamblee, Ga.	Paul Spruell	6	18		Spider Veloce	4.1	0.6	177	0	177
4. **Wegge Motor Cars** Pasadena, Calif.	William A. Wegge III	22	15		Spider Veloce	4.2	0.3	151	0	151
5. **Suburban Auto Imports** Maywood, Ill.	Sam Tomaino	8	34	Volkswagen	Spider Veloce	5.1	1.5	140	0	140
6. **Rosanova Alfa** Bladensburg, Md.	Egidio Rosanova	22	9		Milano	2.0	0.4	138	0	138
7. **European Motor Sales** Towson, Md.	Glenn Berger	20	17	Bertone	Graduate	2.5	0.5	132	0	132
8. **Woburn Foreign Motors** Woburn, Mass.	George P. Albrecht	20	100	Toyota, Jaguar	Milano	50.0	0.6	127	0	127
9. **Forest Lane Alfa Romeo** Dallas, Texas	Kirk Franceschini	8	90	Porsche, Audi	Spider Veloce	45.6	7.9	121	0	121
10. **Nohr's Imports** San Leandro, Calif.	Gary Nohr	12	32	Saab, Subaru	Spider	7.5	0.9	69	0	69

*Estimate

continued →

SALES GIANTS

FROM PAGE 1

franchises based on unit sales, and follows the earlier, similar ranking of 10 best-selling franchises for each of the 10 traditional domestic franchises (Automotive News, Aug. 31).

The single largest import franchise was Longo Toyota, El Monte, Calif., which reported 14,334 retail sales and 4,000 fleet sales for a pack-leading new vehicle delivery total of 18,334.

Longo Toyota, of course, is now part of the Roger Penske organization, which also owns other large dealerships including the former Potamkin Cadillac franchise in Manhattan and another big-selling store in Downey, Calif.

Longo's primary and overwhelming dependence on retail deliveries was typical. Only 60 of the 190 Import Sales Giants had any fleet sales at all last year, and most were negligible. In fact, the total number of fleet sales for all 60 franchises was 34,801, just 11.95 percent of total sales for the franchise-rank makes.

That compares to a staggering 337,715 fleet sales made last year by the 10 top franchises from each of the 10 domestic divisions — nearly 10 times as many fleet sales by about half the number of dealers.

In other words, the top import dealers each averaged about 183 fleet sales each last year — less than one a day — while the top domestic dealers each averaged about 3,377 fleet sales.

Not surprisingly, Longo Toyota — a single-line dealership — also rang up the most total dealership dollar sales last year among the import sales giants, reporting $228 million. Second-highest in total sales dollar volume was Isuzu dealer King Motor Co. of Fort Lauderdale, Fla., which also sells Oldsmobile, GMC trucks and Suzuki, with $158.1 million. The dollar volumes listed in the accompanying charts include sales for all the makes sold at the store listed.

Another exclusive Toyota dealership ranked third — Gateway Toyota, Toms River, N.J., with total sales of $133.2 million.

The dealership with the highest parts and service dollar sales was Mercedes-Benz dealer Slemons Imports, Newport Beach, Calif.

Dealer Jim Slemons augments his traditional parts and service business with boutique and wholesale parts distribution. He reported parts and service sales of $19.1 million for last year. Slemons said this year's parts and service dollar volume will top $25 million.

The second highest in parts and service dollar volume, $15.5 million, was reported by Longo Toyota. Although Slemons and Longo are both single-line dealerships, the parts and service figures in the accompanying charts include sales for all lines at the stated dealerships.

Geographical analysis of the top 190 franchises showed few surprises; in fact, analysis tended to reinforce stereotypical images and perceptions.

A total of 58 of the 190 Import Sales Giants are in California; New Jersey and Texas each have 19; Virginia, New York, 13; Georgia, Florida, 12; Maryland, Massachusetts, 8; Illinois, 7; Pennsylvania, Colorado, 3; Arizona, Connecticut, Michigan, Washington, 2; and Oregon, Indiana, Ohio, Nevada, North Carolina, Alaska, Puerto Rico, 1 each.

The geographic depiction — with heavy concentration on the West Coast, the East Coast and the southern Gulf Coast regions — shows the import market strength spread across the bottom of the continental United States like a smile with a few scattered freckles across the heartland.

The attraction of the California market and its preference for things imported was clear. Seven of the 10 leading Nissan franchises are located there, as are six of Honda's, six of Toyota's, five of BMW's and five of Volkswagen's.

In fact, only Audi, Isuzu and Porsche had no leading franchises in California.

Among the top import franchises, there was an almost even split between dualed and exclusive stores: 96 of the 190 top franchises were exclusive; 94 were dualed, and 24 of those were dualed with domestic makes.

The exclusive points were largely clustered in makes with formal or informal policies about exclusive dealerships as well as in systems that reward "loyalty."

Leading the exclusivity parade was Toyota with a perfect 10. Close behind were Honda and Nissan, each with nine. Then came Mercedes-Benz, Subaru and Volvo, each with eight, plus BMW and Hyundai with seven each.

The reasons dealers listed for last year's success included many of the standard items that characterize any successful business: strong management, good location, a new facility, good product, large inventory, aggressive sales force, consistent advertising, a loyal owner body, concern for the customer, emphasis on individual profit centers, a good used-car trade and old-fashioned hard work.

Some dealers said they were successful because they offered customers more than one make.

Others took a different approach: "We treat each franchise with the same degree of importance," said Saab dealer Richard A. Rankin, president, VOB Auto Sales, Rockville, Md. Rankin also sells Nissan.

"Exclusivity," said Volvo dealer Michael Lazarus, Volvoville USA, Massapequa, N.Y. "Selling only one manufacturer causes all efforts (to be directed) toward a common goal."

Some dealers, however, credited good fortune. "Lucky, I guess," said Isuzu dealer Ben Smith, Mealey Smith Isuzu, Orlando, Fla., in explaining his success. "I'd rather be lucky than good!"

Alfa Romeo dealer Serge Dermanian, owner of High Performance Cars, Waltham, Mass., had a little different perspective.

"I worked at HPC since 1965 as a mechanic, and I bought the company in 1969," Dermanian said. "The most important factor for my success is my training in France where I was born and brought up as a mechanic, going through very extensive training as a technician — in both automobiles and aircraft — from one of the country's best schools."

There also was the clear influence of mega-dealer organizations, multi-franchise dealerships and family operations throughout the Automotive News Import Sales Giants listing.

There were 16 instances in which a dealer owned more than one store on the list. Heading the list were the Norman Braman organization with three separate stores ranking as Top 10 franchises in BMW, Porsche and Rolls-Royce; the Stohlmans, with two dealerships scoring a total of three leading franchises in Nissan, Subaru and Volkswagen; and the Ellis family in Atlanta.

Richard H. Stohlman scored with both VW and Subaru at his Tysons Corner, Va., dealership, while Edwin L. Stohlman III scored with Nissan in Alexandria, Va.

In Atlanta, Jim Ellis and James W. Ellis Jr. ran leading Audi, Porsche and Volkswagen dealers, although Atlanta Mercedes-Benz dealer John Ellis is not related.

Other interesting familial combinations included Hanley Dawson Jr. and Hanley Dawson III, who each had a Top 10 Saab franchise in the Chicago area.

Among the dealers who had two or more Top 10 import franchises, either dualed or free-standing, there was a clear correlation between market segments; dealers tended to have ranking franchises in similar or related segments.

In addition to the multiple Top 10 import franchise organizations, there also were eight dealers who also had domestic-make dealerships among the earlier Automotive News Domestic Sales Giants.

Automotive News chose franchise unit volume as the most meaningful measure of the country's largest dealership, chiefly because of the importance of the fleet market — estimated by various sources at between 20 percent and 40 percent of total new-vehicle sales. Yet these fleet sales are not very profitable for dealers, so a ranking of franchises by dollar volume ignores the tremendous number of vehicles they sell.

A number of import franchises were not included because they were forming their dealer networks in 1986, including Acura, Mitsubishi, Suzuki and Yugo. However, Hyundai Motor America and its dealers chose to participate, even though many of its top dealers were in business for 10 months or less. A few low-volume makes were skipped.

Import Sales Giants data was compiled by the Automotive News staff from various sources. Most but not all importers supplied information on their top dealers. Dealers themselves were polled. In the few cases in which top dealers declined to participate, estimates of their volumes were made from multiple sources.

Contributing to this report and the accompanying table were Automotive News Staff Reporters Laura Clark, Mary Connelly, Matt DeLorenzo, Arthur Flax, Francis J. Gawronski, Helen Kahn, Louise Kertesz, Michelle Krebs, Philly Murtha, Roger Rowand, John A. Russell, Jesse Snyder, Geoff Sundstrom, Charles M. Thomas and David Versical. Artwork by Ruth Skurda.

Turnover high among biggest Subaru dealers

Since 1986 ended, several of the top-selling import franchises have changed hands, as entrepreneurial dealers buy and sell hot properties.

However, one of the most unusual situations was among the top-selling Subaru dealerships. Of the 10 dealers who owned last year's best-selling franchises, four no longer own the dealerships involved.

Three dealerships have been sold, and one — top-selling Wilmington Subaru — was closed outright after losing $1 million in the first eight months of 1987. The Rustuccia family replaced the Subaru franchise with a Jeep-Eagle franchise in the same point.

— Edward Lanham

TOP SELLING IMPORT FRANCHISES

Rank	(ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employees	Other makes, same location	Best selling model	Total 1986 sales all franchises, depts. at location	Parts & service volume	Retail new units	1986 fleet sales	Total 1986 new units
AUDI											
1.	**The Audi Corp.** Natick, Mass.	Keome Annis	16	70	Volkswagen, Porsche	5000S	34.0	4.5	597	39	
1.	**Lynch Imports** Chicago, Ill.	Richard V. Lynch Jr.	6	150	Porsche, Saab Volkswagen	5000S	46.0	6.1	652	0	
3.	**Jack Daniels Motors** Fairlawn, N.J.	John J. Daniels	15	51	Porsche	5000S	30.8	4.0	629	0	
4.	**Somersky Enterprises** Highland Park, Ill.	Ernie Somersky	10	57	Sterling	5000S	16.0	4.7	465	85	
5.	**Auto Plaza** Pittsburgh, Pa.	Ed Walker	5	40	Porsche	5000S	18.0	2.0	527	12	
6.	**Paul Miller Audi** Parsippany, N.J.	Paul T. Miller	10	61	Porsche, Range Rover	5000S	30.4	4.5	496	0	
7.	**Hill Int.** Vienna, Va.	George C. Andreas	20	140	Mercedes-Benz, Porsche Range Rover	5000S	51.0	7.0	495	0	
8.	**Bill Cook Imported Cars** Farmington Hills, Mich.	William G. Cook	5	43	Porsche	5000S	25.0	3.0	488	0	
9.	**Jim Ellis Atlanta** Atlanta, Ga.	James W. Ellis Jr.	5	80	Porsche, Sterling	5000S	38.8	6.0	482	0	
10.	**Fred Lavery Co.** Birmingham, Mich.	Fred Lavery	9	53	Porsche, Range Rover	5000S	23.6	3.5	479	0	
BMW											
1.	**Weatherford Motors** Emeryville, Calif.	Jim Skaar	17	66		325	32.0	5.0	1,091	0	**1,091**
2.	**Global Imports BMW** Atlanta, Ga.	William M. Whitmire	25	78		325	33.9	5.1	1,011	0	**1,011**
3.	**Stevens Creek BMW** Santa Clara, Calif.	Don Lucas	12	95		325	32.1	4.1	981	0	**981**
4.	**Pacific BMW** Glendale, Calif.	Chris Ruppert	6	95*	Mitsubishi, Suzuki	325	50.4	5.9	974	0	**974**
5.	**Charles Evans BMW** Duluth, Ga.	Charles F. Evans	13	87		325	43.3	4.0	966	0	**966**
6.	**Saddleback BMW** Irvine, Calif.	Klaus Lischer	14	73		3 Series	21.2*	3.5*	711	240	**951**
7.	**Braman Motors** Miami, Fla.	Mike Turkenkopf	12	80	Rolls-Royce	325	34.4	4.9	901	13	**914**
8.	**Park Ave. BMW** Maywood, N.J.	Roy W. Sommerhalter	10	49		325	26.7	3.5	863	0	**863**
9.	**Crevier BMW** Santa Ana, Calif.	Robert Crevier	16	82		325	30.0	4.0	848	0	**848**
10.	**Chris Motors** Decatur, Ga.	Neil Christman	22	141	Volkswagen	325	39.9	8.0	793	0	**793**
HONDA											
1.	**Gardena Honda Automobiles** Gardena, Calif.	Shau-Wai Lam	8	105		Accord Sedan	70.5	6.0	5,465	0	
2.	**Honda of Pasadena** Pasadena, Calif.	Mary M. Mann	25	131		Accord Sedan	49.0	7.0	3,313	244	
3.	**Norm Reeves Honda** Cerritos, Calif.	Donna Reeves	N.A.	N.A.		N.A.	45.0*	6.0*	3,450*	0	
4.	**Robertson Honda** North Hollywood, Calif.	Jack Robertson	N.A.	N.A.		N.A.	42.0*	4.5*	3,350*	0	
5.	**Honda of Beaverton** Beaverton, Ore.	Robert Lanphere	N.A.	N.A.		N.A.	40.0*	3.5*	3,300*	0	
6.	**Los Gatos Honda** Los Gatos, Calif.	Ted Stevens	N.A.	N.A.		N.A.	33.0*	3.5*	2,800*	0	
7.	**McDavid Honda** Houston, Texas	David McDavid	25	76		Accord Sedan	40.1	4.3	2,683	0	
8.	**Honda Auto Center of Bellevue** Bellevue, Wash.	Charles Hasselwood	8	74		Accord Sedan	34.3	4.2	2,254	0	
9.	**Spring Branch Honda** Houston, Texas	Fred Schneider	N.A.	N.A.		N.A.	37.5*	3.5*	2,233*	0	
10.	**Sierra Autocars** Monrovia, Calif.	Lathrop G. Hoffman	38	111	Isuzu, Lincoln, Mercury, Pontiac	N.A.	51.1	3.2	1,757	430	
HYUNDAI											
1.	**Atlantic Hyundai** West Islip, N.Y.	John Staluppi	10 mths	54	Olds, Jeep, Eagle, Isuzu	Excel GL Sedan	20.5	1.0	2,487	0	**2,487**
2.	**Bay Ridge Hyundai** Brooklyn, N.Y.	Carmelo Giuffre	25	60		Excel GLS	16.5	1.6	2,451	0	**2,451**
3.	**Hyundai of Escondido** Escondido, Calif.	C.R. Ellingwood III	2	89		Excel	22.7	0.7	2,398	0	**2,398**
4.	**North Park Hyundai** San Antonio, Texas	Clarence J. Kahlig	2	47		Excel GLS Sedan	19.3	1.4	2,165	0	**2,165**
5.	**Kim-Hankey Hyundai** Los Angeles, Calif.	Richard Kim	2	70		Excel GL Sedan	16.9	0.7	2,009	0	**2,009**
6.	**Northstar Auto** Thornton, Colo.	Robert E. Yates Jr.	2	51		Excel	17.6	1.1	1,992	0	**1,992**

*Estimate

TOP SELLING IMPORT FRANCHISES

(ALL DOLLAR FIGURES IN MILLIONS)

Rank	Principal or top official	Years in business	Employees	Other makes, same location	Best selling model	Total 1986 sales all franchises, depts. at location	Parts & service volume	Retail new units	1986 fleet sales	Total 1986 new units
7. Century Motor Sales Hyundai Alhambra, Calif.	Leon D. Peskin	1	N.A.		N.A.	20.1*	1.6*	1,900*	0	**1,900***
8. Galpin Hyundai Sepulvedo, Calif	H.F. Boeckmann II	1.5	50	Ford, Suzuki	Excel	15.1	0.5	1,889	0	**1,889**
9. Bob Ciasulli Hyundai Little Falls, N.J.	Bob Ciasulli	30	242	8 franchises	301 XL	69.2	4.8	1,801	0	**1,801**
10. DiFeo Hyundai Jersey City, N.J.	Joseph C. DiFeo	2	45		Excel	16.9	1.0	1,114	0	**1,114**
ISUZU										
1. [illegible] Orlando, Fla.	Terry Ruppenthal	3	166	Oldsmobile, GMC Mitsubishi	I-Mark	77.8	3.9	452	1,162	**1,614**
2. [illegible] Jacksonville, Fla.	Peter Kirkill	7	25		Pickup	26.0	0.6	1,135	150	**1,285**
3. [illegible] Indianapolis, Ind.	David C. McIntire	5	56	Chevrolet	P'up	14.2	1.1	1,168	32	**1,200**
4. [illegible] Orlando, Fla.	Ben Smith	6	50		P'up	13.0	0.7	800	400	**1,200**
5. [illegible] Dayton, Ohio	Mark T. Stevens	3	27		P'up	9.7	0.5	932	7	**939**
6. [illegible] Las Vegas, Nev.	Fletcher Jones Jr.	6	74*	Chevrolet, Mazda	Pickup	18.5*	2.5*	805	60	**865**
7. [illegible] West Islip, N.Y.	John Staluppi	10	200	Olds, Jeep, Eagle, Hyundai	Trooper	17.3	1.3	880	0	**880**
8. [illegible] Austin, Texas	Duke Covert	8	50*	Buick	Trooper	19.5*	2.7*	820	0	**820**
9. [illegible] Fort Lauderdale, Fla.	Clay King	50	300	Oldsmobile, GMC, Suzuki	Pickup	158.1	10.5	765	38	**803**
10. [illegible] Chesapeake, Va.	Thomas M. Gibbs Jr.	7	45	Pontiac, Volvo, Hyundai, Suzuki	Trooper	9.1	0.4	728	10	**738**
JAGUAR										
1. Hempstead Auto Co. Hempstead, N.Y.	Hugh J. Weidinger	53	70		XJ6	42.0	6.0	791	241	**1,032**
2. Hornburg Jaguar Santa Monica, Calif.	William Gaby	40	73	Range Rover	XJ6	37.2	5.1	831	18	**849**
3. Rallye Motors Paramus, N.J.	Manny Sicari	27	55		XJ6	31.0	5.2	687	0	**687**
4. Newport Imports Newport Beach, Calif.	Lee West	8	100	Ferrari, Range Rover Aston Martin	XJ6	26.5*	3.3	590*	0	**590***
5. Miller Automobile Corp. Darien, Conn.	Frank Miller	29	60	Range Rover, Volkswagen	N.A.	40.0	4.5*	540*	0	**540***
6. Overseas Motor Corp. of Dallas Dallas, Texas	Michael Fisher	26	60	Rolls-Royce	XJ6	31.3	4.5	488	4	**492**
7. The Jaguar Collection Coral Gables, Fla.	Joseph DeMaria	30	42		XJ6	22.5*	3.2*	470	0	**470**
8. Terry York Motor Cars Encino, Calif.	Terry York	16	63	Rolls-Royce, Range Rover	XJ6	32.9	4.7	465	0	**465**
9. Sovereign Jaguar Hicksville, N.Y.	Alan Feldman	1	34		XJ6	19.0	2.5	427	0	**427**
10. Main Auto Sales Madison, N.J.	Saul I. Ring, Carl V. Carambio	33	42	Chrysler, Plymouth	XJ6	24.4	2.6	423	0	**423**
MASERATI										
1. [illegible] Rockville, Md.	Eric E. Nelson	5	17	Lamborghini, Panera Zimmer	Spyder	4.0	0.1	64	12	**80**
2. [illegible] St. Petersburg, Fla.	Mark LaPrade	7	22	Lotus, Bertone	Biturbo Coupe	10.6	6.4	83	0	**83**
3. [illegible] Newport Beach, Calif.	James Parkinson	15	36	Saab, Peugeot Alfa Romeo, Bertone	Biturbo	15.0	3.0	69	6	**75**
4. [illegible] Baltimore, Md.	Donald Morrissey	12	5		Biturbo	1.6*	0.2*	64	1	**64**
5. [illegible] Beverly Hills, Calif.	Murray Marks	2	9	Bitter	Spyder	2.5	0.5	55	0	**55**
6. [illegible] Hinsdale, Ill.	John F. Weinberger	25	18	Rolls-Royce, Ferrari	Biturbo Coupe	8.5	0.9	40	0	**40**
7. [illegible] Hatfield, Pa.	Gary Cohen	15	50	Subaru, Peugeot	Biturbo Coupe	12.5	0.7	36	0	**36**
8. [illegible] Houston, Texas	Mike Spiers	3	20	Lamborghini	Spyder	8.0*	3.0*	35	0	**35**
9. [illegible] Englewood, N.J.	Anthony Altomare	1	12		Spyder	3.0	0.1	20	0	**20**
10. [illegible] San Francisco, Calif.	Bruce Qvale	40	70	Jaguar	Spyder	12.0*	3.0*	15	0	**15**
MAZDA										
1. Oak Tree Mazda San Jose, Calif.	Enide Allison	16	89		Trucks	45.1	4.6	3,291	5	**3,296**
2. Canyon Mazda Phoenix, Ariz.	Larry Van Tuyl	13	91		Trucks	38.8	3.2	2,268	140	**2,408**

*Estimate

continued →

TOP SELLING IMPORT FRANCHISES

Rank (ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employees	Other makes, same location	Best selling model	Total 1986 sales all franchises, depts. at location	Parts & service volume	Retail new units	1986 fleet sales	Total 1986 new units
3. Billy Barrett Mazda-Volkswagen Dallas, Texas	Billy Barrett	N.A.	N.A.	Volkswagen	N.A.	21.1*	2.8*	2,395*	0	**2,395***
4. Ted Britt Mazda Fairfax, Va.	Ted Britt	N.A.	N.A.		N.A.	18.1*	2.2*	2,390*	0	**2,390***
5. Puente Hills Mazda City of Industry, Calif.	F.E. Hitchcock, Harry Mehterian	5	79	Sterling	626	32.5	2.5	2,167	167	**2,334**
6. Almaden Mazda San Jose, Calif.	Kevan Del Grande	6	57		N.A.	31.0	3.2	2,291	0	**2,291**
7. Freeman Olds-Mazda Irving, Texas	J.W. Freeman	35	190	Oldsmobile	Trucks	72.7	12.2	2,185	21	**2,206**
8. Maple Shade Mazda Maple Shade, N.J.	Bob Dimmerman	N.A.	N.A.		N.A.	17.0*	2.1*	2,135*	0	**2,135***
9. Dom's Import Car Center North Plainfield, N.J.	Donald Toresco	15	54	Subaru	626	26.5	1.9	1,840	0	**1,840**
10. Red McCombs Mazda San Antonio, Texas	B.J. McCombs, J.M. Nevergold	30	300	Ford, Hyundai, Suzuki, Volkswagen, Subaru	B2000	77.0	9.6	1,616	0	**1,616**
MERCEDES-BENZ										
1. Downtown L.A. Motors Los Angeles, Calif.	Nickolas Shammas	28	50		300E	74.8	7.2	1,522	0	**1,522**
2. House of Imports Buena Park, Calif.	Michael O'Donoghue, Ken Rivera	23	170		300E	68.8	10.0	1,470	0	**1,470**
3. Bullyo Motors Glen Cove, N.Y.	Peter Torino	30	120	BMW, Rolls-Royce	300E	85.0	7.0	1,450	0	**1,450**
4. Stephenson Motor Co. Dallas, Texas	James L. Stephenson	10	152		300E	80.0	16.5	1,381	0	**1,381**
5. Ray Catena Motor Cars Edison, N.J.	Ray Catena	33	95		190	72.4	5.5	1,277	0	**1,277**
6. Siemons Imports Newport Beach, Calif.	Jim Siemons	28	170		420SEL	85.8	19.1	1,204	0	**1,204**
7. Mercedes-Benz Manhattan New York, N.Y.	John Wolf	33	N.A.		N.A.	65.0*	9.0*	1,100*	0	**1,100***
8. Euro Motorcars Bethesda, Md.	Michael Jackson	11	110		300E	61.0	7.5	955	0	**955**
9. BMW of Atlanta Atlanta, Ga.	John Ellis	25	90		190E	50.0*	6.5*	900	0	**900**
10. Smythe European San Jose, Calif.	William D. Smythe	41	143	Volvo	N.A.	53.3	10.0	777	120	**897**
NISSAN										
1. ABC Nissan Phoenix, Ariz.	Larry Van Tuyl	19	253		Truck	98.2	10.9	5,542	200	**5,742**
2. Rosenthal Nissan Vienna, Va.	Robert Rosenthal	6	203		Maxima	88.7	9.4	4,819	0	**4,819**
3. Nissan of Downey Downey, Calif.	Carmen Koosa	5	106		Sentra	60.0	6.0	4,610	4	**4,614**
4. Stohlman Nissan-Saab Alexandria, Va.	Edwin L. Stohlman III	17	220	Saab	Sentra	77.4	12.3	3,457	497	**3,954**
5. Moon Nissan Cerritos, Calif.	Robert D. Stephens III	22	144		Sentra	58.7	7.9	3,802	1	**3,803**
6. Harbor Nissan Harbor City, Calif.	Don Graves	17	62		Sentra	60.5	5.5	3,477	179	**3,656**
7. West Covina Nissan West Covina, Calif.	Orval A. Paul	4	105		Truck	50.8	4.4	3,631	0	**3,631**
8. Universal City Nissan Universal City, Calif.	Morrie Sage	18	146		Sentra	60.0	6.0	3,588	8	**3,596**
9. Turner Nissan Sacramento, Calif.	Gordon J. Turner	22	123		2wd Truck	46.0	6.5	1,862	1,537	**3,399**
10. Torrance Nissan Torrance, Calif.	William J. Adkins	19	95		Sentra	50.0	4.0	3,124	103	**3,227**
PEUGEOT										
1. Maplewood Peugeot Maplewood, N.J.	Alan Castroll	11	20		505 Turbo	6.5	0.7	325	0	**325**
2. Eccllo Motors Bellevue, Wash.	Nick Diafos, Stavros Michelakis	8	40	Alfa Romeo, Isuzu Buick	505 Turbo	10.0	0.5	282	0	**282**
3. Colonial Dodge-Peugeot Kensington, Md.	Jack Fitzgerald	3	150	Dodge, Alfa Romeo Trevor Sports Car	505 Turbo S	73.2*	4.3*	238	0	**238**
4. Doran Chevrolet-Peugeot Dallas, Texas	Mike Doran, Ed Doran	41	170	Chevrolet	505 STI	39.0	6.5*	221	0	**221**
5. Frank Jackson C-M-Peugeot Atlanta, Ga.	Frank Jackson	23	100	Lincoln, Mercury, Merkur	505 STI	34.5*	6.5*	183	0	**183**
6. Haywood Clarke Peugeot Richmond, Va.	Haywood B. Hyman	2	28		505 STI	4.5	0.8	180	0	**180**
7. Foreign Motors West Malick, Maui.	Thomas R. Mix	17	115	BMW, Mercedes-Benz Range Rover, Rolls-Royce	505 STX	39.9	8.0	152	0	**152**
8. Sue Smith Motors Ridgewood, N.J.	Michael K. Smith	9	45	Lincoln, Mercury, Merkur	505 STI	5.0	2.5	135	15	**150**

*Estimate

TOP SELLING IMPORT FRANCHISES

Rank	(ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employees	Other makes, same location	Best selling model	Total 1986 sales all franchises, depts. at location	Parts & service volume	Retail new units	1986 fleet sales	Total 1986 new units
9.	**Autos Vega** San Juan, Puerto Rico	Ramon Vega	22	70	Ford, Lincoln, Mercury, Hino, Mitsubishi	505 Sedan	18.5	1.5	139	0	139
10.	**Peugeot Charlotte** Charlotte, N.C.	Mike DeMeritt	6	18		505 STI	2.5	0.5	125	0	125
PORSCHE											
1.	**Forest Lane Porsche-Audi** Dallas, Texas	Kirk Franceschini	8	90	Alfa Romeo, Audi	944	45.6	7.9	558	0	**558**
2.	**Southpoint Porsche-Audi** Houston, Texas	Wayne G. Wickman	5	65	Audi	944	29.9	6.0	396	0	**396**
3.	**Lynch Imports** Chicago, Ill.	Richard V. Lynch Jr.	6	150	Audi, Saab Volkswagen	944	48.1	6.1	371	0	**371**
4.	**Jim Ellis Atlanta** Atlanta, Ga.	James W. Ellis Jr.	5	80	Audi, Sterling	944	38.9	6.3	330	0	**330**
5.	**The Porsche Collection** Miami, Fla.	Joseph DeMaria	30	N.A.	Audi	N.A.	20.0*	3.0*	319	0	**319**
6.	**The Porsche Place** New York, N.Y.	Jerry Schweizer	15	70	Audi	N.A.	30.0	5.2	313	0	**313**
7.	**Jack Daniels Motors** Fair Lawn, N.J.	John J. Daniels	15	51	Audi	944	30.8	4.2	292	0	**292**
8.	**HBL Inc.** Vienna, Va.	George C. Andreas	20	140	Mercedes-Benz, Audi Range Rover	944	51.0	7.2	280	0	**280**
9.	**Brumes Atlanta Porsche-Audi** Atlanta, Ga.	Deborah M. Gregg	10	70	Audi	944	25.0*	5.0	275	0	**275**
10.	**Braman Porsche-Audi** Miami, Fla.	Norman Braman	N.A.	N.A.	Audi	N.A.	22.0*	4.0*	270*	0	**270***
ROLLS-ROYCE											
1.	**Carriage House Motor Car** New York, N.Y.	Michael Schudroff	3.5	56		Silver Spur	23.5*	2.1*	173	0	**173**
2.	**Gregg Motors Rolls Royce** Beverly Hills, Calif.	Howard Schneider	N.A.	N.A.		N.A.	18.0*	2.0*	110*	0	**110***
3.	**Newport Beach Auto Center** Newport Beach, Calif.	Steve Bren	27	130	Porsche, Audi, Chevrolet	Silver Spur	17.5*	2.1*	80	0	**80**
4.	**Braman Motors** West Palm Beach, Calif.	Norman Braman	5	60	Bentley, BMW, Maserati, Sterling	Corniche	36.5	4.4	65	6	**71**
5.	**Terry York Motor Cars** Encino, Calif.	Terry York	16	63	Jaguar, Range Rover	N.A.	33.0	4.7	50	0	**50**
6.	**Rollys Motors** Glen Cove, N.Y.	Peter Torian	30	120	BMW, Mercedes-Benz	Silver Spur	85.0	7.0	37	0	**37**
7.	**Autobahnmobile** San Francisco, Calif.	Martin Swig	18	320	15 franchises	Silver Spur	95.0	15.0	33	0	**33**
8.	**Donosaur Motor Corp. of Dallas** Dallas, Texas	Michael Fisher	26	60	Jaguar	Silver Spur	31.3	4.5	30	0	**30**
9.	**F.C. Kerbeck & Sons** Palmyra, N.J.	Frank R. Kerbeck	19	95	Saab	N.A.	16.5*	1.6*	28*	0	**28***
10.	**Rosnak/Pasadena** Pasadena, Calif.	Paul Rusnak	26	N.A.		Silver Spur	10.0*	1.5*	24*	0	**24***
SAAB											
1.	**Ramsey Saab** Ramsey, N.J.	Raymond Van Duren	9	45		900S	19.4	2.3	752	0	**752**
2.	**Mark Singleton Saab** Marietta, Ga.	Mark Singleton	12	38		900S	16.0	1.7	609	7	**616**
3.	**Zumbach Sport Cars** New York, N.Y.	Werner G. Maeder	82	65	Alfa Romeo, Peugeot Range Rover	900 Turbo	16.9	3.9	565	0	**565**
4.	**Hanley Dawson Toyota-Saab** Chicago, Ill.	Hanley Dawson Jr.	5	20	Chrysler, Plymouth, Mitsubishi, Subaru, Toyota	900S	10.5	1.5	530	12	**542**
5.	**Stohlman Nissan-Saab** Alexandria, Va.	Edwin L. Stohlman III	17	220	Nissan	9000 Turbo	77.4	12.3	393	63	**456**
6.	**Patrick Saab** Schaumburg, Ill.	Hanley Dawson III	6	20	BMW, Cadillac	900S	11.0	2.0	446	0	**446**
7.	**VOB Auto Sales** Rockville, Md.	Richard A. Rankin	22	175	Nissan	900	42.5	7.0	416	0	**416**
8.	**Bankston Lincoln-Mercury-Saab** Dallas, Texas	W.O. Bankston	17	145	Lincoln, Mercury	900S	61.0	8.0	409	0	**409**
9.	**Gaston Andrey of Framingham** Framingham, Mass.	Gaston Andrey	31	39	Alfa Romeo, Ferrari	900 Turbo	7.0	2.1	405	0	**405**
10.	**Clews & Strawbridge** Frazer, Pa.	Harry B. Zimmerman	33	30		900 S	12.0	1.2	385	0	**385**
SUBARU											
1.	**Wilmington Subaru** Wilmington, Mass.	Bernard Ristuccia Jr.	4	136		Station Wagon	5.4	1.2	1,413	501	**1,914**
2.	**Bert Subaru** Englewood, Colo.	Mark Meracher	15	70		N.A.	17.2*	2.3*	1,335*	0	**1,335***
3.	**Norwood Subaru** Norwood, Mass.	William DiCarlo	15	34		GL Wagon	14.9	1.5	1,234	0	**1,234**
4.	**Century Subaru** Vernon, Conn.	Michael Ferranti	N.A.	N.A.		N.A.	14.5*	2.0*	1,075*	0	**1,075***

*Estimate

continued →

TOP SELLING IMPORT FRANCHISES

Rank (ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employees	Other makes, same location	Best selling model	Total 1986 sales all franchises, depts. at location	Parts & service volume	Retail new units	1986 fleet sales	Total 1986 new units
1. Subaru Subaru Aurora, Colo.	Gene Osborn	N.A.	75*		N.A.	12.5*	1.7*	1,028*	0	1,028*
2. Stohlman Volkswagen-Subaru Tysons Corner, Va.	Richard H. Stohlman	32	102	Volkswagen	Station Wagon	30.5	4.5	949	0	949
3. Continental Motor Co. Anchorage, Alaska	Peter W. Adolf	17	64	Volvo	4x4 GL Station Wagon	17.1	3.4	843	37	880
4. Rockville Subaru Rockville, Md.	Joseph Herson	73	40		Station Wagon	11.9	1.1	878	0	878
5. Lynch Motors Santa Monica, Calif.	Claes Marald	N.A.	N.A.		N.A.	13.0*	2.0*	850*	0	850*
10. Natick Subaru Natick, Mass.	Robert A. O'Connell, David Lainberry	30	40		4-door Sedan	13.3	2.1	801	0	801
TOYOTA										
1. Longo Toyota El Monte, Calif.	John Clark	20	277		2wd Truck	228.0	15.5	14,334	4,000	**18,334**
2. Gateway Toyota Toms River, N.J.	Kenneth L. Hagen	14	175		Camry	133.2	4.2	10,917	1,905	**12,822**
3. Kendall Toyota Miami, Fla.	Gerald F. Bean	N.A.	N.A.		N.A.	130.0*	10.0*	4,100*	8,500*	**12,600***
4. Sterling McCall Toyota Houston, Texas	Sterling B. McCall Jr.	17	115		2wd Truck	74.7	7.0	4,351	3,185	**7,536**
5. Toyota of Orange Orange, Calif.	David Wilson	15	126		Camry	100.0	5.8	5,800	925	**6,725**
6. Toyota of Cerritos Cerritos, Calif.	Lewis M. Webb	11	132		Corolla	93.4	9.7	5,412	621	**6,033**
7. Bingham Toyota Clovis, Calif.	B.C. Bingham	16	70		Camry	65.7	3.3	1,446	4,272	**5,718**
8. Toyota of Garden Grove Garden Grove, Calif.	Jan Goodrow	7	126		Camry	72.8	5.3	3,861	1,517	**5,378**
9. Toyota of Hollywood Hollywood, Fla.	Craig M. Zinn	14	183		Corolla	95.5	5.3	4,972	0	**4,972**
10. Norwalk Toyota Norwalk, Calif.	Orval A. Paul	23	118		2wd Truck	60.1	7.7	2,481	1,721	**4,202**
VOLKSWAGEN										
1. Jim Ellis Volkswagen Atlanta, Ga.	Jim Ellis	18	84		Jetta	29.3	4.6	1,483	0	**1,483**
2. South County Volkswagen Huntington Beach, Calif.	Danny McKenna	9	80		Jetta	27.0	3.1	1,390	0	**1,390**
3. Douglas Motors Corp. Summit, N.J.	Peter T. Liebman	23	55	Sterling	Jetta	31.7	3.3	1,342	0	**1,342**
4. Volkswagen Santa Monica Santa Monica, Calif.	W.H. Sullivan	43	150	Hyundai	Jetta	23.9	7.1	1,200	0	**1,200**
5. VW of Downtown Los Angeles Los Angeles, Calif.	Nickolas Shammas	28	50	Chevrolet, Mitsubishi	Jetta	17.3	2.6	1,134	0	**1,134**
6. Stohlman Volkswagen-Subaru Tysons Corner, Va.	Richard H. Stohlman	32	102	Subaru	Jetta	30.5	4.5	1,073	0	**1,073**
7. Queensboro Volkswagen Woodside, N.Y.	Eugene S. Weisberg	34	80		Jetta	29.5*	3.8*	1,044	25	**1,069**
8. Bob Faeber Volkswagen Van Nuys, Calif.	Bob Faeber	5	30	Maserati	Jetta	16.1	1.2	947	0	**947**
9. Antonio Volkswagen Sunnyvale, Calif.	Stan Antonio	6	48		Jetta	17.0	3.3	900	31	**931**
10. IRL Inc. Fairfax, Va.	George C. Andreas	29	85	Volvo	Jetta	19.6	3.2	900	20	**920**
VOLVO										
1. Dyer & Dyer Chamblee, Ga.	Richard S. Dyer Jr.	8	230		740 GLE	101.0	11.4	2,352	342	**2,694**
2. San Diego Volvo Inc. San Diego, Calif.	Manny Jardin, Wes Hinkle	11	110		740 GLE	38.4	5.8	1,425	100	**1,525**
3. Warren Henry Volvo Inc. Miami, Fla.	Warren Henry Zinn	11	132		DL	39.9	5.2	1,398	0	**1,398**
4. Volvoville, USA Massapequa, N.Y.	Michael Lazarus	24	104		740 GLE	38.1	5.7	1,316	0	**1,316**
5. 128 Volvo Reading, Mass.	Thomas McManus Jr.	18	45		DL	20.0	7.0	1,300	0	**1,300**
6. Don Beyer Motors Falls Church, Va.	Donald S. Beyer	14	96		DL	28.7	3.9	1,095	0	**1,095**
7. Precision Volvo Richardson, Texas	Will Browning	25	70		740 GLE	28.0	3.8	1,040	0	**1,040**
8. Autobahn Volvo Fort Worth, Texas	John S. Chase	8	59		740	25.0	3.0	1,027	0	**1,027**
9. Brown's Volvo-Subaru Alexandria, Va.	William E. Schuling	N.A.	N.A.	Subaru	N.A.	26.5*	2.7*	990*	0	**990***
10. Smythe European San Jose, Calif.	William D. Smythe	41	143	Mercedes-Benz	240	53.3	10.0	857	111	**968**

*Estimate

The man who could be king

William Clay Ford Jr. is content with being managing director of Ford Switzerland — for now

By Richard Johnson

ZURICH, Switzerland — William Clay Ford Jr. didn't so much join Ford Motor Co. in 1979. It was more like getting shot out of a cannon — and he has been rocketing through the company ever since.

To no one's surprise, the great-grandson of company founder Henry Ford and son of vice-chairman William Clay Ford is on a fast track. More important is the fact that he appears up to the challenge. After a wide-sweeping whirlwind first leg of his career, Bill Ford has landed here as managing director of Ford Switzerland.

At age 30, the young executive would not mind putting down a root or two. "I think it's clearly time to settle into a career path," he says. "As my responsibilities increase, I can't go jumping from job to job, like I have in the past. But it wasn't a bad way to start."

He began in advanced-vehicle product planning in Dearborn, Mich., and soon moved to the company's Wayne, Mich., assembly plant to participate in the Escort/Lynx launch.

Next he was a Ford Division zone manager in New York state, then returned to company headquarters in Dearborn to serve on the 1982 UAW contract-bargaining team.

That was followed by stints at North American Automotive Operations marketing and Ford Division advertising, before diverting just long enough to earn a master's degree in management from the Massachusetts Institute of Technology's Sloan School of Management.

Afterward, he worked in finance at Latin American Automotive Operations in Dearborn, then became product-planning manager for two joint-ventures with Mazda Motor Corp., involving Mercury Tracer and Ford Festiva cars.

In July 1986, he arrived in England as head of commercial-vehicle marketing for Ford of Europe, launching the new Transit van. Fourteen months later, when the Swiss job opened, he was granted his request for a national managing-director position in Europe.

"I would like to see the pace (of job changes) slow down," he says. "I think it was good initially, because I've really seen a lot of the company. I've had a chance to see how the various operations work, and to get to know people. But my last job was longer than most of the previous ones, and I hope this one is a couple of years, at least."

While his cousin, Edsel Ford II, has made a name for himself in the company's marketing realm, Bill Ford will not necessarily pursue a sales path.

"Finance and product development are also areas that have great interest for me," he says. "I think one of the strengths of my background is that it keeps a general management kind of career open. I have a general business background — both educationally and in job experience — so I don't think I've closed any doors, as far as a career path."

Including credit offices, the Ford Switzerland operation comprises about 100 people. It has 73 primary dealers and 250 sub-dealers (small garages affiliated with main dealers).

Bill Ford — the only American in the Zurich office — oversees the sales organization and credit, as well as parts and service and tractor operations, whose managers also report to European headquarters.

"I asked for this job," he says. "I really wanted an operating job that had profit-and-loss responsibility. It was ideal because, at this stage in my career, I didn't see where else I could have this kind of responsibility. I really have everything here except manufacturing."

He adds: "It's a good size — about in the middle of the 15 national companies in Europe. And security isn't a consideration; Switzerland is very safe."

According to statistical firm AID Ltd., Ford ranked fifth in new-car registrations in Switzerland in 1986 with 24,394 — behind VW-Audi Group (47,716), GM-Opel (39,138), Peugeot (26,679) and Toyota (24,555) — for 8.1 percent of the market.

Unfortunately, Bill Ford arrived here at a difficult time. The Swiss have phased in 1983 U.S. emissions legislation, temporarily leaving the company without a full upper-range product line in the country.

As a result, according to industry statistical sources, Ford sales in Switzerland this year were down 14.6 percent through October, while market share fell about 1 percentage point from last year.

"Our share is down, largely attributable to the engine situation," concedes Ford. "There is a lot of disposable income in Switzerland, it is a very high-image market and we lost our image products. We don't have the Cosworth Sierra, we don't have the 4x4 Sierra and Scorpio, or the turbo Escort; in fact, we don't have any turbos here, and that hurts.

However, prospects are destined to improve in 1988 when several models return to the lineup about mid-year.

In addition, Ford Switzerland is about to reintroduce some U.S. products, one of the first Ford national companies in Europe to do so. In January, the Bronco II and Taurus wagon will be launched.

Bill Ford believes Bronco II is right for the growing four-wheel-drive phenomenon in Europe, and figures the Taurus wagon will fill the void created by lack of a Scorpio wagon in Europe.

"With the dollar declining and U.S. quality up so dramatically over the past few years, I think these products are really going to do well here," he says.

Ford Switzerland also may receive other models from the U.S., possibly for the 1989 model year. Prospects include the Aerostar van, Thunderbird Turbo Coupe and Lincoln Continental.

Bill Ford also would like the five-liter V-8-powered Mustang GT, but it does not meet Switzerland's engine-noise limitations.

Switzerland traditionally has absorbed a relatively high volume of American cars. General Motors, for example, offers several U.S.-made models, and in 1987 through October had sold approximately 1,200 units, about one-third of all U.S.-built GM cars sold in Europe.

Because the Swiss market is among the most competitive in Europe, it is an excellent training ground for a young executive. Switzerland has no restraints on Japanese imports, its personal income is high and the citizenry is relatively cosmopolitan.

Observes Ford: "I think there are a lot of similarities between Switzerland and America. Both are consumer-driven societies."

Despite his youth, Bill Ford is in a unique position to assess the global-car concept embraced by Ford Motor Co., having traveled from the halls of product planning in Dearborn to the specific-market challenge of a small but strategic foreign country.

He says, "I think a world car can and will work. It has to work. One of Ford's great strengths is that we are a very strong international company, and we need to capitalize on that strength. If you look at how the Swiss market is open and receptive to U.S. products, it shows there really is a (global) convergence now, in both product and customer taste."

Because most of the company's top executives over the past two decades have had overseas experience, working at Ford of Europe is popularly viewed as a key to upper-management ascension.

Says Bill Ford: "The experience here has helped me a lot. Ford of Europe is a much smaller outfit than Ford North America. You can get your arms around it a lot easier. You get to know all the people, and you have much more input into management decisions. At a younger age, and at a relatively lower rung on the ladder, you can have more influence in Europe. The amount of knowledge one absorbs is pretty great."

Some industry observers believe that, of the four family cousins now working in the company, William Clay Ford Jr. has the best shot at rising to the top. Neither Edsel, 38, nor Bill has hidden his ambitions under a basket. But they aren't necessarily rivals. There is enough of an age difference for some to suggest the possibility of Bill succeeding Edsel as chairman someday.

Some also say Edsel has helped clear a path for his younger cousin by proving his competence in key marketing positions and by defusing the nepotism issue with his intelligence, candor and sense of humor.

"Edsel and I are different people, but he has done a great job and probably has made it easier for me," says Bill.

Does William Clay Ford Jr. covet the chairman's position once occupied by his great grandfather and his uncle?

He replies: "I wouldn't be much of a businessman if, at this stage in my life, I didn't set lofty goals for myself. That would be true if I were self-employed or working for IBM. But whether it's *the* top job or *a* top job doesn't much matter. Once you get within striking distance of the top, they're all important. Yes, I've got high goals for myself, but I don't think there is just one job that could make me happy."

Meantime, he remains unpretentious and seemingly at ease with his prince-like status within the company. He says, "There is no question the name Ford helps. It helps get your foot in the door. But it's up to you to push the door open and walk through. You've got to prove you're as good as the next person. I think, in many ways, people look at us with the Ford name a bit more critically. But that's OK. I kind of like that."

Now and again, he says, he has thought about pursuing a career outside of Ford: "A lot of people feel it's pre-ordained — your name is Ford, and you're going to work at Ford. I never really felt that. When I joined the company, I felt that everything I had in life was due to Ford Motor Co. and, therefore, I owed it an honest shot. But my father said to me, 'Don't do it unless you want it, because you won't be doing anybody any favors.' Fortunately, I've enjoyed it. But I did, and still do, give thought to other endeavors. It's only natural." ■

Vehicle Production in Japan

	10 mos., 1987	10 mos., 1986	% change
Passenger cars	6,577,273	6,567,481	+ 0.1
Trucks	3,607,343	3,714,014	– 2.9
Buses	41,579	35,686	+16.5
Total	10,226,195	10,317,182	– 0.9

Japanese Passenger Car Production, By Size*

	10 mos., 1987	10 mos., 1986	% change
Regular	477,595	418,859	+14.0
Small	5,993,022	6,032,520	– 0.7
Mini	106,656	116,103	– 8.1
Total	6,577,273	6,567,482	+ 0.1

*—Sizes are based on piston displacement. Regular, 2,001cc and larger; Small, 551cc to 2,000cc; Mini, 550cc and smaller.

New Vehicle Registrations in Japan

	10 mos., 1987	10 mos., 1986	% change
Passenger cars	2,708,464	2,648,404	+2.3
Trucks	2,248,863	2,113,332	+6.4
Buses	19,363	18,912	+2.4
Total	4,976,690	4,780,648	+4.1

Japanese Vehicle Exports*

	10 mos., 1987	10 mos., 1986	% change
Passenger cars	3,815,627	3,897,812	– 2.1
Trucks	1,493,694	1,693,449	–11.8
Buses	28,574	22,818	+25.2
Total	5,337,895	5,614,079	– 4.9

*—Includes knock-down kits exported to overseas countries for assembly.

Japanese Exports to the U.S.*

	10 mos., 1987	10 mos., 1986	% change
Passenger cars	1,823,514	1,953,282	– 6.6
Trucks	758,635	905,660	–16.2
Buses	1	0	—
Total	2,582,150	2,858,942	– 9.7

*—Includes Alaska and Hawaii, but not Puerto Rico and other island territories.
SOURCE: Japan Automobile Manufacturers Association.

OVERSEAS PRODUCTION

UNITED KINGDOM
Cars

	9 mos. 1987	9 mos. 1986
Carbodies	1,498	1,586
Ford	297,415	240,001
Jaguar	35,050	30,092
Lotus	603	485
Panther	152	204
Reliant	175	230
Rolls-Royce	1,819	1,865
Rover Group	333,371	303,993
Austin Rover	319,006	293,585
Range Rover	14,365	10,408
TVR	408	403
Vauxhall	136,318	117,042
Others	468	436
Total	845,025	741,161

Vans, trucks, buses

Bedford	36,212	38,148
ERF	1,967	1,422
Foden	534	390
Ford	73,524	66,799
Hestair-Dennis	578	487
Iveco-Ford	10,398	2,627
Leyland-Daf UK	22,392	21,876
Freight Rover	14,750	13,470
Leyland	7,642	8,406
Metro-Cammell Weymann	408	181
Reliant	8	17
Renault TI	3,622	3,188
Rover Group	26,599	29,993
Austin Rover	11,965	14,509
Land Rover	14,015	15,934
Other Rover	619	0
Seddon Atkinson	1,333	1,189
Others	92	126
Total	178,302	166,443
Total vehicles	1,023,327	907,604

FRANCE
Cars

	9 mos. 1987	9 mos. 1986
Peugeot SA	1,201,104	1,071,024
Citroen	482,033	384,756
Peugeot/Talbot	719,071	686,268
Renault	1,020,656	932,238
Total	2,221,760	2,003,262

Vans, trucks, buses

CBM	0	37
Heuliez	186	121
Iveco-Unic	51	61
Peugeot SA	116,971	113,152
Citroen	52,799	53,292
Peugeot/Talbot	64,172	59,860
Renault/RVI	196,228	191,875
Sovam	70	55
Total	313,506	305,301
Total vehicles	2,535,266	2,308,563

JAPAN
Cars

	9 mos. 1987	9 mos. 1986
Daihatsu	105,009	112,619
Fuji	197,525	214,614
Honda	734,883	756,320
Isuzu	159,305	157,772
Mazda	634,682	615,814
Mitsubishi	430,187	444,027
Nissan	1,378,710	1,357,206
Suzuki	221,944	216,360
Toyota	1,993,322	2,006,248
Total	5,855,567	5,880,980

Vans, trucks, buses

Daihatsu	335,907	338,233
Fuji	254,713	246,001
Hino	47,069	42,929
Honda	169,929	160,683
Isuzu	243,600	259,169
Mazda	259,185	299,361
Mitsubishi	483,487	444,995
Nissan	331,961	369,058
Nissan Diesel	25,915	24,606
Suzuki	418,030	427,974
Toyota	697,799	736,762
Others	291	577
Total	3,230,771	3,318,119
Total vehicles	9,123,453	9,231,378

OVERSEAS REGISTRATIONS

UNITED KINGDOM
Cars

	11 mos. 1987	11 mos. 1986
BMW	36,126	34,780
Daihatsu	4,522	5,186
Fiat Auto	70,762	63,498
Fiat	65,313	58,322
Lancia	3,282	2,995
Alfa Romeo	2,167	2,181
Ford	550,081	492,492
FSO	4,571	4,389
GM/Vauxhall	258,770	271,970
Honda	22,978	19,877
Hyundai	8,737	7,215
Jaguar	10,709	7,169
Lada	23,656	18,842
Lotus	447	427
Mazda	17,596	17,268
Mercedes-Benz	21,352	19,506
Mitsubishi	11,402	11,317
Nissan	107,872	104,097
Panther	86	58
Peugeot SA	141,018	116,230
Citroen	44,635	33,502
Peugeot/Talbot	96,383	82,728
Reliant	178	285
Renault	76,402	65,811
Rolls-Royce	811	790
Rover Group	289,195	285,604
Austin Rover	284,356	281,596
Range Rover	4,839	4,008
Saab	9,964	9,863
Skoda	13,727	12,097
Subaru	4,682	3,610
Suzuki	5,419	4,160
Toyota	37,456	35,258
VW Group	113,365	111,695
VW-Audi	105,477	106,171
Seat	7,888	5,524
Volvo	66,762	65,422
Zastava	7,989	8,160
Others	3,125	3,973
Total	1,922,409	1,801,586

JAPAN
Cars

	9 mos 1987	9 mos 1986
Daihatsu	58,946	69,850
Fuji	50,130	55,575
Honda	234,155	218,325
Isuzu	44,973	44,845
Mazda	148,317	143,812
Mitsubishi	115,923	113,082
Nissan	581,853	591,921
Suzuki	47,572	50,290
Toyota	1,064,102	1,029,417
Imports (all)	71,674	50,409
Total	2,417,645	2,367,526

Vans, trucks, buses

Daihatsu	302,390	288,040
Fuji	191,065	174,136
Hino	34,609	30,311
Honda	157,835	148,071
Isuzu	92,274	85,875
Mazda	117,182	121,657
Mitsubishi	292,189	274,248
Nissan	195,355	190,784
Nissan Diesel	19,865	16,898
Suzuki	331,729	317,061
Toyota	302,459	272,053
Imports (all)	152	135
Total	2,037,104	1,919,269
Total vehicles	4,454,749	4,286,795

WEST GERMANY
Cars

	9 mos 1987	9 mos 1986
Alpina	182	156
AMC	1,271	429
BMW	108,228	110,596
Bertone	190	349
Daihatsu	9,341	9,215
Fiat Auto	104,911	100,874
Fiat/Lancia	99,416	94,981
Alfa Romeo	5,136	5,580
Ferrari	359	313
Ford	216,656	220,116
GM/Opel	339,245	317,958
Honda	33,956	37,791
Isuzu	4,244	4,262
Jaguar	1,707	1,416
Lada	8,008	7,827
Mazda	67,717	64,592
Mercedes-Benz	225,670	230,181
Mitsubishi	51,552	45,670
Nissan	63,909	62,538
Peugeot SA	94,424	101,797
Citroen	34,641	36,119
Peugeot/Talbot	59,783	65,678
Porsche	6,828	8,704
Renault	65,715	68,281
Rover Group	8,373	9,886
Austin Rover	7,521	9,061
Land Rover	852	825
Saab	4,076	3,587
Skoda	1,964	2,620
Subaru	11,324	11,103
Suzuki	19,511	17,261
Toyota	69,505	68,715
VW Group	650,971	602,355
Volkswagen	487,098	489,414
Audi	155,913	109,162
Seat	7,960	3,779
Volvo	12,412	12,834
Others	1,249	1,085
Total	1,950,700	1,898,597

NORWAY
Cars

	10 mos 1987	10 mos 1986
Alfa Romeo	91	186
BMW	1,638	4,050
Chrysler/Dodge	57	29
Citroen	2,643	2,687
Daihatsu	713	1,526
Fiat	4,098	5,343
Ford Europe	14,059	22,069
Ford U.S.	57	6
GM-Opel	10,357	17,635
GM U.S.	180	119
Honda	2,862	4,337
Isuzu	112	84
Jaguar	50	43
Jeep	13	9
Lada	1,656	2,366
Lancia	445	424
Mazda	7,378	11,590
Maserati	14	12
Mercedes-Benz	2,155	3,677
Mitsubishi	4,529	5,377
Nissan	6,195	9,463
Peugeot	3,820	5,891
Porsche	14	25
Renault	717	1,065
Rover	26	7
Saab	1,405	2,734
Skoda	353	370
Subaru	2,133	2,690
Suzuki	757	879
Toyota	13,723	17,390
VW-Audi	9,545	14,656
Volvo	7,720	12,311
Total	149,083	99,464

SWEDEN
Cars

	10 mos 1987	10 mos 1986
BMW	4,447	3,820
Bertone	0	12
Chrysler/Dodge	8	1
Daihatsu	1,420	1,358
Fiat Auto	7,270	6,633
Fiat	4,990	3,768
Lancia	1,157	1,795
Alfa Romeo	1,104	1,057
Ferrari	19	13
Ford	28,271	24,987
GM-Opel	25,431	22,137
Honda	3,256	3,422
Isuzu	123	1
Jaguar	88	32
Lada	2,253	1,479
Mazda	11,422	10,677
Mercedes-Benz	6,303	6,295
Mitsubishi	2,875	1,990
Nissan	14,708	12,087
Peugeot SA	8,876	6,162
Citroen	3,576	2,518
Peugeot/Talbot	5,300	3,644
Porsche	384	425
Renault	3,945	2,825
Rolls-Royce	12	3
Saab	23,026	23,387
Skoda	85	146
Subaru	1,325	1,216
Suzuki	1,913	898
Toyota	17,731	14,685
VW Group	31,657	25,662
Volkswagen	19,349	16,981
Audi	11,151	8,681
Volvo	58,324	50,899
Others	69	43
Total	254,074	219,398

SWITZERLAND
Cars

	9 mos 1987	9 mos 1986
BMW	9,896	7,997
Bertone	50	288
Daihatsu	907	816
Innocenti/Maserati	159	209
Fiat Auto	23,494	24,963
Ferrari	236	266
Fiat	14,895	15,262
Lancia	3,891	3,883
Alfa Romeo	4,472	5,552
Ford	17,501	20,181
GM-Opel	30,827	32,38[illegible]
Honda	5,891	6,7[illegible]
Isuzu	565	603
Jaguar	573	355
Lada	335	165
Mazda	6,152	7,690
Mercedes-Benz	7,194	7,424
Mitsubishi	9,024	6,561
Nissan	10,555	8,422
Peugeot SA	19,835	21,240
Citroen	8,167	7,102
Peugeot/Talbot	11,668	14,138
Porsche	952	1,417
Puch	87	70
Renault	13,459	13,268
Rolls-Royce/Bentley	76	85
Rover Group	1,568	1,739
Saab	1,501	1,424
Skoda	47	98
Subaru	10,672	9,706
Suzuki	3,037	2,967
Toyota	20,423	19,113
VW Group	38,402	39,540
Volkswagen	25,658	26,478
Audi	9,854	10,476
Seat	2,890	2,586
Volvo	3,890	4,399
Others	448	485
Total	237,510	240,232

ITALY (sales)
Cars

	9 mos 1987	9 mos 1986
ARO	2,269	1,647
BMW	13,895	15,775
Chrysler	16	3
Daihatsu	251	180
DeTomaso	12,314	12,879
Innocenti	9,424	10,110
Maserati	2,890	2,769
Fiat Auto	921,961	857,821
Fiat	675,520	634,437
Alfa Romeo	91,132	90,289
Lancia/Autobianchi	154,582	132,508
Ferrari	727	587
Ford	61,103	53,429
GM/Opel	46,176	44,945
Honda	96	171
Hyundai	1,746	909
Isuzu	77	0
Jaguar	493	223
Lada	978	863
Mazda	9	22
Mercedes-Benz	20,368	15,347
Mitsubishi	350	281
Nissan	12	10
Peugeot SA	115,671	98,572
Citroen	54,105	47,975
Peugeot/Talbot	61,566	50,597
Porsche	639	608
Renault	123,693	118,565
Rolls-Royce	21	25
Rover Group	18,457	20,036
Saab	2,838	2,636
Skoda	1,408	1,294
Subaru	255	110
Suzuki	7,837	4,006
Toyota	1,314	611
UAZ	810	676
UMM	0	32
VW Group	177,739	143,567
Volkswagen	111,902	99,068
Audi	17,649	10,009
Seat	48,188	34,490
Volvo	13,055	13,060
Others	320	1,300
Total	1,546,261	1,410,771

BRAZIL (sales)
Cars, light commercial vehicles

	11 mos 1987	11 mos 1986
Agrale	1,164	1,441
Engesa	626	419
Fiat Auto	67,529	94,536
Ford	110,841	163,413
General Motors	135,148	191,466
Gurgel	1,719	1,909
Mercedes-Benz	29,820	31,675
Saab-Scania	3,978	4,584
Santa Matilde	17	184
Toyota	3,305	3,286
Volkswagen	167,651	307,604
Volvo	2,295	2,397
Total	524,093	802,914

SALES

Canada sales of North American cars rise 6.9%; GM up

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

Sales of North American-built cars in Canada jumped 6.92 percent in November from the year-ago period, partially due to increases posted by General Motors.

Canadian new-car dealers sold 51,970 North American-built cars last month compared to 48,606 in November 1986. GM sold 29,913 North American-built cars, up 10.63 percent. Ford sold 12,040 domestic cars, up 1.80 percent. Chrysler delivered 9,020 North American-built cars, down 5.25 percent.

Among the import companies with Canadian plants, Honda sold 896 Canadian-built Hondas (all Accord models) compared to 60 in November 1986, the first month it produced cars in its Alliston, Ontario, plant.

Volvo sold 101 Canadian-built cars last month compared to 160 cars in November 1986.

CANADA MARKET SHARES November 1987

Cars	
General Motors	57.56%
Ford Motor Co.	23.17%
Chrysler/AMC	17.36%
Honda	1.72%
Volvo	.19%
Trucks	
General Motors	40.72%
Ford Motor Co.	35.28%
Chrysler/Jeep	24.00%

GM continued to offer a choice of free air conditioning, free automatic transmissions or $500 on selected cars and trucks. Consumers could also receive free GM Protection Plan benefits by buying selected models, some of which were included in the previously mentioned incentives.

Ford offered $500 cash rebates on 1987 and 1988 Ford Taurus, Escort and F-series truck models and $1,000 rebates on 1987 and 1988 Merkur XR4Ti models.

Truck sales in Canada continued to soar, with sales of domestic trucks rising 34.33 percent. Canadian dealers delivered 32,527 domestic trucks last month compared with 24,214 a year ago.

Ford and Chrysler set monthly truck records. Ford sold 11,473 trucks (all North American-built) in November, up 32.70 percent. Its previous November truck record was set in 1979 when 10,098 trucks were sold.

Chrysler sold 7,809 trucks last month, up 73.88 from 4,491 sold in November 1986, which was the previous November record. Chrysler's November truck sales include 5,345 domestic Dodge trucks and 2,128 Jeeps. The company purchased American Motors and its Jeep operations on Aug. 5, 1987.

GM delivered 13,245 domestically built trucks, up 19.57 percent from November 1986.

CANADIAN SALES OF NORTH AMERICAN-BUILT VEHICLES

	Nov. 1987	Nov. 1986	Pct. Change	11 mos., 1987	11 mos., 1986	Pct. Change
CHRYSLER/AMC						
Cars	9,020	9,520	– 5.25	130,016	142,585	– 8.81
Trucks-Jeep	7,809	4,491	+73.88	75,268	49,512	+52.02
GM						
Cars	29,913	27,039	+10.63	343,556	377,881	– 9.08
Trucks	13,245	11,077	+19.57	129,296	125,760	+ 2.81
FORD						
Cars	12,040	11,827	+ 1.80	178,843	174,875	+ 2.27
Trucks	11,473	8,646	+32.70	135,531	114,614	+18.25
VOLVO						
Cars	101	160	–36.88	2,067	2,402	–13.95
HONDA	896	60	—	11,396	60	—
TOTAL CAR	51,970	48,606	+ 6.92	665,878	697,803	– 4.58
TOTAL TRUCK	32,527	24,214	+34.33	340,095	289,886	+17.32

In addition to North American-built cars, General Motors also sold 1,066 Chevrolet Sprints, 933 Pontiac Fireflys, 114 Chevrolet Spectrums, 90 Pontiac Sunbursts and 12 Isuzu I-Marks.

Ford sold 45 Merkur XR4Tis, 613 Tracers and 15 Scorpios. Chrysler sold 958 Mitsubishi cars, 11 Peugeots and 77 Renault Medallions. Honda sold 3,853 imported Hondas and 600 Acuras, all from Japan. Volvo sold 377 Swedish-built models.

In the imported-truck category, GM sold 30 Isuzu Troopers and Chrysler sold 336 Mitsubishi trucks.

U.S. cars drop 1.9% in early December

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Domestic car sales in early December slipped 1.93 percent below the year-ago period — not a bad showing considering that last year's early-December car sales were boosted by pending reform of U.S. tax laws.

Auto manufacturers had expected this year's December car sales to be flat.

There were 187,126 cars sold during the Dec. 1-10 period this year, compared with 190,809 in the 1986 period. Sales gained momentum with incentives added in late November. The final 10 days of the month finished with a 2.48 percent upturn in domestic sales compared with the year-ago period.

In spite of the late November upturn, the industry's year-to-date total of U.S.-built cars was 6,717,712 cars, down 13.12 percent from 7,732,389 cars sold through Dec. 10 last year.

In early December, the daily selling rate was 20,792 compared with 21,201 during the equivalent period last year, a difference of 409 cars a day. Both periods had nine selling days.

DOMESTIC SALES

	Dec. 1-10, 1987	Dec. 1-10, 1986
Eagle	453	1,110
Chrysler	9,103	5,885
Plymouth	7,663	10,275
Dodge	9,595	11,412
Chrysler Motors	26,814	28,682
Ford	40,401	40,858
Mercury	11,917	12,475
Lincoln	4,523	6,825
Ford Motor Co.	56,841	60,158
Buick	14,629	15,361
Cadillac	8,060	7,645
Chevrolet	37,958	35,905
Oldsmobile	15,557	18,467
Pontiac	15,832	16,742
General Motors	92,036	94,120
Volkswagen	873	1,220
Honda	6,997	4,202
Nissan	1,530	2,006
Toyota	1,862	421
Mazda	173	—
U.S. Industry Total	187,126	190,809

None of the Big 3 U.S.-based automakers posted gains during the Dec. 1-10 period. Only Honda and Toyota reported sales upturns over the year-ago 10-day period.

General Motors' sales slipped 2.21 percent in the first 10 days of the month. Sales were 92,036 compared with 94,120 last year. Total Cadillac sales rose 5.4 percent compared with the like period in 1986.

Ford Motor Co. delivered 56,841 cars — 5.51 percent fewer cars than a year ago when it sold 60,158. Mustang sales rose 41 percent over the year-ago period when there was a shortage of Mustangs.

Chrysler Motors' sales fell to 26,814, down 6.51 percent from 28,682 in early December last year.

Toyota reported a 342.28 percent leap in sales of U.S.-built cars. Last year at this time, Toyota had just begun to build cars at the Toyota-GM joint venture plant in Fremont, Calif.

Honda's sales of U.S.-built cars for the 10 days rose 66.52 percent compared to a year ago. Civic sales were 2,405 compared with 904 in 1986's same 10-day period.

Nissan's sales of domestically produced cars dropped off 23.73 percent in the first 10 days of December. Volkswagen's U.S.-built car sales fell 28.44 percent.

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AUCTION DATES

American Motors

Dec. 22 — Statesville Auto Auction, Statesville, N.C.

Dec. 23 — Kansas City Auto Auction, Kansas City, Mo., and Columbus Fair Auto Auction, Columbus, Ohio.

Dec. 29 — D-A Auto Auction, New Stanton, Pa.

Dec. 30 — Newburgh Auto Auction, Newburgh, N.Y.

Dec. 31 — Greater Chicago Auto Auction, Chicago, and Wolfe's Evansville Auto Auction, Evansville, Ind.

Chrysler Motors

Dec. 22 — American Auto Auction, Walpole, Mass.; Arena Auto Auction, Chicago; Minneapolis Auto Auction, Plymouth, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Dec. 23 — Butler Auto Auction, Butler, Pa.

Jan. 5 — American Auto Auction, Walpole, Mass.; Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Golden Gate Auto Auction, Fremont, Calif.

Used Car Sales
Auction Averages

December to date	$5,914
Month ago	$5,962
Year ago	$5,146

Ford Motor Co.

Jan. 5 — Harrisonburg Auto Auction, Harrisonburg, Va.

Jan. 6 — Northway Auto Auction, Clifton Park, N.Y.; Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.; and Southern California Auto Auction, Fontana, Calif.

Jan. 7 — Albuquerque Auto Auction, Albuquerque, N.M.; Minneapolis Auto Auction, Plymouth, Minn.; Nashville Auto Auction, Nashville, Tenn.; and Skyline Auto Exchange, Fairfield, N.J.

Model Breakdown
Auction Averages

	DEC 1987	NOV 1987	OCT 1987
1987	$10,283	$10,564	$11,220
1986	$8,349	$8,454	$8,624
1985	$7,147	$7,199	$7,257
1984	$5,593	$5,640	$5,711
1983	$4,805	$4,844	$4,897
1982	$3,458	$3,504	$3,549
1981	$2,525	$2,542	$2,549
1980	$1,971	$1,996	$2,022
Overall Average	$5,914	$5,951	$6,001

General Motors

Dec. 22 — Florida Auto Auction of Orlando, Ocoee, Fla.

Dec. 23 — Indianapolis Auto Auction, Indianapolis.

Jan. 5 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

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PRODUCTION

Car build drops 11%

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Last week's targeted domestic auto output of 132,594 cars was 11.64 percent below the prior week's 150,058 and 25.54 percent below the year-ago week's 178,068.

Companies split last week's targeted production as follows: General Motors, 40.53 percent; Ford Motor Co., 30.70 percent; Chrysler Motors, 18.25 percent; Honda of America Manufacturing Inc., 5.17 percent; New United Motor Manufacturing Inc., 2.45 percent; Volkswagen of America, 1.51 percent; Nissan Motor Manufacturing Co. U.S.A., 1.01 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 0.38 percent.

GM's Oklahoma City plant closed last week until after the holidays for inventory adjustment, affecting 4,300 workers.

GM also shut down the Oldsmobile Calais and Buick Skylark lines at its Lansing, Mich., plant last week for inventory adjustment. Production is scheduled to resume Jan. 4.

About 3,000 workers were temporarily laid off at GM's Tarrytown, N.Y., plant last week for renovation of the paint shop. The plant is slated to reopen Feb. 1.

The holiday will be extended until Jan. 18 for workers at GM's Van Nuys, Calif., plant for inventory adjustment. About 3,500 workers will be affected.

GM's Pontiac Fiero plant in Pontiac, Mich., will be idle from Jan. 4 until Jan. 25 for inventory adjustment. When the plant resumes output, the line speed will be reduced from 30 units per hour to 15 per hour, resulting in the permanent layoff of 425 workers.

GM's Lakewood, Ga., plant will be closed for one week for inventory adjustment beginning Jan. 4, affecting 3,700 workers. On Jan. 25, the second shift will be dropped, laying off 1,600 employees.

GM's Wilmington, Del., and Linden, N.J., plants, which produce the Corsica/Beretta models, shut down today until Jan. 18 for equipment installation and plant rearrangement.

All plants will close Wednesday for the Christmas holiday.

Truck production steady

Truck production in the United States continued at a strong pace last week.

Truckmakers scheduled 84,876 units, slightly above (0.54 percent) the previous week's 84,417 and 15.10 percent more than the year-ago week's 73,742.

General Motors' Pontiac West plant, Pontiac, Mich., will be idle Jan. 4-18 for inventory adjustment.

Only three days of production remain this year. All truck plants close Wednesday for the Christmas holiday. Production resumes Jan. 4.

Canadian car output rises

Targeted Canadian auto production of 22,822 cars last week was 5.07 percent more than the prior week's 21,720 but 8.33 percent below the year-ago week's 24,896.

So far this year, 788,972 cars have been assembled, 24.65 percent below the 1,047,051 completed last year at this point.

Last week's scheduled truck production totaled 19,094, slightly higher (0.18 percent) than the previous week's 19,060 and 34.95 percent more than the year-ago week's 14,149.

Chrysler Motors ended production of its Eagle four-wheel-drive wagon last week. It was built at the Brampton, Ontario, facility. The plant will continue to assemble the Jeep Wrangler.

All plants will shut down Wednesday for the holidays. They will reopen Jan. 4.

CANADIAN CAR	Week Ended Dec. 19, 1987	Week Ended Dec. 20, 1986	Week Ended Dec. 12, 1987	Dec. to Date	Jan. 1 to Dec. 19, 1987	Jan. 1 to Dec. 20, 1986
CHRYSLER	1,334	0	1,364	3,641	11,712	4,359
FORD MOTOR	11,520	10,916	10,767	30,394	425,042	516,230
GENERAL MOTORS	9,392	13,755	9,135	25,329	328,908	516,592
HONDA	576	0	454	1,364	15,321	0
VOLVO	0	225	0	0	7,989	9,870
Total Cars, Canada	22,822	24,896	21,720	60,729	788,972	1,047,051

U.S. TRUCK☆	Week Ended Dec. 19, 1987	Week Ended Dec. 20, 1986	Week Ended Dec. 12, 1987	Dec. to Date	Jan. 1 to Dec. 19, 1987	Jan. 1 to Dec. 20, 1986
CHEVROLET	24,615	17,677	25,214	69,780	1,108,586	1,121,996
DODGE/PLYMOUTH	8,500	5,200	8,968	24,179	310,442	148,268
FORD	32,005	33,586	31,490	89,657	1,449,248	1,357,764
GMC	7,244	7,365	6,258	18,831	366,552	352,152
NAVISTAR	1,812	1,324	1,822	5,094	73,841	71,133
JEEP	4,600	4,100	4,687	13,005	218,318	186,527
NISSAN	3,252	1,750	3,228	9,052	97,994	106,071
AM GENERAL*	450	50	450	1,260	17,100	2,454
MISCELLANEOUS*	2,300	2,300	2,300	6,440	115,160	111,872
Total Trucks, U.S.	84,876	73,742	84,417	237,209	3,757,241	3,458,237

CANADIAN TRUCK	Week Ended Dec. 19, 1987	Week Ended Dec. 20, 1986	Week Ended Dec. 12, 1987	Dec. to Date	Jan. 1 to Dec. 19, 1987	Jan. 1 to Dec. 20, 1986
JEEP	770	0	1,039	2,787	35,516	27,147
CHRYSLER	8,034	9,214	8,067	22,498	379,493	395,910
FORD	3,648	3,080	3,628	10,082	149,157	144,870
GENERAL MOTORS	6,417	1,857	6,101	16,761	232,692	188,896
NAVISTAR	225	198	225	632	9,706	9,270
Total Trks., Canada	19,094	14,149	19,060	52,761	806,563	766,093
U.S., Canada Trks.	103,970	87,891	103,477	290,060	4,563,794	4,224,330

—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

U.S. CAR	Week Ended Dec. 19, 1987	Week Ended Dec. 20, 1986	Week Ended Dec. 12, 1987	Dec. to Date	Jan. 1 to Dec. 19, 1987	Jan. 1 to Dec. 20, 1986
AMERICAN MOTORS	0	0	0	0	15,994	48,336
Renault Total	0	0	0	0	15,994	48,336
Alliance	0	0	0	0	15,994	44,989
Encore	0	0	0	0	0	3,347
CHRYSLER MOTORS	24,200	23,805	27,045	72,510	1,088,722	1,275,880
Plymouth Total	7,100	8,719	7,529	20,360	313,167	414,189
Horizon	1,000	3,354	1,256	3,117	44,344	168,845
Sundance	1,600	2,050	1,977	5,204	88,244	35,394
Reliant	3,500	2,505	3,436	9,879	131,815	148,716
Caravelle	600	810	618	1,584	41,676	43,648
Gran Fury	200	0	242	576	7,088	17,586
Chrysler Total	6,300	5,076	7,057	19,283	360,755	363,673
Laser	0	0	0	0	0	26,978
LeBaron K	1,000	1,266	1,034	2,846	83,090	83,044
LeBaron J	2,700	1,321	2,812	7,762	112,245	2,399
LeBaron GTS	500	883	520	1,407	36,774	62,068
N. Yorker E-Class	0	1,606	0	0	57,102	71,785
N. Yorker C-Class	1,100	0	1,466	3,928	18,053	0
Fifth Avenue	1,000	0	1,223	3,339	63,491	117,399
Dodge Total	10,800	10,010	12,459	32,867	404,800	498,018
Daytona	1,800	651	1,846	5,200	62,485	32,712
Omni	1,000	3,096	1,215	3,096	38,871	160,538
Shadow	2,300	1,820	2,512	6,591	93,894	33,960
Aries	3,500	2,621	3,747	10,209	125,234	124,245
Dodge 600	700	1,142	798	2,122	39,436	83,285
Dynasty	1,000	0	1,842	3,770	7,396	0
Lancer	200	680	307	785	22,731	47,195
Diplomat	300	0	394	1,095	14,753	36,083
FORD MOTOR	40,701	44,682	39,810	113,177	1,793,315	1,729,089
Ford Division	29,440	31,118	28,963	82,655	1,290,553	1,197,890
Escort	9,512	9,344	9,299	26,382	385,[illegible]	370,957
Mustang	4,632	4,484	4,633	12,972	20[illegible]	175,886
Tempo	4,320	5,397	4,095	12,280	142,[illegible]	194,530
Taurus	8,102	9,424	7,924	22,366	398,[illegible]	326,471
Thunderbird	2,874	2,469	3,012	8,655	154,[illegible]	130,046
L-M Division	11,261	13,544	10,847	30,522	502,762	531,199
Mercury Total	6,825	9,474	6,776	18,572	323,086	362,237
Lynx	0	1,446	0	0	21,352	59,419
Capri	0	0	0	0	0	12,344
Topaz	1,348	983	1,334	3,879	45,958	56,455
Cougar	2,893	3,688	2,758	7,498	135,624	99,914
Sable	2,384	3,357	2,684	7,195	119,916	124,105
Lincoln Total	4,636	4,070	4,071	11,949	179,678	178,962
Continental	705	408	590	1,722	13,093	19,218
Lincoln	3,314	3,053	2,917	3,549	138,732	134,228
Mark VII	617	609	564	1,679	27,881	25,516
GENERAL MOTORS	53,742	94,011	69,341	181,456	3,386,480	4,047,314
Buick Total	5,611	18,248	8,898	23,923	544,187	759,616
Skyhawk	1,082	2,076	822	2,742	33,670	80,343
Century	0	5,404	1,777	5,129	152,152	227,142
Regal (rwd)	0	1,510	350	884	40,235	59,179
Somerset/Skylark	0	2,965	1,359	2,353	62,909	107,423
LeSabre (fwd)	2,400	3,164	2,451	6,792	139,673	152,864
LeSabre (rwd)	170	368	185	631	9,787	14,846
Electra (fwd)	1,722	1,857	1,691	4,683	92,663	89,181
Riviera	237	904	263	709	13,098	25,681
Cadillac Total	6,966	7,679	7,054	19,616	289,759	313,236
Cimarron	70	303	111	225	10,261	22,910
Allante	100	5	120	285	4,510	60
Brougham (rwd)	1,962	1,588	1,991	5,598	75,220	74,523
DeVille (fwd)	3,380	4,103	3,380	9,470	139,136	168,761
Eldorado	833	841	833	2,309	19,829	24,760
Seville	621	839	619	1,730	20,783	22,222
Chevrolet Total	20,656	31,080	30,733	75,388	1,342,450	1,283,491
Chevette	0	2,621	0	0	0	104,649
Camaro	2,545	3,475	2,658	7,193	119,357	169,184
Cavalier	3,364	9,697	7,124	15,898	302,278	385,735
Celebrity	0	6,225	3,648	7,220	283,320	255,199
Corsica/Beretta	8,180	1,526	8,980	23,930	342,209	15,089
Monte Carlo	0	1,726	1,686	3,083	72,031	107,587
Caprice	5,927	5,140	5,991	16,332	195,459	218,335
Corvette	640	650	646	1,733	27,796	27,713
Oldsmobile Total	6,502	17,179	11,099	26,255	589,323	910,633
Firenza	478	692	431	1,170	13,945	37,485
Calais	0	3,174	3,100	5,190	113,679	117,839
Cutlass Ciera	0	4,524	0	197	108,395	232,665
Cutlass Supreme	0	854	1,482	2,819	73,120	105,679
88 (fwd)	3,457	4,240	3,437	9,607	174,883	268,336
88 (rwd)	352	577	409	1,079	14,753	18,627
Olds 98	1,766	2,492	1,772	4,932	70,988	111,545
Toronado	449	626	460	1,263	15,962	18,437
Pontiac Total	14,007	19,845	11,557	36,274	640,761	780,338
Acadian*	0	500	0	0	0	16,272
Fiero	1,200	1,817	1,096	3,146	32,874	67,887
1000	0	572	0	0	0	20,873
Firebird	1,495	2,022	1,435	4,127	76,383	103,113
2000 Sunbird	2,036	2,240	2,206	6,285	86,802	127,808
Grand Am	4,800	6,205	4,747	13,543	243,028	227,152
6000	0	2,844	29	926	67,496	131,276
Bonneville	4,335	3,209	1,900	7,809	125,126	36,171
Safari/Parisienne	141	376	144	457	9,052	49,786
HONDA	6,880	6,585	6,811	19,105	318,587	231,510
Civic	2,040	1,675	2,049	5,583	87,731	19,916
Accord	4,820	4,910	4,762	13,522	230,856	211,592
MAZDA	501	0	491	1,396	3,997	0
NISSAN	1,340	2,954	1,328	3,738	112,516	61,859
NUMMI	3,250	4,028	3,203	9,067	186,040	191,854
Corolla	1,000	1,073	1,107	2,984	43,065	13,894
Nova	2,250	2,955	2,093	6,084	142,975	178,160
VOLKSWAGEN	2,000	2,023	2,029	5,329	84,977	81,524
Golf/GTI	1,300	1,773	1,329	3,429	47,984	80,624
Jetta	700	250	700	1,900	16,993	900
Total Cars, U.S.	132,594	176,088	150,059	405,776	6,950,630	7,867,366
Total Cars, Canada	22,822	24,896	21,720	60,729	788,972	1,047,051
U.S., Canada Cars	155,416	202,984	171,779	466,507	7,739,602	8,714,417
U.S., Canada Trks.	103,970	87,891	103,477	290,060	4,563,794	4,224,330
U.S., Canada Cars and Trks.	259,386	290,875	275,255	756,567	12,303,396	12,938,747

*—All Acadians are built for sale in Canada.
Monthly estimates may contain error of one or two units due to rounding.

Consumer confidence slips a bit

ANN ARBOR, Mich. — Consumer confidence continued at the lower levels reached after the collapse of the stock market Oct. 19, according to the November Survey of Consumer Attitudes prepared by the University of Michigan's Institute of Social Research.

Favorable attitudes toward vehicle buying were held by 57 percent of all families surveyed, 3 percentage points more than during the period immediately following Black Monday.

But that still was 1 point below October's index, 9 points below the level of three months earlier and 6 points lower than what was recorded for November 1986.

The percentage of those who said it was a bad time to buy a car rose to 35 percent in November from 31 percent a month earlier.

About 31 percent of the respondents who said it was a good time to buy a vehicle said prices are low and good buys are available.

Respondents who said it was a not a good time pointed to high prices, high interest rates, tight credit and an uncertain economic future.

In commenting on the weaker confidence levels in November, the survey reported that "the decline has been largely due to the ending of the last round of deep discounts on interest rates offered by vehicle manufacturers."

Correction

The import days' supply numbers and total inventory figures that appeared in Automotive News Dec. 14 were incorrect. The new inventory numbers are as follows: Total import cars, 583,128, and total import trucks, 201,613. The correct days' supply figures are reprinted in the chart below.

IMPORT DAYS' SUPPLIES

	Dec. 1, 1987	Nov. 1, 1987	Dec. 1, 1986
Chevrolet	131	163	133
Chrysler/Mitsubishi	78	129	113
Acura	20	22	25
Honda	13	10	5
Isuzu	113	112	46
Mazda	53	46	45
Mitsubishi	94	85	61
Nissan	90	108	65
Subaru	56	53	50
Toyota	29	27	16
JAPAN	53	56	39
Audi	115	119	120
BMW	58	30	57
Mercedes-Benz	59	46	27
Merkur	99	93	163
Porsche	102	99	31
VW	89	69	91
GERMANY	78	59	86
Alfa Romeo	62	54	34
Festiva	112	87	0
Hyundai	26	26	23
Jaguar	28	20	22
Peugeot	73	81	82
Pontiac	96	78	0
Eagle/Renault	195	272	92
Saab	71	52	39
Sterling	82	75	0
Volvo	65	72	48
Yugo	85	58	36
Other Countries	59	53	33
Total Import Cars	57	56	41
Isuzu	124	101	78
Mazda	69	62	47
Mitsubishi	61	64	84
Nissan*	107	83	97
Range Rover	42	24	0
Suzuki	46	45	25
Toyota	44	41	36
Chrysler	121	100	55
Total Imp. Trucks	78	66	56
Total Imp. Vehicles	61	58	45

*Includes domestic trucks.

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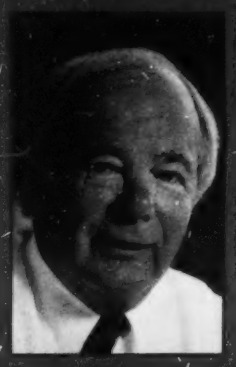
1987 Newsmakers of the Year

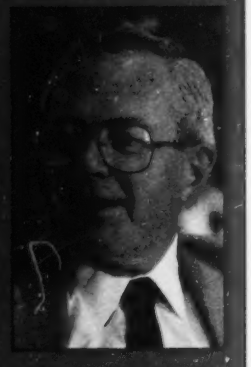


Bennett Bidwell: As strategist behind the acquisition of American Motors-Jeep and Italy's Lamborghini, the Chrysler vice chairman broadened its base in both products and technology.

Owen Bieber: In a year when labor woes seemed inevitable, the UAW president forged new deals at Ford and General Motors that reflect cooperation, security and management flexibility.

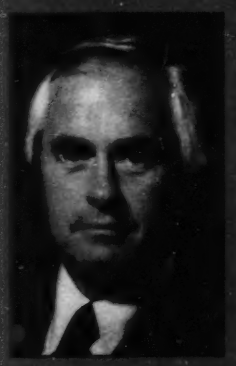
Tetsuo Chino: Honda's North American head made Acura the first second-channel success and launched a second Ohio plant, to build more cars for the U.S. and for Europe-Japan export.

Henry Ford II: The industry lost a great leader when the man who saved Ford Motor Co. in the 1940s, took it public in the '50s, and paved the way for its success in the mid-1980s died.



Elmer Johnson: Became a GM executive vice president and board member, and engineered investor force-feeding, major personnel changes, labor talks, and was tapped as future chairman.

INSIDE: The Year in Review

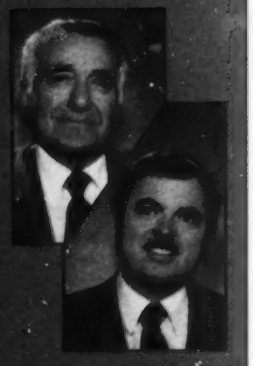


Roger Penske: In a big year, this entrepreneur's team won Indianapolis 500, acquired the New York City Chevrolet-Cadillac dealerships, and took control of GM's Detroit Diesel subsidiary.

Neal Phillips: Volkswagen of America president struggled to rebuild Audi's image and market after bout with sudden acceleration, and killed VW's Westmoreland plant, a U.S. transplant first.

Robert Rewey: His Ford Division beat Chevrolet in sales for first nonstrike year in three decades, capturing top car and truck honors and leading to Ford's second year of record profits.

Roger Smith: Relinquished GM chairman began the year taking heat for Ross Perot buyout, suffered much criticism on other fronts, and ended 1987 having lost more than five points of market share.



Edward and Mikhael Steven: Father-son Kansas dealers filed to offer public ownership in their Yugo, Maserati, Rolls-Royce and Bertone franchises — the first in what could become a national trend.

Mazda boss quits amid profit dive

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Kenichi Yamamoto surprised the Japanese industry and apparently many people in his own company, stepping down as president of Mazda Motor Corp. one year before completing his second term in office.

Yamamoto, 65, cited a health reason — the English translation of which is a "crick in the back" — an injury that led to hospitalization and still requires medical treatment.

But the resignation was announced one day before Mazda released what analysts call a "very severe" financial report for fiscal 1987, leading some knowledgeable observers to question whether the events were related.

Yamamoto will be replaced by Norimasa Furuta, 59, a former Ministry of International Trade and Industry career bureaucrat who joined Mazda in 1985, first as an adviser and later as senior managing director. It is the first time a Japanese automaker has given its top post to a non-company man.

Furuta described his appointment as a "bolt out of the blue." He said he would work to build up the company to face the difficult conditions brought on by the highly valued yen.

Yamamoto retires after completing his primary project, the beginning of U.S. production at the Ford-Mazda plant in Flat Rock, Mich. An engineer by background, Yamamoto was responsible for the development of the rotary engine.

He will continue to advise, particularly on technological matters, from his new post as chairman of the board. Chairman Moriyuki Watanabe steps aside and becomes executive adviser.

The new president, presumably, will concentrate on more political and managerial matters.

A report in the authoritative newspaper Asahi Shimbum suggested that part of the reason for the shift from Yamamoto to Furuta may have been a disagreement over management policy between Sumitomo Bank, Mazda's most important backer and the financial institution that rescued it from near-bankruptcy during its rotary engine difficulties of a decade ago, and Ford, which owns 24 percent of Mazda. Part of the problem, the newspaper said, is that Ford tends to treat Mazda as a subsidiary, including it in Ford's worldwide strategy — without re-

see MAZDA, page 4

Overcapacity to linger

May be 4 million in 1992, Chrysler says

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

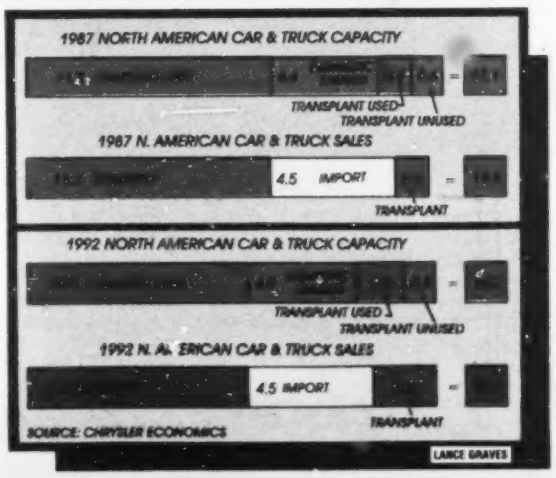
The current 5.0 million units of unused car and truck assembly capacity in North America isn't expected to improve much in the next five years, despite announced plans to close more plants.

That 5.0 million units in unused car and truck capacity includes 4.4 million for the traditional North American producers and 600,000 for the "transplant" producers, according to Donald P. Hilty, Chrysler corporate economist.

Despite announced plant closings, there still could be as much as 4 million units of unused capacity for the traditional domestic producers in the United States and Canada in 1992, unless more plants become competitive in the marketplace, Hilty said.

That means more economic hard knocks for non-cost-effective plants and companies. It also means there will be more pressure on workers to reduce costs with the

see OVERCAPACITY, page 6



Job bank aids 85 at Chrysler

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

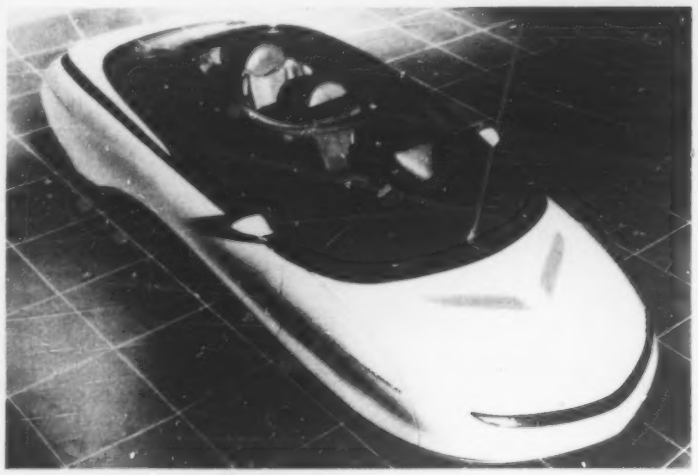
DETROIT — About 85 laid-off Chrysler Motors salaried workers who are represented by the UAW have become the first to benefit from a job-protection provision in the 1985 contract.

The workers were laid off last month but were subsequently recalled and placed in a job bank after the union proved they lost their jobs because of outsourcing or changes in technology or work methods.

About 100 workers at UAW Local 412, which represents technical, office and professional workers at Chrysler facilities, were laid off. About 85 of those workers were later placed in a job bank, and some of the

see JOB BANK, page 4

At L.A. auto show
Volkswagen Scooter, a cross between a motorcycle and a sports car, will be among the concept cars featured at the 1988 Greater Los Angeles Auto Show. Also appearing at the show will be the Nissan ARC-X, a futuristic family sedan; Chrysler Portofino, a 150-mph touring sedan that's powered by Lamborghini; and Chevrolet's Aero 20003A, a car that boosts one of the lowest drag coefficients, 0.166. The show will be held Jan. 2-10 at the Convention Center.



Pontiac's Pursuit
Pontiac Pursuit packs four-wheel steering, four-wheel drive, and a four-cylinder engine pumping out 200 horsepower. It will be among the numerous concept cars on display at the Los Angeles show. Also competing for the attention of car buffs will be the Mitsubishi X2S, a two-seater designed by the automaker's styling studio in Cypress, Calif.; and the Ford Bronco DM-1, a concept vehicle that features privacy glass that changes from opaque to transparent at the flip of a switch.

Claybrook suing on passive belts

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Joan Claybrook, former head of NHTSA and current president of Public Citizen, is recruiting other consumer groups to join in a suit against NHTSA over the agency's decision to grant a four-year delay for installation of passenger-side passive restraints.

NHTSA ruled in favor of Ford Motor Co.'s petition last March. It has denied Public Citizen's request to rescind the decision.

Public Citizen will be joined by the Center for Auto Safety, U.S. Public Interest Research Group, Massachusetts Public Interest Research Group and possibly other organizations.

The groups are challenging the four-year delay that NHTSA has granted the automakers, allowing them to use the manual 3-point belts on the passenger side until 1994 instead of 1990. The belt can be uses the belt if the driver's side has an air bag and the passenger's belt has been tested with an instrumented dummy in a 30-mph head-on crash into a fixed barrier.

The suit is expected to ask the U.S. Court of Appeals for the District of Columbia circuit to review NHTSA's decision to allow the delay and to ask the court to find that the denial of Public Citizen's petition for reconsideration was arbitrary and capricious.

On the assumption that the automakers will have until the 1994 model year before being required to offer full passive front-seat protection for both the driver and passenger, many auto companies have volunteered to produce millions of air bags and their suppliers have geared up that production for 1990 and later models. That outlook has now become clouded with litigation that could consume years.

This is the latest in a long series of petitions, delays, congressional actions and court suits involving passive restraints since the safety agency in 1969 first proposed the use of automatic belts or air bags or any other passive system to protect occupants.

The Ford proposal to delay implementation of the rule was supported by all the auto companies, the Insurance Institute for Highway Safety and State Farm Mutual Insurance.

But the Ford proposal was opposed by the Center for Auto Safety and by Public Citizen, which called the four-year delay in total passive protection "unconscionable" and then petitioned NHTSA to reverse its earlier decision. NHTSA said Claybrook had "misunderstood much of the rule" when it recently denied Public Citizen's petition.

The passive-restraint standard took effect with the 1987 model year. Ten percent of a manufacturer's 1987 car production was required to provide front-seat passive protection. Except for Ford's optional driver's side air bag, that was met mostly with passive belts.

A 25 percent mandate took effect with the 1988 models. It rises to 40 percent for 1989 models and reaches 100 percent the 1990 models unless by April 1989, states with two-thirds of the nation's population have in place mandatory seat-belt-use laws meeting certain federal criteria.

The exception for the front-seat passenger was requested by Ford because of various technical, engineering and supplier problems. Ford explained it preferred air bags to automatic belts and, if granted the exception, the company said it would produce a 1988 model with full front air-bag protection and produce between 500,000 and 1 million cars with driver's-side-only air bags between the 1990 and the 1994 model years.

Banking on NHTSA agreeing to the Ford petition, General Motors promised 3 million driver's-side air bags by the 1992 model year. Chrysler promised one model with a driver's-side air bag for the 1988 model year and driver's-side-only air bags across the board by 1990.

The Insurance Institute for Highway Safety hailed NHTSA's granting of Ford's petition as the "key" to the future of the air bag because it will give automakers ample time to design the system into future products.

In making the decision to allow four extra years for the phase-in, NHTSA had relied on a cost/benefit study performed by Ford and the insurance institute, claiming the "use rate of automatic safety belts must be at or near 60 percent before the benefits of those systems exceed the benefits of driver-only air bags."

The government described its acquiescence as a way to encourage early installation of air bags.

The arguments expected to be used in court are the same used in Public Citizen's petition: that NHTSA's action was not in accord with the remand given by the U.S. Supreme Court when it overruled former Administrator Raymond A. Peck's decision to rescind the passive restraint standard in 1981 on the grounds of cost and lack of public acceptability.

UNION WIN: *Cars & Concepts weighs options following UAW ratification vote*

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

Production workers at Cars & Concepts Inc., a Brighton, Mich., auto customizer, have voted to join the UAW.

The successful 306-242 vote on Dec. 18 came after four previous attempts by the UAW and the Teamsters to organize the plant. A UAW spokesman said it is an important victory for the union, because Cars & Concepts is a "highly visible" automotive supplier.

Though most customizing and specialty vehicle firms are not unionized, their workers perform jobs similar to those in Big 3 auto plants, and the larger firms supply the Big 3.

Cars & Concepts workers produce vehicle conversions with convertible tops, T-roofs, vinyl roofs and sunroofs. They also customize bodies and interiors.

The UAW expects the election to be certified by the National Labor Relations Board. David L. Draper, Cars & Concepts president, said Tuesday that the company was evaluating its options. It had five working days to file an objection to the election.

"Obviously we're disappointed," said Draper, adding that about 70 eligible workers did not vote.

Cars & Concepts, with a total workforce of 1,200, has about 615 active production workers at its Brighton plant. The company has a plant in Missouri and will open another in Delaware Feb. 1.

Betty Harrison, UAW international representative who directed the organizing drive at Cars & Concepts, said the Brighton workers were concerned primarily with wages, health and safety and quality.

She said Cars & Concepts was "exploiting workers" by paying them $4-$5 an hour and working them very hard, and that contributed to a turnover rate of 600 workers since the beginning of 1987.

Draper said, "Our workforce has traditionally been quite young. A lot of young people just out of high school in this area are looking for this kind of job."

Draper said Cars & Concepts has always promoted from within, with several executives and all of the plant managers starting on the assembly line.

Draper said he could not "respond to the accuracy" of the turnover figure for 1987. "I don't know," he said. "I don't know how she (Harrison) would know."

As for wages, Draper said he wished he could comment but, "Facing a negotiation period, that would be foolish."

Harrison said that Cars & Concepts management tied GM plant closings to the union and showed a video of strike violence at a non-automotive firm.

Draper said, "We have an obligation to our employees to present the facts about unionism. That is a right we have by law. I think it's important as an employer to let your employees know, especially with a predominantly young workforce, what can happen if you choose to elect a union."

Cars & Concepts was founded in 1976. The company changed hands in a $25 million management buyout in 1986. Masco Industries, Taylor, Mich., bought Cars & Concepts from the management group last June.

INDEX

Auction dates	22
Classifieds	23
Coming events	22
Extra section	E1
News briefs	8
Obituaries	40
Opinion	10
Personnel	18-19
Production	30
Truck industry	14

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Agreement sought in all-terrain- vehicle controversy

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — What to do about all-terrain vehicles was being discussed last week as the Justice Department, acting as lawyer for the Consumer Product Safety Commission, tried to reach an agreement with Lloyd Cutler, a prominent Washington attorney acting for the ATV industry.

None of the parties involved in the negotiations would comment, and the makers themselves said they were being kept in the dark until there was a firm proposal to accept or reject. Like any other consent settlement, it would have to be ratified by each ATV maker and would be in lieu of a lawsuit.

Speculation centered on a possible ban of any future three-wheeled ATVs, labeling of potential rollover problems on the four-wheeled ATVs and safety education to be required for all drivers, who are unlicensed and who are often children. Earlier speculation involved a possible buyback of all the three-wheeled ATVs, which could have cost the industry upward of $1 billion.

But at the last minute, two Democratic congressmen heading House consumer groups — Doug Barnard of Georgia and James Florio of New Jersey — called the proposed agreement "woefully deficient" and asked for a delay to get public comment and to allow them to intervene in any suit the government might file.

Dec. 30 is the time set for a consent decree accompanied by a court case so the companies can make a choice.

The makers are mostly Japanese — Honda, which accounts for more than half the imports; Suzuki, which makes more of the very small ones used by children; Yamaha; Kawasaki; and Polaris, an American firm with a very small share. There are said to be hundreds of product liability cases in the courts, usually involving rollovers, allegedly from driver misuse or from a high center of gravity, and possibly involving improper pressure in the very wide tires. Figures used by congressional subcommittees show that since 1982, ATVs has been involved in more than 800 deaths and more than 275,000 injuries about half of which involved children under 16.

The companies admit to no safety defects. Honda says there are more accidents with the three-wheelers simply because there are more of them than four-wheelers.

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OVERCAPACITY

FROM PAGE 1

clear threat of even more plant closings as an alternative.

Plant capacity is a difficult quantity to measure because of the flexiblity of line rates and other factors that can be adjusted to raise or lower a plant's output. There are various definitions of capacity and various ways to measure it.

Ronald A. Glantz, Montgomery Securities automotive analyst, defines a plant's capacity as its output on two shifts for 220 days.

"Add to that another one shift for 48 days plus another four hours a day for 220 days and you have maximum capacity without violating the labor agreement," Glantz said.

Others, including General Motors, simply define excess capacity as the difference between demand and the ability to produce, either globally or in local markets.

How much excess capacity there is — and the chilling corollary considerations of how many more plants will have to be mothballed and how many more workers will lose their jobs — have become key questions for industry forecasters and planners.

Adding to longer-range forecast uncertainties, according to Hilty, are market share considerations, particularly as they relate to traditional domestic manufacturers, the transplants and importers.

Hilty and Chrysler believe that because of the specter of excess capacity and additional plant closings, there will be renewed, "mounting pressure" to establish a new quota of 1.7 million imported Japanese cars.

Maryann Keller, Furman Selz Mager Dietz & Birney vice president and automotive analyst, said local-content requirements offer another alternative.

Hilty said that right now, the traditional domestic manufacturers have total North American (U.S. and Canada) car and truck capacity of 15.6 million units and that in 1987, 4.4 million units of capacity were unused.

Hilty said that including announced closings and startups, like GM's Saturn project, there will be capacity of 14.0 million units for the traditional domestic producers in 1992, without more closings.

"On a trend basis, the way we're going, with the cost penalties the traditional domestics have, it's easy to imagine that we could source maybe only 10 million by 1992," Hilty said.

"So we could have at least four million unused capacity on a trend basis."

He said the transplants have total capacity of 1.5 million now and that 600,000 units of it was unused in 1987 due to slow launch curves at the NUMMI plant in Fremont, Calif., and the Ford-Mazda plant in Flat Rock, Mich., as well as Volkswagen's cutbacks in Pennsylvania.

By 1992, Hilty estimates the transplants will have total capacity of 2.7 million units, not including the 300,000 at VW's Westmoreland, Pa., plant, which is scheduled to close at the end of the 1988 model year.

Excess capacity for the transplants will be determined by how much of the demand for their products is supplied by imports rather than local assembly.

Chrysler estimates import car and truck sales at 4.5 million for both 1987 and 1992.

Although Hilty frames the over-capacity problem in North American terms, he believes it extends beyond North America.

He said all three sources — traditional domestics, transplants and importers — will have some hard decisions to make.

Keller agrees.

"A tough competitive market means a tough competitive market for everybody," she said.

The market will be so tough and competitive, in fact, that Hilty and Keller agree that the domestics — GM, Ford and Chrysler — will have to close plants or cut costs, while Japanese makers will have to decide whether to export to the United States or assemble in North America.

George C. Eads, GM's corporate economist, throws the overcapacity even farther offshore.

Eads said he believes there will be worldwide excess auto assembly capacity of about 6 million units by 1990.

That is based on his estimate that by 1990 worldwide demand for autos (cars and vans) will equal 31 million units while "ability to produce" will equal 37 million units.

Eads computes market-by-market excess capacity as total production capacity in the market less demand in the market.

"If you look at the total demand in North America and the total ability to produce in North America, there is not excess capacity here," he said.

But he dismisses the fact that part of the North American demand is met by imports.

However, in Eads' opinion, the excess capacity situation will be resolved on a worldwide basis — not within the confines of local markets, like the United States, for example — because of the global nature of the auto industry.

"That (excess) capacity is going to come out of whoever ends up being the high-cost producers — no matter where they happen to be located," Eads said.

"I've seen too many calculations that start roughly with what I've been talking about or a residual number — and end up with four million excess capacity or two million excess capacity in the U.S., and they subtract that from the GM total, or the GM and Ford total and there ends up being no GM or Ford.

"That's not the way the world is going to be, because we don't plan to sit here and not reduce our costs."

Although Eads believes there will be a global resolution, he is at the same time very parochial about the actual location of the excess capacity pockets, using his formula of in-market ability to produce less in-market demand equals excess capacity.

In fact, Eads believes that North American demand will outstrip capacity by 1990 but that there will be "significant" excess capacity in Japan and newly industrialized nations and "some" excess capacity in Europe. Eads says he believes those countries will no longer enjoy a disproportionate competitive advantage over North American producers.

Hilty and Eads said that Japanese companies will be under cost pressures and ultimately may have to make decisions — economic or nationalistic — about sourcing, in effect allocating production to factories either in Japan or the United States.

The same is true for current low-cost producers.

Eads said that it is not safe to assume that a plant in a low-wage country will remain low-wage, due to currency fluctuations or other changes, or that it will have acceptable quality.

"You can't then just land that stuff in the United States and assume it'll be snapped up," Eads said. "Nothing's automatic about this.

"It's going to be a very hard fight," Eads added. "Much of the fight is going to occur in this country, but I don't think there is an auto plant in the world that can assume it is safe no matter what it does.

"All manufacturers, no matter where they are, are going to have to really keep on their toes . . . make sure the product is good, the costs are low . . . and that's going to ensure survival."

Automotive News Staff Reporter Michelle Krebs contributed to this report.

HAHN

FROM PAGE 2

Hahn said it is "not yet determined" if production of the subcompact VW Polo, now built both in Germany and by Seat in Spain, will move entirely to Spain because of lower production costs. German unions have strongly opposed such a transfer.

"It is an open issue," Hahn said. "We've had talks with our union people here about improvements in productivity."

He said rising labor costs in West Germany, where earlier this year metalworkers won a decrease in the work week to an eventual 37 hours, could undermine German competitiveness.

"It's a serious problem when you work so many hours less than other countries," he said.

But Hahn said he does not view the trend as a threat to German sourcing of VW's bread-and-butter Golf model.

"Our infrastructure for the Golf, which will last for additional models, and the number of Golfs we build, permit us to produce successfully here," he said.

Hahn said Europe, which is in its fifth year of expansion with sales expected to surpass 12 million units in 1987, "will come now to a technical consolidation."

"That still means an enormous market," he said. "But you cannot expect that Europe will go up again, notwithstanding that three European markets — France, Italy and Spain — seem to be in strong expansion. He predicted that both Italy and France will go over 2 million units in sales for the first time in 1987.

"We think that the stock market and dollar might not affect the European scene too much," he said. "Everyone feels a little nervous about it, but we have no indication in our new-car orders so far that consumer confidence in Europe has been affected."

Hahn said the rapid decline of the dollar against the mark won't impact timing or allocation decisions concerning German-sourced exports to the United States.

"The present situation is painful for exporters, but we had foreseen this development, which is why we have changed sourcing to Brazil," he said. "When business gets more difficult, you have to work more. It's not a matter of delaying anything."

Hahn said supplies of the Brazilian-built Fox subcompact in the United States will improve markedly in 1988. Shipments this year have been interrupted by strikes and other problems.

"We have a capacity that will be better utilized in Brazil," he said. "I think that Fox sales next year will be at least 50 percent up over this year."

Introduced last spring, the Fox helped bolster falling VW-Audi sales in the United States this year. With better availability of the Brazilian car and the new Audi 80, Hahn predicted that in 1988 the group in the United States "will hold our volume, as we are in a declining market."

As for Audi's lingering image problems because of the sudden-acceleration controversy, Hahn said, "We are not blind to the fact that this battle is not over." He said the new 80 model "will be an excellent tool for stabilizing the Audi franchise."

In Western Europe, the VW Group, including Audi and Seat, apparently will finish 1987 as number one in sales for the third straight year. However, some analysts believe Fiat Auto's new Golf competitor, the Tipo, will put the Italian group on top in 1988.

"We will try to be number one again, but whether we make it depends on many factors that are not all predictable," said Hahn. "They (Fiat) have new vehicles, we have new vehicles."

Hahn expects an agreement under which Nissan has assembled and marketed VW's Passat-based Santana in Japan to be renewed, even though the car has never reached sales levels that had been forecast. A new Passat (Quantum) to be unveiled by VW early next year is expected to be licensed for production by Nissan.

"We have already said in principle that we are going the way of continuing our joint venture," said Hahn.

Beginning in 1989, VW will begin producing Toyota-designed pickups in Hannover, West Germany, in order to make use of excess capacity. Speculation has surrounded a joint passenger-car deal in Europe, but Hahn said there are no plans or discussions involving Toyota.

In South America, the first year of operations for Autolatina has been fraught with troubles. Autolatina has won a preliminary ruling from an appeals court allowing it to raise prices in accordance with an earlier agreement with the Brazilian government. However, the legal battle continues and some economic analysts in Brazil say there is a risk that Autolatina could pull out of the country if the government continues to take a hard line. But Hahn said the joint company will not withdraw.

"The court, which has taken our side, has reassured us that there is in Brazil a legal system that also gives a foreigner equal rights."

But before committing to reinstatement of postponed investment plans in Brazil, Hahn said, "We have to see what damage this economic situation has caused us. You can be sure we will do the maximum and the reasonable.

"I'm very positive about the start of Autolatina," he added. "This company had a flying start under the most adverse conditions."

Hahn promised no more surprises in connection with the foreign currency scandal that brought criminal charges against VW officials earlier this year. There were recent reports that new evidence of additional losses through embezzlement had been uncovered by investigators. Hahn said, however, that the 473 million marks ($292 million) set aside earlier this year to cover losses remains sufficient.

"There is nothing on our books left (to cover additional losses,)" he said. "Everything is cleaned out. The cheating that had been going on in the past years already had reduced our profits."

Hahn said VW still hopes to recover a portion of the lost funds through civil action.

COMING EVENTS

General

Jan. 11-13 — Limousine and Chauffeur Show, Atlantic City Convention Center, Atlantic City, N.J., (800) 732-7117

Jan. 13-15 — The Conservation Foundation's Conference on Substitutes and Alternatives to Chloro-fluorocarbons and Halons, Mayflower Hotel, Washington, (202) 293-4800

Jan. 13-17 — Eastern Auto Auction Association meeting, Grand Barbados Beach Hotel, Barbados, (416) 275-3000

Jan. 18-20 — Second International Ryder Conference on Special Performance Plastics & Markets, Hyatt Regency New Orleans, New Orleans, (201) 887-2178

Feb. 1-5 — SPI Composites Institute Conference and FOCUS 88, Cincinnati Convention and Exposition Center, Cincinnati, (212) 481-4488

Feb. 6-9 — National Automobile Dealers Association Convention, Moscone Convention Center and Brooks Hall Civic Auditorium Complex, San Francisco, (703) 821-7143

Feb. 9-11 — SME Measurement Error Analysis Seminar, Sheraton Old Town, Albuquerque, N.M., (313) 271-1500

Feb. 11-12 — University of Michigan's Negotiating with the Japanese seminar, University of Michigan, Ann Arbor, Mich., (313) 936-2188

Feb. 14-18 — Autopartac, Olympia 2, London, (301) 459-5927

Dealer conventions

Feb. 10-13 — National Independent Automobile Dealers Association, San Diego Marriott Intercontinental, San Diego, (214) 556-0044

Auto shows

Jan. 2-10 — Greater Los Angeles Auto Show, Los Angeles Convention Center, Los Angeles, (818) 995-8990

Jan. 8-10 — Greater New Orleans International Auto Show, New Orleans Convention Center, New Orleans

Jan. 8-18 — Philadelphia International Auto Show, Philadelphia Civic Center, Philadelphia, (800) 345-1487

Jan. 13-17 — Syracuse Automobile Dealers Auto Show, Onondaga County War Memorial, Syracuse, N.Y., (315) 474-1041

Jan. 13-24 — Brussels Auto Show, Brussels Exhibition Center,Brussels, Belgium, 32-2-771-0085

Jan. 14 — Utah Auto Show, Salt Lake City's Salt Palace, Salt Lake City, (801) 484-8845

Jan. 14-24 — Montreal Auto Show, Place Bonaventure, Montreal

Jan. 15-24 — Geneva Truck Show, Geneva, 41-22-98-11-11

Jan. 16-24 — Detroit Auto Show, Cobo Hall, Detroit, (313) 643-0250

Jan. 16-24 — International Auto Show, Baltimore Convention Center and Festival Hall, Baltimore, (301) 383-1200

Jan. 23-31 — Pennsylvania International Auto Show, State Farm Show Complex, Harrisburg, Pa., (800) 345-1487

Jan. 26-31 — Greater Metro Portland International Auto Show, Memorial Coliseum Complex, Portland, Ore.

Jan. 27-31 — Greater St. Louis International Auto Show, Cervantes Convention & Exhibition Center, St. Louis, (314) 721-4682

Feb. 3-7 — Houston Auto Show, Astro Hall, Houston

Feb. 3-7 — York Auto Show, York Fairgrounds, York, Pa., (800) 345-1487

Feb. 4-13 — Amsterdam Truck Show, Amsterdam, Netherlands

Feb. 4-13 — RAI Commercial Vehicle Show, RAI International Exhibition Centre, Amsterdam, Netherlands, 31-20-549-1212

Feb. 5-7 — Michiana Auto Show, Century Center, South Bend, Ind., (219) 291-0425

Feb. 6-14 — Columbus Auto Show, Veteran's Memorial, Columbus, Ohio

Feb. 10-14 — Greater Milwaukee Auto Show, Milwaukee Exposition & Convention Center & Arena, Milwaukee, (717) 657-1310 or (800) 345-1487

Feb. 10-14 — Buffalo Auto Show and Trade Exposition, Buffalo Convention Center, Buffalo, N.Y., (216) 241-1199

Feb. 11-14 — Tarrant County Auto Show, Tarrant County Convention Center, Fort Worth, Texas

Feb. 13-21 — Chicago Auto Show, McCormick Place, Chicago, (312) 698-6630

Feb. 16-21 — Pittsburgh Auto Show, David L. Lawrence Convention Center, Pittsburgh, (412) 373-8380

AUCTION DATES

Chrysler Motors

Jan. 5 — American Auto Auction, Walpole, Mass.; Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Golden Gate Auto Auction, Fremont, Calif.

Jan. 6 — Butler Auto Auction, Gibsonia, Pa., A.D.E. of Birmingham, Birmingham, Ala.; Minneapolis Auto Auction, Plymouth, Minn.; Southwest Auto Auction, Phoenix, Ariz.; and Denver Auto Auction, Aurora, Colo.

Jan. 7 — Clanton's Auto Auction, Darlington, S.C., and Northway Exchange, Clifton, Park, N.Y.

Jan. 8 — Manheim Auto Auction, Manheim, Pa.

Ford Motor Co.

Jan. 5 — Harrisonburg Auto Auction, Harrisonburg, Va.

Jan 6 — Northway Auto Auction, Clifton Park, N.Y.; Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.; and Southern California Auto Auction, Fontana, Calif.

Jan. 7 — Albuquerque Auto Auction, Albuquerque, N.M.; Minneapolis Auto Auction; Plymouth, Minn.; Nashville Auto Auction, Nashville, Tenn.; and Skyline Auto Exchange, Fairfield, N.J.

General Motors

Dec. 22 — Florida Auto Auction of Orlando, Ocoee, Fla.

Jan. 5 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

Jan. 6 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; Southern California Auto Auction, Fontana, Calif.; and Omaha Auto Auction, Omaha, Neb.

Jan. 7 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; and St. Louis Auto Auction, Bridgeton, Mo.

Used Car Sales
Auction Averages

November, 1987	$5,951
Month ago	$6,001
Year ago	$5,181

Model Breakdown
Auction Averages

	DEC 1987	NOV 1987	OCT 1987
1987	$10,140	$10,564	$11,220
1986	$8,322	$8,454	$8,624
1985	$7,127	$7,199	$7,257
1984	$5,574	$5,640	$5,711
1983	$4,791	$4,844	$4,897
1982	$3,441	$3,504	$3,549
1981	$2,516	$2,542	$2,549
1980	$1,962	$1,996	$2,022
Overall Average	$5,898	$5,951	$6,001

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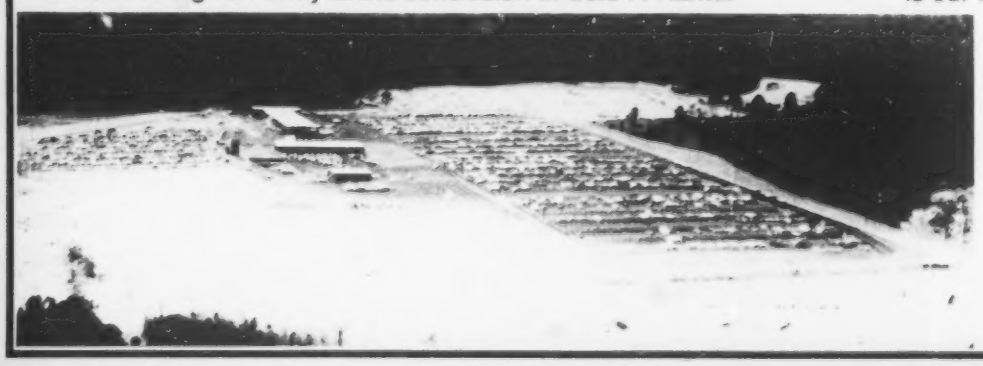

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PRODUCTION

'87 car output off 9%

By Karen Detkowski
SPECIAL CORRESPONDENT

As production for the year ended last Wednesday, the estimated output of 7,022,521 cars in 1987 was down 9.21 percent from the 7,734,489 produced last year.

Showing gains for this year's estimated production were Ford Motor Co. with 1,816,447 units, up 3.95 percent; Honda of America Manufacturing Inc., 321,862, up 37.88 percent; and Nissan Motor Manufacturing Inc., U.S.A., 113,272, up 79.62 percent.

Posting production declines (estimated totals) compared with 1986 were American Motors, 15,994 units, down 66.91 percent; Volkswagen of America, 66,193, down 19.62 percent; General Motors, 3,417,057, down 16.30 percent; Chrysler Motors, 1,084,580, down 15.54 percent; and New United Motors Manufacturing Inc., 182,790, down 5.47 percent.

With only three working days and no overtime scheduled because of the holidays, last week's targeted domestic auto production dipped considerably from the prior week's output.

The automakers' estimated build of 75,065 was down 42.00 percent from the previous week's 129,420, and 12.19 percent below the year-ago week's 66,909 when there were two working days.

Last week's scheduled output was shared as follows: General Motors, 39.17 percent; Ford Motor, 31.89 percent; Chrysler Motors, 21.31 percent, Honda of America Manufacturing Inc., 4.56 percent; Volkswagen of America, 1.60 percent; Nissan Motor Manufacturing Inc., U.S.A., 1.07 percent; and Mazda Motor Manufacturing U.S.A. Corp., 0.40 percent.

Production is scheduled to re-Jan. 4.

Truck production rises 9%

Estimated domestic truck production for 1987 totaled 3,807,934, an increase of 9.31 percent over the running total for 1986. Truckmakers ended production for the year last Wednesday.

Increases over 1986 were reported by Dodge/Plymouth, up 111.58 percent; Jeep, up 17.66 percent; Ford Motor Co., up 7.07 percent; Navistar International, up 4.33 percent; and GMC, up 4.20 percent.

Posting production decreases for 1987 were: Nissan, down 6.43 percent and Chevrolet, down 0.26 percent.

Assembly plants are scheduled to resume production on Jan. 4.

Canada: Trucks top cars

Cars were down, trucks were up, and the combined 1987 production total for Canada's makers fell 207,045 units below last year's level.

Estimated auto production for 1987 was 802,581 units, 24.01 percent below 1986's total of 1,056,145 units.

Estimated truck production for 1987 was 817,320, 6.04 percent above the 770,801 units produced last year.

Car production last week was 14,151 units, 36.49 percent below the previous week's 22,280.

Last week's three-day truck output, scheduled at 10,993 units, was 41.74 percent below the previous week's 18,868, but 119.29 percent above the year-ago week's 5,013 when there were two production days.

Volvo's new car plant opened Dec. 14 in Halifax, Nova Scotia.

Production in Canada is scheduled to resume Jan. 4.

CANADIAN CAR	Week Ended Dec. 26, 1987	Week Ended Dec. 27, 1986	Week Ended Dec. 19, 1987	Dec. Est.	Jan. 1 to Dec. 26, 1987	Jan. 1 to Dec. 27, 1986
CHRYSLER	856	0	1,345	4,508	12,579	4,359
FORD MOTOR	7,200	4,597	11,103	37,177	431,825	520,304
GENERAL MOTORS	5,712	4,673	9,075	30,724	334,303	521,498
HONDA	283	0	498	1,579	15,536	0
VOLVO	90	90	259	349	8,338	9,984
Total Cars, Canada	14,151	9,360	22,280	74,338	802,581	1,056,145
U.S. TRUCK☆						
CHEVROLET	13,426	8,214	25,080	83,671	1,122,477	1,125,441
DODGE/PLYMOUTH	8,000	1,940	7,670	31,249	317,512	150,068
FORD	18,778	12,549	32,079	108,507	1,468,098	1,371,173
GMC	4,564	2,562	6,140	22,291	370,012	355,098
NAVISTAR	1,074	848	1,790	6,146	74,893	71,788
JEEP	2,700	1,589	4,692	15,797	221,110	187,917
NISSAN	1,950	699	3,228	10,980	99,922	106,783
AM GENERAL*	270	20	450	1,530	17,370	2,474
MISCELLANEOUS*	1,380	920	2,300	7,820	116,540	112,792
Total Trucks, U.S.	52,140	29,141	83,429	287,992	3,807,934	3,483,534
CANADIAN TRUCK						
JEEP	510	0	880	3,407	36,136	27,147
CHRYSLER	4,206	3,067	8,110	26,780	383,782	399,148
FORD	2,280	1,269	3,678	12,392	151,467	145,822
GENERAL MOTORS	3,870	578	5,975	20,189	236,120	189,337
NAVISTAR	127	79	225	750	9,835	9,347
Total Trks., Canada	10,993	5,013	18,868	63,528	817,320	770,801
U.S., Canada Trks.	63,133	34,154	102,297	351,520	4,625,254	4,254,335

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-ordered vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

U.S. CAR	Week Ended Dec. 26, 1987	Week Ended Dec. 27, 1986	Week Ended Dec. 19, 1987	Dec. Est.	Jan. 1 to Dec. 26, 1987	Jan. 1 to Dec. 27, 1986
AMERICAN MOTORS	0	0	0	0	15,994	48,336
Renault Total	0	0	0	0	15,994	48,336
Alliance	0	0	0	0	15,994	44,989
Encore	0	0	0	0	0	3,347
CHRYSLER MOTORS	16,300	9,189	24,056	88,368	1,084,580	1,284,085
Plymouth Total	5,400	3,410	8,055	26,715	319,522	417,408
Horizon	900	1,274	1,119	4,136	45,363	170,099
Sundance	1,000	761	1,713	6,117	89,157	36,144
Reliant	2,700	1,068	4,021	13,100	135,936	149,821
Caravelle	700	307	1,065	2,769	42,861	43,958
Gran Fury	100	0	117	593	7,105	17,586
Chrysler Total	4,400	1,895	5,729	23,112	354,584	365,249
Laser	0	0	0	0	0	26,978
LeBaron K	600	503	1,063	3,509	63,753	83,510
LeBaron J	1,800	425	2,251	9,113	113,596	2,820
LeBaron GTS	400	332	444	1,751	37,118	62,251
N. Yorker E-Class	0	635	0	0	57,102	72,291
N. Yorker C-Class	800	0	989	4,617	18,742	0
Fifth Avenue	600	0	982	4,121	64,273	117,399
Dodge Total	6,200	3,864	10,274	38,541	410,474	501,428
Daytona	1,000	235	1,529	5,929	63,214	32,963
Omni	800	1,206	1,114	4,010	39,785	161,734
Shadow	1,500	747	2,449	8,240	95,543	34,480
Aries	1,400	971	2,933	11,042	126,067	125,066
Dodge 600	300	432	800	2,322	39,636	63,727
Dynasty	900	0	1,123	4,793	8,419	0
Lancer	100	273	234	919	22,865	47,375
Diplomat	200	0	292	1,287	14,945	36,083
FORD MOTOR	23,940	16,641	39,893	136,309	1,816,447	1,747,471
Ford Division	17,436	11,395	28,726	99,377	1,307,275	1,210,516
Escort	5,584	2,983	9,496	31,950	390,919	374,650
Mustang	2,779	1,766	4,635	15,754	212,272	177,623
Tempo	2,459	1,870	3,616	14,035	144,427	196,666
Taurus	4,886	3,772	8,101	27,251	403,859	330,304
Thunderbird	1,728	1,004	2,878	10,387	155,798	131,273
L-M Division	6,504	5,246	11,167	36,932	509,172	536,955
Mercury Total	4,012	3,618	6,410	22,369	326,883	356,366
Lynx	0	456	0	0	21,352	59,991
Capri	0	0	0	0	0	12,344
Topaz	841	330	1,130	4,502	46,582	56,852
Cougar	1,733	1,511	2,892	9,230	137,356	101,736
Sable	1,438	1,319	2,388	8,637	121,358	125,443
Lincoln Total	2,492	1,628	4,757	14,562	182,289	180,589
Continental	379	162	707	2,103	13,474	19,384
Lincoln	1,780	1,220	3,399	10,414	140,567	135,448
Mark VII	333	246	651	2,046	28,248	25,757
GENERAL MOTORS	29,404	35,726	54,915	212,033	3,417,057	4,082,387
Buick Total	3,392	6,906	5,284	26,988	547,252	766,586
Skyhawk	639	745	825	3,124	34,052	81,304
Century	0	2,160	0	5,129	152,152	229,128
Regal (rwd)	0	556	0	884	40,235	59,692
Somerset/Skylark	0	953	0	2,353	62,909	109,885
LeSabre (fwd)	1,440	1,249	2,380	8,192	141,073	154,070
LeSabre (rwd)	126	152	168	755	9,911	15,001
Electra (fwd)	1,046	719	1,691	5,998	93,678	89,967
Riviera	141	372	240	853	13,242	26,049
Cadillac Total	2,981	2,918	6,712	22,343	272,486	316,091
Cimarron	0	141	22	177	10,233	22,971
Allante	90	16	110	385	4,610	53
Brougham (rwd)	0	1,599	1,883	5,519	75,141	75,175
DeVille (fwd)	2,028	478	3,345	11,463	141,129	170,235
Eldorado	495	264	752	2,723	20,243	25,217
Seville	368	420	600	2,077	21,130	22,440
Chevrolet Total	12,118	12,015	25,181	92,031	1,359,093	1,294,928
Chevette	0	920	0	0	0	105,578
Camaro	1,511	1,283	2,209	8,366	120,532	170,649
Cavalier	4,515	3,476	7,249	24,298	310,678	389,715
Celebrity	0	2,646	0	7,220	283,320	257,599
Corsica/Beretta	2,220	791	9,156	27,126	345,405	14,616
Monte Carlo	0	647	10	3,093	72,041	106,427
Caprice	3,488	1,993	5,915	19,808	198,935	220,361
Corvette	384	259	642	2,119	28,182	27,983
Oldsmobile Total	3,944	6,572	6,397	30,094	593,162	916,776
Firenza	297	363	417	1,406	14,181	37,668
Calais	0	1,008	0	5,190	113,679	118,899
Cutlass Ciera	0	1,842	0	197	108,395	234,475
Cutlass Supreme	0	345	0	2,825	73,126	106,038
88 (fwd)	2,077	1,707	3,433	11,860	176,936	269,557
88 (rwd)	240	74	350	1,326	15,000	18,916
Olds 98	1,062	948	1,754	5,962	72,038	112,546
Toronado	268	285	428	1,510	16,209	18,679
Pontiac Total	6,969	7,317	11,341	40,577	645,064	788,006
Acadian*	0	45	0	0	0	16,772
Fiero	714	574	1,046	3,706	33,434	66,656
1000	0	192	0	0	0	21,049
Firebird	913	749	1,231	4,776	77,032	103,905
2000 Sunbird	1,221	924	2,230	7,680	98,217	129,707
Grand Am	2,880	2,079	4,647	16,470	245,955	229,202
6000	0	1,096	0	926	67,496	132,378
Bonneville	1,161	1,408	1,872	6,507	123,824	37,400
Safari/Parisienne	80	150	115	511	9,106	49,937
HONDA	3,420	1,904	6,715	22,380	321,862	233,440
Civic	960	377	2,044	6,547	88,695	20,498
Accord	2,460	1,527	4,671	15,833	233,167	212,942
MAZDA	297	0	533	1,725	4,326	0
NISSAN	804	1,180	1,290	4,492	113,272	63,061
NUMMI	0	1,474	0	5,817	182,790	193,362
Corolla	0	425	0	1,984	42,065	12,107
Nova	0	1,049	0	3,834	140,725	181,255
VOLKSWAGEN	1,200	813	2,016	6,545	66,193	82,347
Golf/GTI	780	713	1,316	4,225	48,780	81,197
Jetta	420	100	700	2,320	17,413	1,150
Total Cars, U.S.	75,065	66,909	129,420	477,669	7,022,521	7,734,489
Total Cars, Canada	14,151	9,360	22,280	74,338	802,581	1,056,145
U.S., Canada Cars	89,216	76,269	151,700	552,007	7,825,102	8,790,634
U.S., Canada Trks.	63,133	34,154	102,297	351,520	4,625,254	4,254,335
U.S., Canada Cars and Trks.	152,349	110,423	253,997	903,527	12,450,356	13,044,969

*—All Acadians are built for sale in Canada. **—Estimated.
Monthly estimates may contain error of one or two units due to rounding.

'87 recalls 3rd highest: 8.9 million

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — NHTSA recalled 8,857,000 vehicles through Dec. 22 and has termed 1987 "a year of significant highway safety accomplishments."

The affected vehicles were included in 173 separate recall campaigns. Of those, 70.4 percent or 6,237,000 vehicles were influenced by investigations made by NHTSA's Office of Defects Investigation.

Calendar-year 1987 recalls were highlighted by: 3.6 million Ford vehicles to correct a fuel coupler clip; 1.1 million General Motors cars to fix a driver's seat that could tip backwards; three separate recalls of Audi 5000 cars for so-called sudden acceleration; 184,000 Nissan 280-Z and 300-ZX cars for sudden acceleration; and 126,000 Pontiac Fieros for engine compartment fires.

Only twice in the agency's 20-year history has the number of recalls been higher. In 1972, recalls amounted to 11,952,000 because several recalls involved millions of vehicles (3.7 million Volkswagens for a windshield-wiper situation, 4 million Fords with a possible broken plastic grommet in the shoulder belt and more than 1 million Fords with a possible defective steering lock pin).

In 1977, recalls amounted to 12,444,000, again with million-plus campaigns (2.2 million GM cars with possible power brake booster failure, 1.4 million Honda motorcycles for fuel filter caps and 1.3 million Chrysler vehicles for possibly defective accelerator pumps).

NHTSA administrator Diane Steed said the highway fatality rate in the United States is at an all-time low and safety belt use has tripled in recent years, rising from 12 percent to 42 percent. The increase is attributed to the fact that 31 states and the District of Columbia have passed belt-use laws.

In addition, the number of drunk drivers killed in traffic crashes declined 22 percent from 1980 to 1986, NHTSA said.

NHTSA also said that automakers are paying more attention to safety than ever before. More advertise safety and are including safety features voluntarily. These include air bags, anti-lock brakes, safety glass, rear-seat three-point belts and the center high-mounted rear stoplamp before it was required.

OBITUARIES

Emil P. Morock

ALEXANDRIA, La. — Emil P. Morock, 69, former owner of Morock Ford and Morock Lincoln-Mercury dealerships here, died Nov. 24.

Byron D. Brown Sr.

LITTLE ROCK, Ark. — Byron D. "Pete" Brown Sr., 72, retired owner and founder of Brown Ford, Sheridan, Ark., died here Nov. 15. He opened the dealership in 1955 and retired in 1978.

William K. Eggers

RIVERDALE, N.J. — William K. Eggers, retired assistant zone service manager for Buick, White Plains, N.Y. zone, is dead. He worked for Buick from 1947 until August 1987.

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Top Idea Olympics award winner, Full Road Runner, climbs hills or stairs on anywhere from four to 10 wheels

TOYOTA TOYS: *Engineers go for fun in annual idea contest*

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Toyota's 12th Idea Olympics featured a human piston, an all-wheel steering vehicle that spins on a row of soccer balls, a candle that burns upside down, and a drawer that opens in four directions.

There was just enough silliness to satisfy the exacting standards of the Toyota Engineering Society, an informal in-house group that oversees the annual affair. Although a number of patents have been taken out on exhibits over the years, the society insists the projects are supposed to be for fun.

The point, according to the group, is to cultivate creativity, but the ideas are not supposed to be too job-related.

The first exhibit in 1977 attracted 175 entries but interest picked up to include 4,648 in 1987.

The top award in 1987 went to the Full Road Runner, a vehicle that climbs hills or stairs on anywhere from four to 10 wheels, and can also lift the body high enough to give the driver an unobstructed view in congested traffic.

see TOYOTA TOYS, page 4

New Continental bows as sellout; Premier slower

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

Ford and Chrysler sought to win their way into the hearts and wallets of a shopping-weary America with new-car launches last week. And it appears that they've managed to get some attention.

The two cars — the Lincoln Continental and the Eagle Premier — carry big hopes for the automakers. The Premier, an intermediate sedan inherited from American Motors, arrives as the flagship car in Chrysler's new Jeep-Eagle Division.

The $15,000 (typically equipped) Premier also marks a step into pricier ranks for Chrysler's former AMC dealers, who are used to selling Alliances for less than half that amount.

The 1988 Continental, meanwhile, brings a front-wheel-drive, European-styled luxury sedan into the Lincoln-Mercury lineup. With it, the division hopes to put a dent in the impression that says size, comfort and handling don't mix in an American car. If early signs are any indication, the $26,000 Continental has already won some believers.

Consider these examples:

- Production at Ford's Wixom, Mich., assembly plant is sold out at least until March. Dealers say they've taken as many as 40 orders for the car, even though only a handful have arrived from the factory.
- Jim Stewart, a shoe retailer in the Tampa area, has been leasing a Continental for $350 a month as part of an early evaluation program. Stewart, who currently owns a Mercedes-Benz 560, is "on the verge of ordering" a Continental. A self-described car nut, he proclaims: "When it comes to an American-built automobile, they have probably done the finest job of anybody on the market right now."
- With Continentals selling before they reach the showrooms, dealers are renting the cars themselves just to have something to show customers. L-M put the first 700 Continentals in Budget Rent-A-Car fleets.

"I've been a Lincoln-Mercury dealer for 20 years, and I can't remember ever having a car that people were asking so many questions about prior to seeing it," said William Stalnaker, a dealer in Ocala, Fla.

But the feelings upon first sight haven't all been favorable. A salesman in Dearborn, Mich., reported that reaction to the Continental has been divided evenly between the breathless and the less-than-impressed.

see LAUNCHES, page 6

Commerce is bullish: 10.6 million for 1988

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The Commerce Department believes sales of new cars and trucks in 1988 are likely to increase by several hundred thousand units from the depressed 1987 level, although sales of North American cars built by the Big 3 will decline by 380,000 units.

The forecast for 1988 — 10.6 million passenger cars and 5 million light trucks — is contained in the Commerce Department's annual report on the economy. The 1987 estimate is 10.3 million cars and 4.8 million light trucks.

The Commerce Department's projections for total vehicle sales in 1988 are higher than most other forecasts.

Latest predictions from the Big 3 are: General Motors, 10.1 million cars and 4.8 million trucks; Ford Motor Co., 10 million cars and 5 million trucks; and Chrysler Corp., 9.5 million cars and 4.7 million trucks. The Big 3 truck estimates are for all sizes, not just light units.

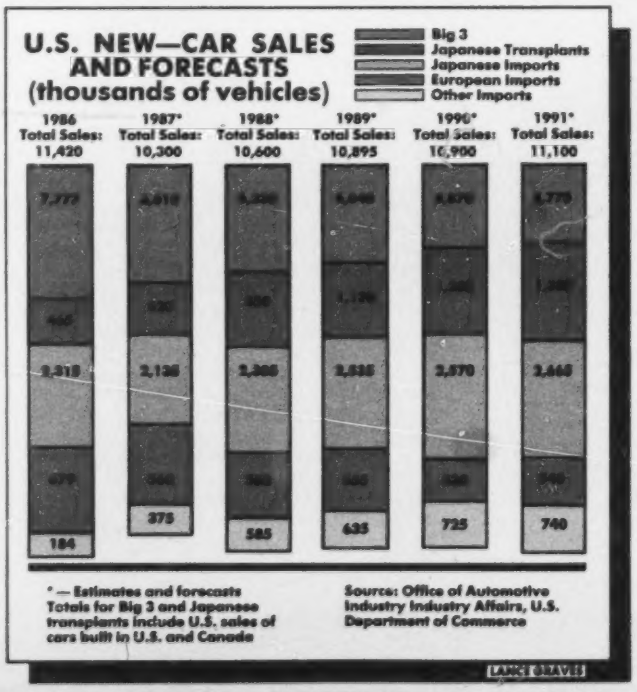
The National Automobile Dealers Association has predicted sales of 9.9 million cars and 4.4 million light trucks in 1988, and several Wall Street analysts also have estimated that 1988 sales will be considerably lower than the Commerce Department's forecast.

The Commerce Department is predicting sales of 6.2 million cars built by traditional North American manufacturers this year, down from the estimated 6.6 million cars they sold in 1987.

Sales of North American-built Japanese cars are expected to increase to 850,000, up from 620,000 in 1987.

The Commerce Department is

see COMMERCE, page 4



Diamond-Star may not be Plymouth-only

LOS ANGELES — A version of the front-wheel-drive sport coupe coming from Diamond-Star, the Chrysler-Mitsubishi joint venture, may be available at Chrysler Motors dealerships other than Plymouth.

Production of the car, now codenamed X2S (Automotive News Dec. 14), is scheduled to start in late 1988, and the car is to go on sale in February or March of 1989.

At the car's public debut at the Greater Los Angeles Auto Show, John D. Withrow, Chrysler Motors executive vice president of product development, said the car will "initially" be sold only by Plymouth dealers. A Chrysler spokesman said it was a possibility that a version of the car will be available to other Chrysler dealers later. He did not elaborate.

Withrow said pricing for the car will range from under $10,000 to under $16,000.

— Francis J. Gawronski

INSIDE:

Big 3 yen for share of Japan's import sales — Page 2

Center to help jobless VW workers — Page 3

Auctions report dip in sales — Page 31

NEWSPAPER

ATV accord halts sale of 3-wheelers

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The government last week reached an agreement with the makers of all-terrain vehicles by filing both a federal suit and a preliminary consent decree. The consent decree is expected to become final in 45 days.

The agreement includes a stipulation that companies must immediately stop selling three-wheelers and buy back those in dealer inventory.

The Justice Department tried unsuccessfully to get Honda, Yamaha, Suzuki and Kawasaki to recall all three-wheelers voluntarily.

The lawsuit tries to keep the door open for eventual repurchase, and the Consumer Product Safety Commission can try to get voluntary repurchase.

The Justice Department believes it does not have the authority to mandate a recall under the legislation governing the commission. Hence, it opted for some immediate relief rather than face long and costly litigation over buyback.

The provisions of the preliminary settlement, which include both three- and four-wheel vehicles, include:

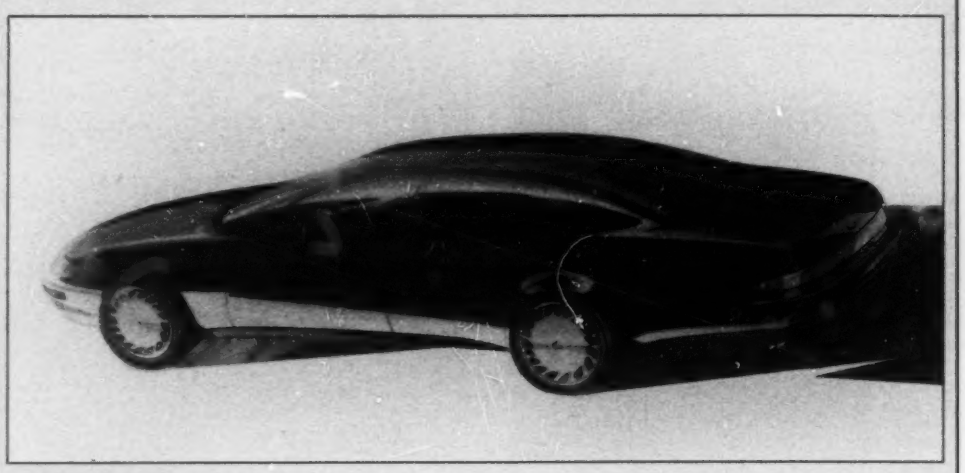
- Company notice to all known ATV owners of the risk involved.
- All U.S. distributors and dealers must display a large warning notice.
- Companies must affix warning labels on all ATVs; must include warnings in owner's manuals; must set up a free hotline to answer consumer questions; must offer free hands-on training to all future ATV buyers and to persons who have purchased them during the past year; must agree to specific advertising guidelines; and must agree to a "massive" public awareness program to inform the public of the minimum age of drivers for ATVs with specific engine sizes.

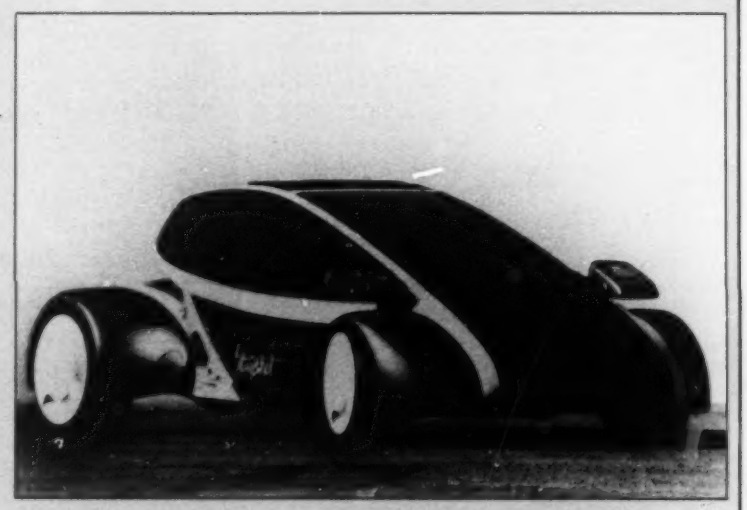
The Consumer Product Safety Commission will work with the industry in setting performance standards for ATVs.

The National Association of Attorneys General will meet this week to consider state actions on requiring helmets and licenses and developing a model law.

Rep. James Florio, D-N.J., chairman of a House subcommittee overseeing the commission, criticized the agreement and promised legislative action soon.

An estimated 2.3 million ATVs are currently in use; about two-thirds are three-wheelers. Between January 1982 and September 1987 more than 900 deaths have been blamed on ATVs.





Peek at L.A. show
Those attending this week's Greater Los Angeles Auto Show have an opportunity to view an artist's rendering of the 1990 Lexus, above, the car that will be offered by Toyota's new luxury division. The four-door sedan will be powered by a V-8 engine featuring multi-valve, multi-cam technology. Also on display at the show is Plymouth's Slingshot, right, a rear-engine concept car that has a carbon fiber chassis and adjustable four-wheel independent suspension.

Job center to help VW workers

State, private group offer training to Westmoreland employees

NEW STANTON, Pa. — The state and a private Westmoreland County group plan to set up a job center to assist Volkswagen plant employees who will lose their jobs later this year.

The center will help people with job searches, retraining, state unemployment compensation and federal assistance, said Frank Mont, deputy secretary of the state Department of Labor.

The department and the Private Industry Council of Westmoreland-Fayette Inc., headquartered in Greensburg, will set up the center in the employees' cafeteria of the New Stanton plant, he said.

"It's a proven fact, the earlier the intervention, the more successful people are in finding work and in jobs that match their standard of living or with only a slight reduction," Mont said.

Volkswagen announced in November that it will close the plant by the end of the 1988 model year because of sagging sales.

Mont said 2,500 employees, who produce 400 cars a day, will lose their jobs. Another 2,500 to 3,000 laid-off workers will be served first at the center.

Some employees will be laid off in April when production of the Jetta is halted, Mont said. The remaining workers will be furloughed in July or early August when production of the Golf ceases.

The state Department of Labor will contribute about $1.4 million to the effort, Mont said, and the Private Industry Council is applying for federal funds from the U.S. Department of Labor.

Volkswagen plans to provide the center with telephones, a WATS line and personal computers linked to the Bureau of Employment Security's computer.

UAW Local 2055 will provide various materials, including a workbook explaining employee benefits and programs, Mont said.

Despite plans for the center, Mont and John Sproull, Private Industry Council finance and operations manager, said they still hope another automaker will take over the 10-year-old plant.

"The state administration is proceeding very actively to find a buyer," Mont said. "We're still planning this while the other activity is going on because this is so time-consuming. But we're still going full steam ahead on trying to develop another employer for the facility."

— The Associated Press

7 states ask speed hike to 65 on some roads

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Seven states of a possible 20 have applied for federal permission to raise their speed limit to 65 mph for four years on rural, four-lane roads that have the same safety features as the interstate system.

The states are California, Florida, Illinois, Iowa, Kansas, Kentucky and Oklahoma.

Under the spending law passed by Congress before the Christmas recess, 20 states were given the chance, on a first-come, first-served basis, to apply for permission to raise speed limits on eligible roads.

Last April, Congress allowed a 65-mph limit on rural sections of interstate highways.

This latest exception to the national 55-mph speed limit occurred despite the vigorous protests of a number of lawmakers and safety advocates, including Joan Claybrook, former NHTSA administrator, who argued that higher speeds will cause more highway deaths.

At the same time, NHTSA released its latest preliminary data about fatalities on rural interstate highways. Although 27 states had chosen the higher limit before the end of May and 11 others did so later, NHTSA used data from only 22 states which had raised the limit and compared it to seven states that retained the 55-mph limit. The preliminary data showed a 52 percent increase in deaths on those rural sections of the interstate system with a 65-mph speed limit.

However, NHTSA surrounded its data with numerous caveats, saying it has not yet had a chance to analyze other relevant factors such as actual travel speeds, total crash statistics, alcohol involvement, vehicle miles traveled and types of vehicles involved. Deaths on those rural sections of interstate roads account for less than 5 percent of total highway deaths.

Brian O'Neill, president of the Insurance Institute for Highway Safety, called NHTSA's preliminary data "even worse news than we expected."

IIHS also said that in New Mexico — the first state to raise the speed limit on rural interstate highways — the proportion of cars exceeding 70 mph was twice as high in November as in August and four times as high as in April when Congress first allowed breaching the national 55-mph limit.

INDEX

Classifieds	32
Coming events	13
Dealing with dealers	39
News briefs	8
Obituaries	6
Opinion	10
Personnel	26, 27
Truck industry	12

63rd year—No. 5214

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FRUSTRATION CHASER:

Driver presses a button, zaps road rivals — symbolically

CHARLOTTE, N.C. — Cruising down the freeway at 65 mph, the BMW driver barely avoids a collision with the tractor-trailer that just pulled into his lane.

The BMW driver doesn't curse or make an obscene gesture. Instead, he hits the button on a little black box on his instrument panel. Lights flash, and the driver rakes the truck with several rounds of simulated machine gun fire.

It's the Revenger, a $20 adult toy.

"We began shipping them out in early November," said Mike Grubbs, vice president of Express Yourself Inc., a toymaker in Charlotte. "The department stores are jumping on them."

There are options to the machine gun, Grubbs

said: "He could have blasted the truck with the death ray or my personal favorite, the grenade launcher."

Most buyers have been men in their 20s or 30s who want to "rub out" motorists who cut them off or cause them grief in bumper-to-bumper traffic, Grubbs said.

While some psychologists have said the device sets a poor example for children and could lead to violence, Grubbs said it can have beneficial effects.

The Revenger allows a driver to let out his anger without resorting to dangerous driving or obscenities, he said, and the sound cannot be heard outside the car.

"It's a fun way of dealing with your frustrations," he said.

"Because traffic is so bad in many parts of the country, there's a lot of frustration, and there's a need to reduce anger without the L.A. solution," said David McMahan, designer of the Revenger.

But he said the Revenger was designed before a series of freeway shootings last summer in Southern California.

— The Associated Press

TOYOTA TOYS

FROM PAGE 1

The All-Wheel Steer car and its soccer ball complement were the contribution of the Vehicle Testing and Research Department at the Higashi-Fuji Center, where most of the company's soccer team is employed.

The Human Piston featured a man peddling away, bobbing up and down inside, as a light indicating sparks flashed overhead. The idea was conceived by an engineer, Hideo Miwa, who wanted to demonstrate how a piston works to his son.

Other projects reflected more wishful thinking, such as the living car, which is a van that can expand into a living room, or the lazy man's fishing car that extends its own lake-side dock.

Although the engineering group keeps insisting on the fun nature of the exercise, there are certainly some productive crossovers. The engineers who produced the Full Road Runner had to learn about bodywork, fiber-reinforced plastics and painting to get their project off the ground.

Some patents were filed on the vehicle, but the governing group for the Idea Olympics does not want to identify them because it wants to downplay any quest for patents.

Six years ago, Takahiro Iwase, a director of the Toyota Engineering Society committee, filed a patent on his exhibit — a protractor that could rapidly determine the percentage of a given angle. But he cannot do anything with the patent because technically it belongs to the society, which refuses to sell or follow up on any patent.

Every year a large percentage of the entries are discarded for being too close to a real job situation. In 1987 there was a suggestion for automating the painting system that draws lines on a factory floor. Such ideas, presumably, are welcome in a suggestion box but not in a contest set up to inspire flexible creativity.

Also in 1987, one entry was labeled 3WS. The model included an extra wheel joined under the body that easily slipped into place in the event of a flat tire. It made the exhibit, but just barely. The vehicle was nearly too close to reality to make it.

Clockwise, from top left: Human Piston, done by an engineer who wanted to demonstrate how a piston works to his son; 3WS includes an extra wheel under the body that slips into place in the event of a flat tire; the living car, a van that can expand into a living room; all-wheel steering vehicle spins on a row of soccer balls

COMMERCE

FROM PAGE 1

anticipating total imported-car sales of 3.5 million vehicles, up from an estimated 3.1 million in 1987.

The increase in imported-car sales is expected to come from non-European producers. European importers are expected to sell 550,000 cars in the United States this year, 10,000 fewer than in 1987.

Japanese manufacturers will sell an estimated 2.4 million imported cars in this country in 1988, up from 2.1 million in 1987, the Commerce Department said. Sales of non-Japanese or non-European imported cars are expected to rise to 420,000 in 1988 from 290,000 in 1987.

"Japanese vehicles are likely to encounter growing sales resistance in 1988 as their prices rise to adjust for the fall of the dollar against the yen," according to a summary of the Commerce Department's projections by the staff of the Office of Automotive Affairs.

It added, "Continued upscale movement by the Japanese manufacturers will provide increased competition for U.S. and European producers. This expansion at the high end of the market could result in additional opportunities for new exporting countries at the low end.

"Further import penetration from new-entrant countries and increased domestic production from foreign-owned plants are expected to reduce traditional domestic vehicle producers' market share."

The Commerce Department forecasts little change in market share for the various segments. It predicts that small passenger vehicles will take 26.3 percent of the 1988 U.S. market compared to 26.4 percent in 1987.

Other market-share estimates are: compact cars, 31.2 percent this year, up from 30.9 percent in 1987; intermediates, 23.9 percent vs. 23.7 percent in 1987; and large/luxury models, 18.6 percent vs. 19.0 percent.

On the truck side, the Automotive Affairs staff said, "With the economy continuing to grow, truck sales are likely to continue to increase about 3 percent. Light-duty trucks and vans seem destined for greater market penetration. The continued market expansion by compact pickups and vans will be at the expense of passenger vehicles and full-sized pickups and vans.

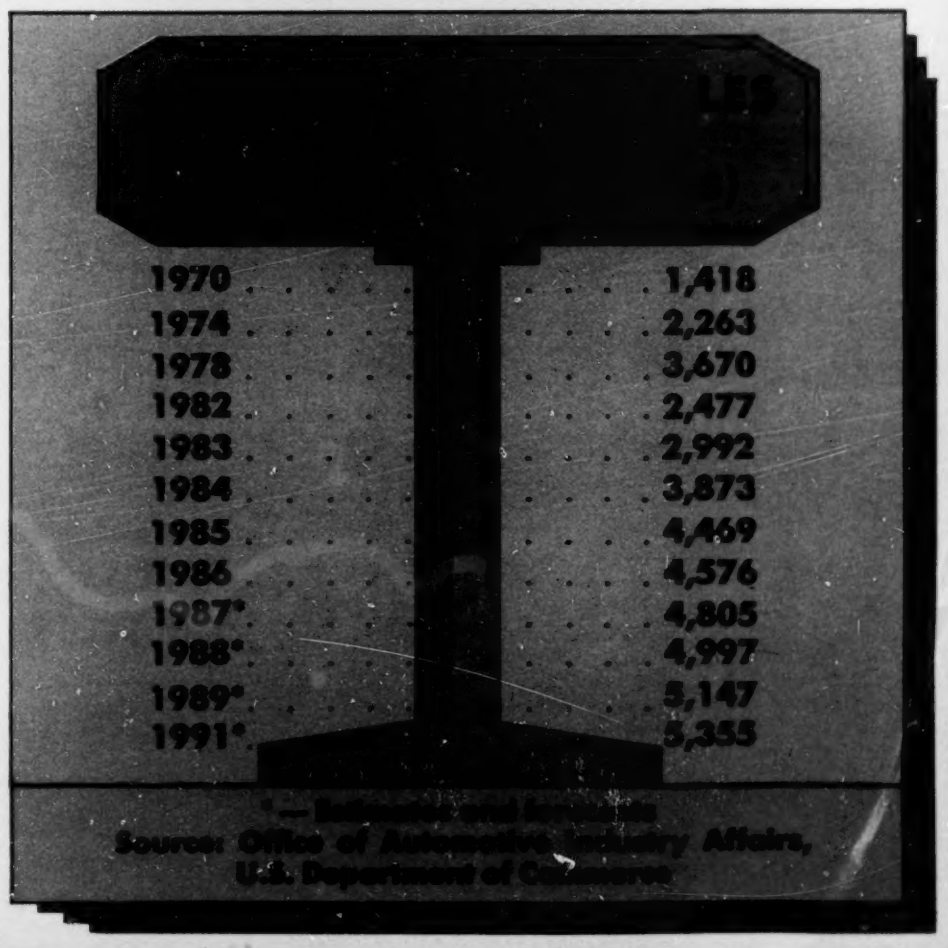
"The market for medium-duty trucks is likely to grow further as new products enter the market and as more businesses come to appreciate the inherent advantages of using these vehicles. Imports now seem firmly entrenched in this market segment, and further efforts to expand market share are inevitable.

"Expansion in the use of Class 7 vehicles where Class 8 vehicles previously reigned supreme is probable. As long as the economy continues to expand, even at a modest rate, Class 8 vehicle sales should remain relatively stable," the forecast said.

The Commerce Department is projecting an increase of about 2 percent in auto parts shipments in 1988 (based on constant dollars) in response to basically healthy overall vehicle sales.

The report warns, however, "The small increase could vanish if domestic Japanese manufacturers make sourcing decisions that exclude U.S.-located firms, or if U.S. parts firms are complacent about exporting."

Copies of the Commerce Department forecast, "U.S. Industrial Outlook 1988," can be obtained by sending $24 to: Superintendent of Documents, Washington, D.C. 20402.



GM plant closings tough on Detroit-area trucking firms

By Bradford Wernle
CRAIN NEWS SERVICE

DETROIT — Truck drivers on their usual holiday layoffs had more to be nervous about at the end of 1987 than in the past. Some of them weren't called back to work in January.

The closing of four General Motors plants in this area will hit some car-hauling companies particularly hard. Each GM plant contracts with only one car-hauling company, said Gerald Bodrie, GM's executive director of logistics operations.

The two companies most affected in the Detroit area will be:

Anchor Motor Freight Inc. in Birmingham, which handled traffic at the Chevrolet-Pontiac-Canada Group's G-car assembly plant in Pontiac. That plant and the companion Flint body plant closed early in December.

Complete Auto Transit Inc. in Bloomfield Hills, which served the Fleetwood and Clark Avenue Cadillac plants. Both plants closed in mid-December.

Tony Kosak, president of Anchor Motor Freight, a division of Cleveland-based Leaseway Transportation Corp., said it's too early to assess the impact. He said about 200 Anchor drivers serve — or served — three GM assembly plants in the Pontiac area. The others are the Orion Township plant and the Fiero plant.

Because Anchor has known about the impending closing for a long time, it has been able to restructure to "take away the sting," Kosak said.

Officials at Complete Auto, a division of Miami-based Ryder System Inc., declined comment on how many drivers might be affected.

Companies transporting parts to GM plants also will feel the pinch.

Robert Duffey II, president of Jones Transfer Inc., based in Detroit and Monroe, Mich., said his company normally lays off about 35 percent of its drivers during the holidays. Jones Transfer delivers automobile parts to GM.

Primarily because of automotive cutbacks, Jones Transfer laid off half of its nearly 1,000 workers in five states during the 1987 holidays.

The closing of the GM plants will cut annual revenues at Jones Transfer about 4 percent, between $2 million and $3 million, Duffey said. The company expects to have about $75 million in sales for 1987, he said. About 60 percent of Jones Transfer's revenues have come from the automobile industry, Duffey said.

Jones has begun to diversify its customer base by opening an air-freight trucking terminal in Romulus, Mich., and hauling goods for companies such as J.C. Penney and Frank's Nursery & Crafts, Duffey said.

Ed Eberle, executive vice president of Earl C. Smith Inc., said about 80 percent of his 200 drivers are usually laid off during the holiday season, primarily because of normal automotive slowdowns. Most of those laid-off drivers are based in Detroit.

Eberle said the GM closings will "certainly result in layoffs and cutbacks" at his company, though he said he could not predict how many workers might be permanently furloughed. Earl C. Smith should have had a break-even 1987 with revenues of about $14 million, he said.

He said increased business from newer GM plants like Detroit-Hamtramck and Orion Township will offset the closings somewhat. Earl C. Smith also is diversifying and is hauling freight for K mart Corp. and other non-automotive companies.

Frank Pearson, president of Express Freight Lines Inc. in Romulus, Mich., said the plant closings won't affect his company's business "one iota."

About three years ago, Express Freight Lines did about 35 percent of its business with American Motors. Another 10 percent came from Chrysler.

Its dependence on the struggling AMC nearly caused Express Freight to close. Pearson was hired in 1984 to shut the company down. Instead, he steered the company toward a more diversified base in general commodities.

Automotive business now accounts for about 2 percent of Express Freight's revenues, Pearson said.

He said the auto industry's price demands on trucking have driven many companies away.

"They've always got other companies standing in line" waiting to pick up the business, Pearson said. "Somewhere down the line, automotive will pay the penalty."

Ron Owens, president of Teamsters Local 299 in Detroit, said companies such as Express Freight are fooling themselves if they think they won't be affected. He predicted that every trucking company in the state will be hit by the plant closings.

Owens said he believes the GM closings will bring on a grave recession.

The closings will have a trickle-down effect, he said: Since plant workers won't be buying goods at grocery stores and elsewhere, other truck traffic will be slowed, too.

"If GM sneezes in this state right here, the economy gets pneumonia," he said.

Owens, whose union represents about 9,500 truck drivers and other workers in Michigan, said the full force of the GM closings won't be known until February or March.

"This thing is going to spread so far around this state, it's going to be like an atomic bomb hit the state," he said.

Owens said union officials have speculated that 500 to 1,000 of the union's members might lose their jobs because of the plant closings.

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Shop volume declines after 4 monthly gains

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

The Automotive News Service Index declined last October after four months of gains.

Service and parts business at new-car dealerships fell 0.7 percent below the October 1986 figure.

In September, the Service Index increased 5.0 percent over the year-ago month.

Shop business during the first 10 months of 1987 was up 2.6 percent over the same period in 1986.

There was no consensus among dealers on reasons for the October decline although service volume often mirrors car sales, which were down 12 percent in October compared with the year-earlier month.

Among dealers reporting service gains in October, a Northeast Chevrolet merchant said an increase in the labor rate and 1986's high new-vehicle sales volume contributed to his success.

A Northeast Ford dealer said he improved the management and attitude in his service department over the previous year.

And a Midwest Buick-Pontiac dealer said unseasonably low temperatures led to lots of radiator and heater repair business as well as tuneup work.

Shop parts sales (customer paid and warranty) led the business indicators in October with an increase of 2.7 percent over October 1986. Sales of all parts and accessories climbed 1.9 percent, and gross profit on all labor, parts and accessories sales rose 0.9 percent over the year-earlier month.

Repair orders written were down 5.7 percent, and total labor sales (customer paid and warranty) fell 3.4 percent in October.

Parts and accessories sales to off-premises customers rose 1.3 percent.

Gross profit on all labor, parts and accessories sales led the indicators for the first 10 months of 1987 with an increase of 5.4 percent. Sales of all parts and accessories rose 4.7 percent; shop parts sales climbed 3.6 percent; and total labor sales were up 1.7 percent.

Repair orders written fell 2.6 percent.

Parts and accessories sales to off-premises customers were up 5.5 percent for the first 10 months of this 1987 compared with the same period in 1986.

SERVICE INDEX 99.3★

	Oct. '87 vs. Oct. '86	10 mos. '87 vs. 10 mos. '86
Gross Profit on All Labor and P&A Sales	+0.9%	+5.4%
Repair Orders Written	−5.7%	−2.6%
Total Labor Sales (Customer & Warranty)	−3.4%	+1.7%
Shop Parts Sales (Customer & Warranty)	+2.7%	+3.6%
Sales of All P&A	+1.9%	+4.7%

★ Survey by Automotive News shows that dealers' service and parts business in October 1987 was 99.3 percent of business in October 1986. Service business in the first 10 months of 1987 was 102.6 percent of business in the corresponding period in

STAND-IN

Kirk in primaries as Iacocca backer

TALLAHASSEE, Fla. — Former Florida Gov. Claude Kirk announced that he will be a candidate in the Democratic presidential primaries as a stand-in for Chrysler Corp. Chairman Lee Iacocca.

Kirk said he has filed petitions to be placed on the New Hampshire primary ballot and has taken steps to be placed on the Florida ballot.

"We also will move as quickly as possible to qualify in at least 20 states in order to obtain matching federal campaign funds," Kirk said.

In addition, the Maryland secretary of state has placed Iacocca's name on the ballot for the March 8 primary without consulting Iacocca.

A spokesman for the Chrysler chairman said, "Mr. Iacocca has said repeatedly he is not a candidate. That remains his position. He is interested in policies, not politics."

"I know Lee has said he is not interested in running for president," Kirk said.

"But I think I know him well enough that if his country calls, he will respond," he said.

Kirk, who was governor of Florida from 1967 to 1970, said he wants "to go to the Democratic nominating convention with enough delegates to generate a draft for Mr. Iacocca."

Automotive News

January 11, 1988

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63rd year—$55.00 per year, $1.50 per copy

Ford tops Chevy in sales war

First win since '57 in non-strike year

By David Versical and Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTERS

Longtime division rivals Ford and Chevrolet are stepping into 1988 giving early signs of another dogfight for the industry sales crown.

For the first time in three decades, though, Ford is beginning a new year as the undisputed champion rather than the challenger.

Ford tallied 2,869,861 car and truck sales for 1987, good enough to top Chevy (2,692,246) for the first time in a non-strike year since 1957. Ford won in 1959 when Chevrolet was crippled by a steel strike; Ford made much of its own steel. And Ford was on top in 1970 when a UAW strike shut General Motors for two months.

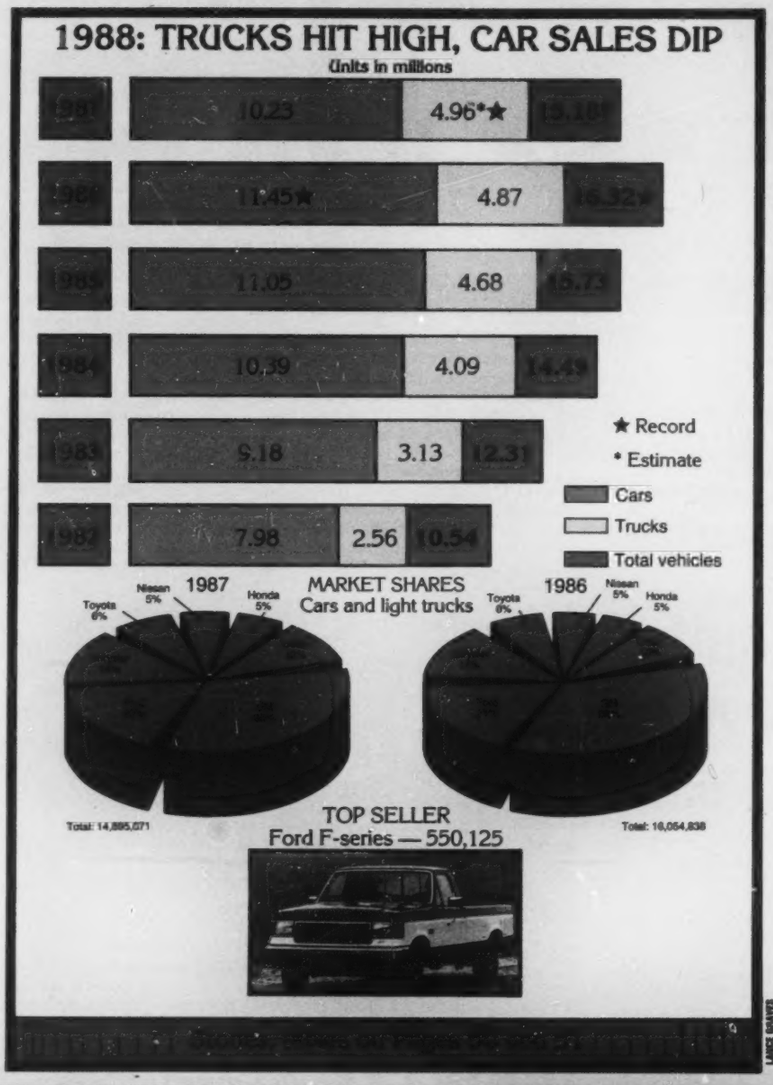
Ford boosted its 1987 market share to 13.9 percent on the car side and 29.1 percent on trucks, the company said.

Chevy, though it sold more cars than Ford during the year, gave up market share while recording 218,000 fewer car sales in 1987 than it did the previous year. Its share of the light-truck market fell by more than 1.5 points.

But the division already is charting its counterattack.

"Chevrolet has been and will be a competitive force in the market," said Thomas Staudt, general marketing manager, at GM's grand product display in New York. "One

see SALES WAR, page 51



LANCE GRAVES

GM awaits major pact with China

By Michelle Krebs and Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTERS

General Motors is expected to announce "within weeks" a major deal in China that would ultimately result in production of commercial vehicles, automobiles and components.

The agreement could involve Fuji Heavy Industries, the maker of Subaru cars, a company with which GM has not previously worked.

GM President Robert Stempel said GM is awaiting final approval from the Chinese government. A series of proposals is being examined by the Chinese government.

Meanwhile, in Japan, Fuji said it is conducting a "pre-feasibility study" along with GM and a Chinese company called Second Automobile Works in Sian on the production of small cars in China.

Stempel declined to identify any possible joint-venture partners, saying GM has talked to a number of companies.

The announcement, which may be made later this month, would outline an overall plan, the details of which would be worked out later.

Fuji said the objective of the study is a project that would require the cooperation of all three — GM, Fuji and the Chinese automaker. But Fuji said nothing has been decided on details such as scale, investment levels or dates — or even how the three parties would participate.

Japanese press reports, however, are already offering details, such as an overall project cost of $4.1 billion and a production goal of 300,000 units a year of a 1.5-liter model.

The reports said Fuji would be responsible for the technological end of the project and that GM would provide financial assistance.

Most reports said that the Chinese called GM into the picture. Analysts suggested the Chinese may be looking for a stronger financial package

see CHINA, page 48

GM show called good start

Cars, programs applauded at image-boosting event

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — A sampling of the 14,000 guests who attended General Motors' show at the Waldorf-Astoria Hotel last week described the event in a single word: impressive.

But now that it is over, they were quick to add, GM has to produce results.

Most attendees interviewed by Automotive News said the show did what it was designed to do:

It showed off present and future products that are not the look-alikes of GM's recent past. It provided proof that the investment in modernization and technology is paying off. It demonstrated that union-management relations are much improved. It boosted the morale of dealers and employees as well as the confidence of suppliers and some financial analysts.

And perhaps it even elevated GM's public image — an image that has been badly damaged by sagging sales and profits and incidents like the $750 million buyout of Electronic Data Systems founder H. Ross Perot.

One corporate executive attending the black-tie dinner Tuesday for business, government and community leaders said he admired GM for the gutsy effort, particularly in light of the bad press the automaker has received in the past few years.

Ann Knight, auto analyst for Paine Webber Inc., noted that a substantial part of GM's problem has been its image.

"There's a risk that the show will be viewed as an extravaganza or it will be perceived as just fluff with no substance, though I don't think that's true," she said.

GM Chairman Roger B. Smith said the three-day show — the largest exhibit of GM products and technology in the automaker's history — was a report card on the company's progress since his administration took over in 1981 and set a new course.

see GM SHOW, page 49

AUTOMOTIVE NEWS-JOE WILKENS

Designer Ed Welburn talks with stockholders, who use tail of $1 million Aerotech as coffee table

NEWSPAPER

INSIDE:

Dedeurwaerder quits, cites rift with Levy — Page 2
Pontiac, Oldsmobile price their GM10s — Page 3
'89 Continental to have air bags — Page 6

Pontiac, Olds price their GM10s

Grand Prix is $12,539; Cutlass Supreme tagged at $12,846

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — General Motors has announced prices and special introductory offers on the front-wheel-drive Pontiac Grand Prix and Oldsmobile Cutlass Supreme, the latest versions of the GM10 cars.

GM10 is the automaker's $5 billion program to virtually replace its mid-sized car lines. The Buick Regal, the first of the GM10 cars, bowed last fall. Chevrolet's version, which replaces the Monte Carlo, will be introduced in the middle of the 1989 model year as a 1990 model. The GM10 sedans will begin appearing at the start of the 1990 model year.

J. Michael Losh, Pontiac general manager, said the division has 60,000 dealer orders for the 1988 Grand Prix, which is now on sale nationally. GM's assembly plant in Kansas City, Kan., the only plant producing the Grand Prix, will be able to build 75,000 to 80,000 cars in the remainder of the model year.

The base Grand Prix is priced at $12,539, the up-level Grand Prix LE at $13,239 and the performance-oriented Grand Prix SE at $15,249.

Those prices compare to $11,069 for the rear-wheel-drive 1987 Grand Prix, $11,799 for the 1987 Grand Prix LE and $12,519 for the 1987 Grand Prix Brougham. Pontiac did not have a Grand Prix for sale during the first part of the 1988 model year.

Oldsmobile, however, continued to sell the rwd Cutlass Supreme during the early part of the model year, and increased the prices of the rwd models when they were introduced as 1988s. Production of those cars ended in December. Oldsmobile said the base prices on the new Cutlass Supreme models are lower than the base prices of the 1988 rwd versions though the new ones have more standard equipment. The fwd Cutlass Supreme is on sale now.

The base price on the new fwd Cutlass Supreme Classic is $12,846. That is $317 less than the 1988 rwd Cutlass Supreme Classic.

The base price of the up-level Cutlass Supreme SL is $13,495, which is $500 less than the 1988 Cutlass Supreme Classic Brougham.

But Oldsmobile hiked prices about $1,600 for the limited run of the 1988 rwd Cutlass Supreme. Thus, the base fwd model is $1,307 more than the base 1987 unit, and the SL is $1,117 more than the 1987 rwd Brougham.

Oldsmobile said that on a popularly equipped basis, the new Cutlass Supreme and Cutlass Supreme SL are priced $783 and $1,046, respectively, below comparably equipped 1988 Cutlass Supreme Classic models.

The base price of the top-of-the-line Cutlass Supreme International Series is $15,644.

Oldsmobile expects that the plant in Doraville, Ga. — the only one producing the Oldsmobile GM10 car — will be able to build about 90,000 Cutlass Supremes during the remainder of the model year.

Oldsmobile Cutlass Supremes equipped with air conditioning and assembled by March 2 will feature a $300 savings. Air conditioning is a $775 option.

Customers who buy a Pontiac Grand Prix with any of the three option packages offered will save $300 if they purchase the car before March 3.

Pontiac said the offer is being made in conjunction with the 1988 Grand Prix SE winning the Motor Trend Car of the Year award, announced last week.

Both the Pontiac and Oldsmobile GM10 cars have more standard equipment than their predecessors.

Both are powered by a 2.8-liter engine with multiport fuel injection. Both have four-wheel independent suspension, four-wheel power disc brakes and a stainless steel exhaust system.

The base Oldsmobile Cutlass Supreme has among its standard equipment an AM/FM stereo radio, four-speed automatic transaxle, composite halogen headlamps and tinted glass. An instrument panel cluster features a digital speedometer, trip odometer and electronic analog fuel gauge.

The Cutlass Supreme SL has an upgraded interior with a 55/45 split seat with driver and passenger side recliners, wide body-side moldings, dual outside remote control mirrors, power trunk release and lower body accent color.

The International Series model has, in addition, air conditioning, a touring car suspension system, upgraded Goodyear Eagle GT tires on cast aluminum wheels and a five-speed manual transaxle instead of the four-speed automatic otherwise standard.

The base Pontiac Grand Prix also has an AM/FM stereo as standard equipment. Its instrument cluster includes an electronic digital speedometer and analog fuel gauge.

The LE has, in addition, power windows, split folding front seats with folding armrests, integrated headrests in the rear seats with folding armrests and pass-through access to the trunk as standard equipment.

The Grand Prix SE has additional standard equipment that includes a five-speed Getrag manual transaxle, dual exhaust, up-level Eagle GT tires and a special suspension package.

Chrysler offers $500-$1,000 to Jeep and Eagle buyers

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — On Jan. 20, Chrysler Motors will begin mailing coupons worth $500 to $1,000 on selected Jeep-Eagle models to 2.4 million owners of American Motors, Jeep and Renault vehicles and owners of competitive makes.

The direct-mail program will help launch Chrysler's new Jeep-Eagle Division — formerly AMC-Jeep-Renault — and build traffic for the division's new flagship car, the $15,000 (typically equipped) Eagle Premier sedan.

In addition to the coupon, the mailing will include an eight-page brochure on all the Jeep-Eagle vehicles and a letter from Chrysler Corp. Chairman Lee Iacocca inviting the recipient to visit his or her local dealer. Dealers also may use follow-up postcards provided by Chrysler Motors to contact recipients living in their areas.

Coupons will become valid Feb. 3 and may be used in connection with any other rebate Jeep-Eagle offers during that period, according to dealers. Coupon holders must order vehicles by Feb. 29 or purchase them from dealer stock by April 5.

Buyers with coupons will receive $500 off the price of any 1988 Eagle Medallion wagon or sedan, Eagle Premier, Jeep Comanche and Jeep Cherokee. Coupon holders also will receive $750 off the price of any 1988 Jeep Wagoneer or $1,000 off the price of a 1988 Jeep Grand Wagoneer.

Incentives on leftover 1987 Alliance GTAs will be announced soon, according to Jeep-Eagle dealer sources.

Buick is billing Reatta as a sports car without all the negatives

Buick ready to unveil image-building Reatta

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

Buick will officially introduce its two-seat Reatta luxury coupe this week. The division expects big payoffs from the car, though not in terms of high sales volume.

Buick officials are looking to the Reatta, an exclusive Buick product, to shed a halo effect over its other car lines in order to stem the sales slide that has been going on since 1984. The Reatta symbolizes Buick's recently defined image as General Motors' premium American motor car division, second only to Cadillac.

The Reatta will be in dealer showrooms later this month. The price will be announced Friday at the Detroit Auto Show. The car is expected to be priced around $27,000.

"We want this car to have demand that exceeds capacity," said John Dabels, Buick general director of divisional marketing. "We want it to enhance our image. We don't expect high volume."

In fact, volume is estimated at about 5,000 during the 1988 model year, climbing to a maximum of 20,000 in its first full year of production.

Even though the two-seater market has exploded with entries in the past few years, Buick officials are convinced the Reatta will create a new niche in the segment. Buick is billing the Reatta as a sports car without all the negatives associated with a sports car.

During the numerous clinics Buick has conducted since development of the Reatta began in 1979, participants complained that two-seaters are difficult to get in and out of, not roomy enough and uncomfortable because they are so low to the ground.

Reatta, Buick officials claim, eliminates those complaints while retaining a sports-car appearance. Dabels said Reatta has a full-sized trunk that can accommodate two sets of golf clubs or a pair of skis. In addition, it has storage space behind the driver and passenger seats. It also offers a comfortable ride and a higher bench-seat height so the driver doesn't feel like he is riding close to the ground.

Buick expects Reatta to have broad appeal. Clinic participants expressing an interest in the car ranged in age from 23 to 63, Dabels said. Research shows potential Reatta buyers are executives, professionals and managers — both men and women.

Buick plans to expose the car to the public through various, nontraditional means. For example, a Reatta has been on display in the front window of the science museum in Charlotte, N.C. A Reatta will be displayed in an exhibit about an Egyptian pharaoh that Buick is co-sponsoring in Denver.

Dabels said Reatta will require more personal selling than most cars. Dealers will receive special training on how to sell the Reatta before they receive a car for their showroom. Dealers will be encouraged to invite potential buyers into their dealership to test-drive the car. A direct-mail package, containing a cassette explaining the car, will be sent to potential buyers.

Reatta is powered by GM's new 3800 V-6 engine, featuring balance shaft, roller lifters and sequential-port fuel injection paired to a four-speed automatic transmission. The engine develops 165 horsepower. The mileage rating is 19 mpg in the city and 29 mpg on the highway.

Reatta is 182.8 inches long, has a 98.5-inch wheelbase and weighs 3,350 pounds. By comparison, a Riviera is 187.2 inches long, rests on a 108-inch wheelbase and weighs 3,360 pounds.

The Reatta has a long list of standard equipment including anti-lock brakes, Gran Touring suspension and air conditioning. The only options available are a power-operated sunroof and a 16-way adjustable driver's seat.

A convertible version is scheduled for introduction next year.

INDEX

Auction dates	37
Books of interest	22
Classifieds	38
Coming events	31-32
Dealing with dealers	24
Engineering	18, 20
News briefs	8
Opinion	10
Personnel	26-28
Production	52
Sales, car	50
Sales, import car	50
Sales, truck	51
Truck industry	14

63rd year—No. 5215

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Industry copes with Pennsylvania spill

PITTSBURGH — The collapse of a storage tank that dumped about one million gallons of diesel fuel into the Monongahela River splashed problems onto some important elements of the auto business.

It has, for example, led to production curtailments, the temporary closing of at least two research centers and corporate headquarters, the shutdown of commercial car washes and the threat of more of the same to come.

Suburbs on the Monongahela and on the Ohio River downstream from this city quickly experienced acute water shortages after the Jan. 2 spill because most of the water they use in households, sanitation sewers, fire department systems and industrial processing comes from the rivers.

As the oil was carried by the current to community after community, the demand for water fanned out into an expanding pattern creating more shortages.

Cleanup efforts and damage assessments continued last Friday. Ashland Oil Co., the tank's owner, the EPA and the U.S. Coast Guard are involved in those tasks, and they say the work may take months.

While industry representatives in the area said the water situation was serious, none termed it critical. Aside from some inconvenience, new-car dealers reported no problems, said Thurman R. Brendinger, executive director of the Pittsburgh Automobile Trade Association.

Mobay Corp. in Robinson Township trimmed the workforce to only the essential — such as computer operations — at its headquarters and research center. The composites supplier kept at work only about 200 of the 1,200 employees normally on the site.

USX Corp.'s USS coke-making in Clairton was curtailed for three days because EPA and Coast Guard pollution-containment equipment restricted movement of barges bringing coal to the plant. The company said customer shipments were not affected. It said process water for its steelmaking was being filtered and used normally.

At Crucible Materials Corp.'s research and development center in Clairton, 80 workers were sent home and the center was shut down temporarily. In Bridgeville, Cytent Specialty Steel Co., a division of Cyclops, closed indefinitely.

SAE, in Warrendale, on the other hand, was taking such mundane water-saving steps as switching to paper plates and cups in its cafeteria.

BOOK REVIEWS

WORLD AUTOMOTIVE DIGEST 1987, Planning Research & Systems PLC; PRS Business Publications, Short Run Press Ltd., Exeter, England. 388 pages; hardcover; $295.

The first edition of a worldwide market yearbook for the automotive industry has been put together by Planning Research & Systems, a London-based business consulting group that specializes in automotive and component research.

A world overview is included along with sections on developments in automotive technology. Profiles of vehicle manufacturers are featured.

Data on car and commercial-vehicle production and registrations is provided. Vehicle component use is covered, and recent technological trends are analyzed. A listing of major component producers and their inter-relationships is another feature.

STAR CARS, Beki Adams, Osprey Publishing Ltd., 27A Floral St., London, England, WC2E 9DP. 128 pages; hardcover; $18.80.

More than 120 color photos of famous cars are compiled in this portfolio for car enthusiasts. Exotic cars featured in films and on television are highlighted, as are unusual cars owned by famous persons.

Star cars that are or were owned by cult figures are in the collection. Some of the more famous cars featured are tributes to their owners. James Dean's Porsche and Elvis Presley's and Steve McQueen's cars are focal points.

There are also cars that are stars. Knight Rider would be nowhere without his car KITT, and how could the Dukes of Hazzard excel at the chase without General Lee? Of course, there is Herbie the Love Bug. And, curses: the Batmobile.

STANDARD CATALOG OF AMERICAN CARS 1946-1975, John A. Gunnell, editor; Krause Publications, 700 E. State St., Iola, Wis.; 800 pages; softcover, $24.95.

A one-volume library of postwar cars has been compiled to provide the collector or enthusiast with facts about thousands of cars built in the 30 years following World War II.

Each entry features a description of the car, specifications, historical footnotes and appraised value. There are more than 1,500 photos, and even low-volume cars like Airscoot to Yenko are included.

Sixteen experts were consulted to compile data for this catalog.

HOW TO OUTSMART THE NEW-CAR SALESMAN, Gary Carr, Collier Books, MacMillan Publishing Co., 866 Third Ave., New York, N.Y. 141 pages; softcover; $6.95.

Buying a car and negotiating the best deal is the subject of this guide for consumers and for automotive salespeople. The book begins with "straight talk" about the auto business from a car salesman.

Chapters include tips on how to be prepared before visiting a car dealership and how to take control of your sale as well as how to avoid certain known pitfalls connnected with a used-car purchase. A glossary of car jargon and how to use it is included. Terms like APR, buying down interest rates and the flip or the grape are defined.

THE CAR BUYER'S ART, Darrell Parrish, Book Express, P.O. Box 1249, Bellflower, CA 90706. 183 pages; softcover; $7.95.

A step-by-step guide on how to shop for a used car has been written by a former car salesman who teaches the art of buying a car at colleges and to corporations.

The book could be useful for anyone considering buying a used car as well as for people in the business of selling vehicles. The author explains why it's vital to shop and buy on different days and why a buyer should shop with someone rather than alone.

A profile of a car salesman, a dealership and its management are featured. There is a brief sketch of the marketplace, and there is a chapter that explains financing and contracts. The author steers consumers away from private sellers or car rental companies and suggests that prospective buyers go to new-car dealers.

CREDIT LIFE AND DISABILITY INSURANCE, Gary Fagg, CLICO Management Inc., 11801 N. Tatum Blvd., Suite 246, Phoenix, AZ 85028. 565 pages; hardcover; $40.

This book provides a review of credit insurance and could be a useful guide for financial institutions, actuaries, accountants, attorneys and persons in the auto industry. It gives a history of the industry and talks about regulation, consumer attitudes and claim costs.

Appendices include breakdowns of data on regulatory requirements regarding rates, compensation and loss ratios. There's also a glossary of insurance terms.

It should be helpful for anyone working with sales, marketing, claims, administration actuarial accounting or taxes.

JEEP: MECHANICAL MULE TO PEOPLE'S PLAYTHING, Henry Rasmussen, Motorbooks International; P.O. Box 2 -Rev, 729 Prospect Ave., Osceola, WI 54020. 128 pages; hardcover; $24.95.

A profile of the Jeep in pictures and words has been compiled by photographer Henry Rasmussen. The book features 80 color photos of the original Willys, military Jeeps and first civilian Jeeps. It also includes off-the-road vehicles and racers.

MACK: BULLDOG OF THE AMERICAN HIGHWAY, HENRY RASMUSSEN, MOTORBOOKS INTERNATIONAL: P.O. Box 2-Rev, 729 Prospect Ave., Osceola, WI 54020. 128 pages; hardcover; $24.95.

Henry Rasmussen has captured the Mack truck on film and compiled 80 color photos to highlight the truck's history. Restored vintage Macks, modern trucks, conventionals, cabovers, Macks on the road and at rest and in roadside graveyards are featured.

AERODYNAMICS OF ROAD VEHICLES, edited by Wolf-Heinrich Hucho, Butterworths, University Press, Cambridge, England. 566 pages; hardcover. Distributed in North America by SAE, Dept. 676, 400 Commonwealth Drive, Warrendale, Pa. $60.

A short course on the aerodyamics of passenger cars, light vans, commercial vehicles, sports cars and race cars is provided in this detailed text edited by a former research and development executive for Volkswagen AG.

It should be useful for vehicle engineers. The book focuses on: fundamentals of fluid mechanics, experimental results presented as ground rules of fluid mechanics, and design strategies showing how results can be combined to provide general solutions.

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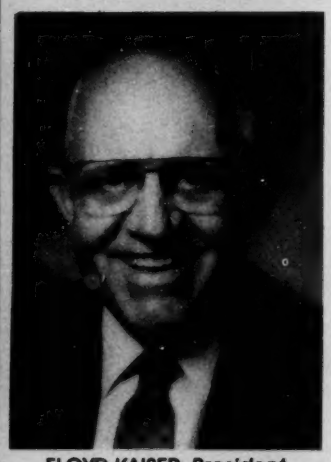

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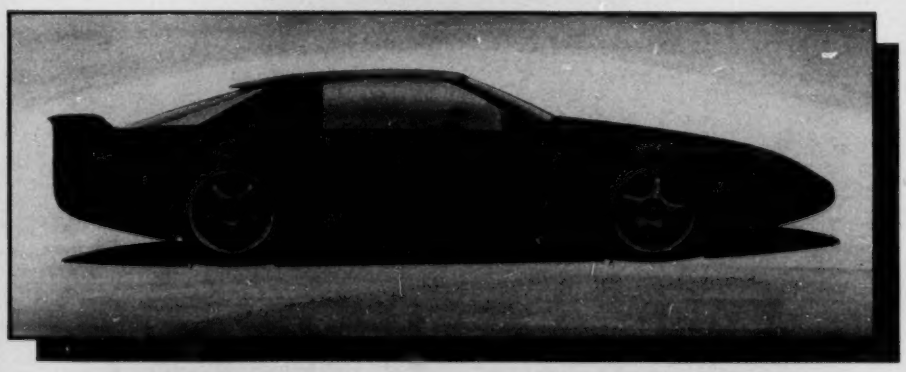

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Accident tab $74 billion, NHTSA says

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — NHTSA has estimated that motor-vehicle crashes cost Americans more than $74 billion in 1986. The crashes resulted in more than 46,000 deaths, 3.4 million injuries and 45 million damaged vehicles during the year.

The safety agency said the numbers mean that motorists not involved in collisions during 1986 paid an estimated $97 each in related insurance costs.

NHTSA Administrator Diane Steed said, "Nearly $60 billion of the economic loss could be saved if crashes, injuries and deaths were reduced. If we can continue to increase safety belt use, enforce posted speed limits and crack down on drunk driving, we can go a long way toward ending this drain on our financial resources as well as preventing human tragedies."

Steed said that more than 90 percent of 1986's traffic accidents involved no personal injury, but accounted for most of the $27 billion in property damage — the largest single factor of the total cost.

In crashes causing injury and death, the costs were $16.4 billion in economic productivity, $4.1 billion in medical expense and $3.8 billion in attorney's fees and other court costs.

NHTSA broke down the cost of motor-vehicle accidents in 1986 this way:

Category	Cost (billions)	Share (pct.)
Property losses	$27.37	36.9
Insurance expense	$20.86	28.1
Productivity losses	$16.38	22.1
Legal & court costs	$ 4.32	5.8
Medical costs	$ 4.12	5.6
Emergency costs	$ 0.70	0.9
Other	$ 0.45	0.6
TOTAL	$74.20	100.0

Toyota adding port facilities

BALTIMORE — Whiting-Turner Contracting Co., Baltimore, has designed and is building a $13.1 million marine terminal and new-car processing center here for Toyota Motor Sales U.S.A.

The Maryland Port Administration said Whiting-Turner is constructing the facility on a 51-acre site. The project is scheduled to be completed by Aug. 31.

The facility will incorporate a first-of-its-kind production line for the installation of optional accessories at the port, the port administration said.

Toyota will operate the terminal under a 15-year lease as its primary point of entry in the mid-Atlantic area. The company currently moves about 90,000 vehicles through Baltimore each year.

Audi in Trans Am series

TROY, Mich. — Audi of America this year will take part for the first time in the Sports Car Club of America Trans Am series. Drivers Hurley H. Haywood, Walter Roehrl and Hans-Joachim Stuck will pilot two Audi Quattros.

COMING EVENTS

FROM PAGE 31

Feb. 4-13 — Amsterdam Truck Show, Amsterdam, Netherlands
Feb. 4-13 — RAI Commercial Vehicle Show, RAI International Exhibition Centre, Amsterdam, Netherlands, 31-20-549-1212
Feb. 5-7 — Michiana Auto Show, Century Center, South Bend, Ind., (219) 291-0425
Feb. 6-14 — Columbus Auto Show, Veteran's Memorial, Columbus, Ohio
Feb. 10-14 — Greater Milwaukee Auto Show, Milwaukee Exposition & Convention Center & Arena, Milwaukee, (717) 657-1310 or (800) 345-1487
Feb. 10-14 — Buffalo Auto Show and Trade Exposition, Buffalo Convention Center, Buffalo, N.Y., (216) 241-1199
Feb. 11-14 — Tarrant County Auto Show, Tarrant County Convention Center, Fort Worth, Texas
Feb. 13-21 — Chicago Auto Show, McCormick Place, Chicago, (312) 698-6630
Feb. 16-21 — Pittsburgh Auto Show, David L. Lawrence Convention Center, Pittsburgh, (412) 373-8380
Feb. 18-28 — Toronto International Auto Show, Metropolitan Toronto Convention Center, Toronto
Feb. 24-28 — Edmonton International Auto & Truck Show, Edmonton Northlands Exhibition Park, Edmonton, Alberta
Feb. 25-28 — Metropolitan Auto Dealers Association Auto Show, Myriad Convention Center, Oklahoma City, (405) 949-9988
Feb. 26-March 6 — Cleveland Automobile Dealers Show, I-X Center, Brookpark, Ohio (216) 241-1199
Feb. 26-March 6 — Orange County International Auto Show, Anaheim Stadium, Anaheim, Calif., (800) 521-3833
March 2-6 — San Diego International Auto Show, San Diego Convention & Performing Arts Center, San Diego
March 2-6 — Atlanta International Auto Show, Georgia World Congress Center, Atlanta
March 3-6 — Greater Richmond International Auto Show, Richmond Centre, Richmond, Va., (804) 358-2277
March 3-13 — Geneva Auto Show, Palexpo Exhibition Centre, Geneva, 41-22-98-11-11
March 4-13 — Greater Minneapolis and St. Paul Auto Show, Hubert H. Humphrey Metrodome, Minneapolis, (612) 831-8019
March 10-13 — Louisville New Car Show, Kentucky Fair and Exposition Center, Louisville, Ky.
March 10-13 — Capital District Auto Show, Wmpire State Plaza, Albany, N.Y., (518) 438-0584
March 17-20 — Tulsa Auto Show, Expo Square-Tulsa State Fairgrounds, Tulsa, Okla., (918) 493-7272
March 18-20 — Northwood Institute Auto Show, Northwood Institute's Florida Campus, West Palm Beach, Fla., (305) 478-5515
March 19-27 — Stockholm International Motor Show, Stockholm Fair, Alvsjo, Sweden, 46-08-783-8000
March 24-27 — Greater Raleigh-Durham International Auto Show, Raleigh Civic and Convention Center, Raleigh, N.C., (804) 358-2277
March 25-April 3 — Belgrade Auto and Truck Show, Belgrade, Yugoslavia
March 30-April 3 — Arizona Auto Show, Phoenix Civic Plaza, Phoenix, Ariz., (213) 444-5202
April 2-10 — Greater New York International Automobile Show, Jacob Javits Convention Center, New York, (718) 746-5900
April 6-10 — Western New England International Auto Show, Eastern States Exposition Center, Springfield, Mass.
April 14-17 — Greater Memphis Auto Show, Memphis Convention Center Complex, Memphis, Tenn., (901) 755-1530

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FROM COVER PAGE

of consumer confidence than we have observed to date."

He assigns a recession scenario a 20 percent to 25 percent possibility. Even if it were to occur, he said, it would be milder than the past two recessions because it would not be accompanied by an oil-price shock as the last two were.

At worst, Eads said, 1988 auto sales would drop 1.5 million to 2 million units below 1987 levels in a recession.

Chrysler economist Donald Hilty said the company's grimmest scenario for falling vehicle sales and a recession this year most likely would result only from a "shock" to the economy caused by either a dramatic increase in the price of oil or interest rates.

Although Chrysler has an "average recession" scenario of 9.0 million cars and 4.4 million trucks (13.4 million total), Hilty does not believe there will be a recession this year. However, he does believe a recession is on the way.

"I join those who think that maybe 1989 is the soft year," Hilty said. "The elections will be over. Modern politicians seem to like to take their recessions early in their term, so a new administration might say, 'Let's get rid of some of the imbalances in the economy, and let's do it early rather than late; so let's get it over with now.' "

Martin Zimmerman, Ford economics director and chief economist, is not anticipating a recession at this time.

"The big development, of course, is the stock market decline, but as we analyze it, there were some important offsetting events that I think will prevent the U.S. economy from going into a recession," Zimmerman said.

Among those key offsetting occurrences, he cited lower interest rates following Black Monday, and the decline in the value of the dollar, which helps U.S. exports and provides a stimulus to the economy.

At the other end of the spectrum, the Big 3 economists say the 1988 economy could turn out to be more robust than they are predicting, and vehicle sales could be a half million or more units higher than expected.

However, the economists give that scenario an even less likely possibility than a recession.

The most likely economic scenario for 1988 is one agreed upon by all of the Big 3 economists, with some variations.

It calls for slow U.S. economic growth (gross national product), inflation (consumer price index) running at about the same level as 1987, the unemployment rate remaining stable and the U.S. dollar continuing to depreciate.

The economists predict U.S. economic growth in 1988, as measured by the GNP, will run at 1 percent to 2 percent. That compares to about 3 percent in 1987.

That slower-growth economic scenario indicates that inflation, as measured by the CPI, will remain in check somewhere between 4 percent and 5 percent, the economists forecast.

The Big 3 economists agree they will have to keep a close watch on consumer confidence throughout the year.

They predict that 1988 consumer attitudes will not be at the peak levels of 1987, but will stay steady at present levels. They admit that consumer confidence was not damaged as badly as they thought it would be following the October stock-market collapse.

Chrysler measures consumer confidence through a combination of the University of Michigan survey and the Conference Board survey. Despite recent drops, Hilty said, it appears a quick recovery in consumer confidence is possible.

He added that consumer responses about this not being a good time to purchase a new car could be nothing more than "post-incentive realism."

Hilty believes the key to success or failure of the U.S. economy in 1988 will be the "wealth factor," as measured by various indices of financial market activity and how individual consumers react to it.

GM economist Eads finds reason for optimism relating to consumer attitudes in the fact that they did not deteriorate as much as they might have following the Oct. 19 experience.

"Consumers have come through that one initial shock in remarkably good shape," Eads said. "There clearly has been a reduction (in confidence). But if you look at what we think it would take to have a very serious impact, the reduction has been small."

However, Eads warned, future levels of consumer confidence will depend on how people perceive the continual drop in the U.S. dollar and the efforts to reduce the federal budget deficit.

Like all economists and business leaders, the Big 3 economists are concerned about the the long-term effects of the trade deficit and the federal budget deficit, as well as the need to reverse or correct the problems.

In that regard, Hilty said he believes the Oct. 19 stock market crash may have been a positive factor because "it got people's attention" directed at those problems.

Hilty said it has taken the United States eight years to get this deeply into the trade deficit and budget mess, and that he believes it will take more than just a couple of years to get out of it. He said the best way to make progress is to become more competitive, otherwise the nation will have to lower its standard of living, "inflate its way out it," sell land and other assets or renege on its debt.

Ford's Zimmerman is not only able to see some good in the stock market crash, but he also sees something positive, albeit symbolic, in the short-term budget-deficit agreement recently hammered out by Congress and the Reagan administration.

"Given the decline in the (stock) market, the concern about the weakening in the economy and concerns about the loss of confidence by the consumer, I didn't think this was the time to totally eliminate the deficit," Zimmerman said. But the $30 billion reduction is OK. It's not going to be too contractionary for the economy."

Zimmerman concedes there was "a certain element of smoke and mirrors" in the form of asset sales and one-time gains in the agreement that left less than $30 billion in long-term deficit reduction.

"What was important was the symbolism of the whole thing," he said. "There was this fear that we were leadership-dead, that they couldn't get any package out of Washington. The fact that they came kicking and screaming to the table and fashioned an agreement that really nobody likes — that's good."

Eads, who served on President Carter's Council of Economic Advisers, is less optimistic. He believes the Reagan administration and Congress missed a golden opportunity to reduce the deficit.

The GM economist calculates that the $30 billion deficit-cutting package will amount to only about half of that in true cuts, which will not be particularly meaningful.

SALES

DOMESTIC CAR SALES

	Dec. 27, to Dec. 31, 1987	Same Period, 1986	Dec. 1987	Same Month 1986	Jan. 1 to Dec. 31, 1987	Same Period, 1986
Alliance	608	1,920	1,121	3,713	24,770	65,609
Eagle	197	208	525	635	4,564	7,239
Premier	192	0	192	0	192	0
Total Eagle	997	2,128	1,838	4,348	29,526	72,848
Horizon	1,227	3,616	2,848	8,893	46,460	111,092
Sundance	2,119	2,294	5,214	4,464	75,883	20,340
Turismo	96	668	230	3,107	16,991	44,742
Reliant	3,916	4,619	10,768	12,727	105,919	130,043
Caravelle	1,081	1,160	2,888	3,625	36,077	39,138
Gran Fury	172	598	470	1,369	7,782	17,443
Total Plymouth	8,611	12,955	22,418	33,825	289,112	362,798
Laser	0	363	0	827	4,308	27,762
LeBaron K	1,153	1,773	2,832	4,874	54,746	93,761
LeBaron J	3,440	541	9,004	822	87,802	831
LeBaron GTS	796	1,663	2,191	3,872	30,939	66,984
Fifth Avenue	2,021	2,556	5,635	6,571	58,270	106,897
New Yorker C	1,677	0	4,343	0	8,581	0
New Yorker E	1,004	1,660	2,372	4,342	50,479	57,653
Total Chrysler	10,091	8,556	26,377	21,308	295,125	353,888
Omni	879	3,119	2,529	7,861	37,726	97,634
Shadow	2,232	2,240	5,978	5,864	77,086	20,140
Charger	103	825	219	1,940	18,032	50,196
Daytona	2,125	393	4,819	942	41,776	35,768
Aries	4,076	4,296	9,723	12,118	99,039	108,051
Lancer	523	934	1,410	2,402	22,422	47,996
Diplomat	388	620	997	1,862	12,775	34,656
Dynasty	1,023	0	1,779	0	3,092	0
Dodge 600	973	1,757	3,156	3,736	36,346	62,336
Total Dodge	12,322	14,184	30,610	36,725	348,294	436,777
CHRYSLER MOTORS	32,021	37,823	81,243	96,206	962,057	1,246,311
Escort	10,962	15,554	28,017	36,155	392,360	402,181
Mustang	4,417	5,346	11,368	11,695	172,602	167,699
Tempo	7,035	10,839	19,904	24,907	219,296	265,382
Taurus	13,264	15,284	32,643	42,930	354,971	263,450
Thunderbird	4,217	4,053	9,770	10,721	132,623	140,713
LTD	0	0	0	0	0	23,587
Crown Victoria	2,890	5,353	8,143	13,454	118,034	134,129
Total Ford Div.	42,785	56,429	109,845	139,862	1,389,886	1,397,141
Lynx	1,707	2,002	4,760	5,152	68,938	65,497
Topaz	1,815	2,723	4,918	6,063	63,200	67,499
Sable	3,576	4,603	9,200	11,275	104,518	98,593
Cougar	2,964	3,375	7,248	7,308	110,722	114,270
Capri	0	981	0	1,135	0	12,647
Marquis	0	0	0	0	2,510	10,180
Grand Marquis	2,890	5,594	8,252	14,217	113,972	123,096
Total Mercury	12,952	19,278	34,378	45,170	463,860	491,782
Continental	2,177	906	2,227	2,455	12,909	20,629
Lincoln	3,930	7,328	10,880	17,267	126,009	133,175
Mark VII	700	1,225	1,867	3,130	27,119	23,780
Total Lincoln	6,807	9,461	14,974	22,852	166,037	177,584
Total L-M Division	19,759	28,739	49,352	68,022	629,897	669,366
FORD MOTOR CO.	62,544	85,168	159,197	207,884	2,019,783	2,066,507
Skyhawk	1,065	2,054	2,749	4,124	38,651	74,906
Somerset Regal	1,470	2,347	3,913	6,290	67,078	111,744
Century	3,285	7,456	9,021	16,921	147,797	240,747
Regal	3,579	1,668	9,971	4,325	63,853	78,340
LeSabre	3,377	5,755	10,779	14,748	141,126	132,406
Electra	3,495	2,570	10,732	6,969	82,719	107,999
Riviera	403	611	795	1,781	16,187	23,292
Total Buick	16,674	22,461	47,960	55,158	557,411	769,434
Cimarron	185	624	507	1,531	12,295	23,435
Allante	97	0	276	0	2,517	0
Seville	420	630	2,059	1,936	21,515	21,150
Cadillac	4,927	7,079	14,480	19,941	203,487	235,206
Eldorado	1,022	655	2,463	1,783	21,470	24,266
Total Cadillac	6,651	8,988	19,785	25,191	261,284	304,057
Chevette	27	2,279	108	8,485	16,967	74,389
Nova	1,299	2,196	3,679	6,140	134,956	170,507
Cavalier	9,524	8,175	30,695	23,236	307,028	357,120
Citation	0	0	0	0	0	1,025
Camaro	2,582	2,860	6,914	8,135	117,324	163,204
Celebrity	7,269	14,287	22,533	36,252	306,480	408,946
Corsica/Beretta	7,134	1,500	18,659	7,251	214,074	12,879
Monte Carlo	1,589	2,375	4,347	6,652	63,577	111,247
Caprice	4,871	5,984	14,662	17,651	177,344	226,132
Corvette	791	819	2,229	2,338	25,437	33,027
Total Chevrolet	35,086	40,475	103,826	116,140	1,363,187	1,558,476
Firenza	736	663	1,569	2,500	17,626	34,113
Calais	2,650	2,584	6,400	7,265	101,861	116,018
Cutlass Ciera	6,287	10,374	16,025	23,179	244,607	329,930
Cutlass Supreme	1,682	3,673	4,287	9,472	92,779	191,937
Olds 88	3,961	5,823	10,320	15,708	168,853	261,260
Olds 98	3,028	2,975	7,548	7,967	72,001	109,370
Toronado	364	328	1,062	1,029	16,867	16,762
Total Oldsmobile	18,708	26,420	47,731	66,120	714,394	1,059,390
Fiero	712	1,864	1,973	4,034	41,830	68,340
1000	5	360	45	1,071	4,826	18,329
Sunbird	1,651	3,282	4,853	6,331	79,014	104,216
Firebird	1,574	2,902	4,107	6,474	73,190	94,241
Grand Am	5,671	8,739	13,312	19,936	211,192	205,254
6000	2,631	6,160	7,908	14,660	120,373	199,443
Grand Prix	189	876	2,476	2,188	16,363	71,056
Bonneville H	3,041	0	9,441	0	102,377	18,561
Paris./Safari	199	3,293	580	8,800	10,077	62,001
Total Pontiac	15,673	27,476	44,695	63,294	659,282	841,441
GENERAL MOTORS	92,792	126,820	263,997	325,903	3,565,538	4,532,798
HONDA	13,492	13,427	29,192	24,931	316,618	235,247
Civic	4,072	3,549	9,117	6,060	86,533	23,010
Accord	9,420	9,878	20,075	18,871	229,085	212,237
MAZDA	573	0	985	0	1,671	0
NISSAN	2,718	3,679	5,485	8,417	119,678	52,602
TOYOTA	3,514	2,825	7,080	4,179	44,853	7,281
VOLKSWAGEN	1,789	2,873	3,517	5,568	61,084	73,912
DOMESTIC TOTAL	209,363	271,815	550,676	673,076	7,081,282	8,214,658
IMPORT TOTAL	0	0	289,099	319,500	3,145,326	3,235,343
INDUSTRY TOTAL	0	0	839,775	992,576	10,226,588	11,450,001

'87 sales off 7% at 15.2 million; trucks set record, cars decline

By Joseph Bohn and Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTERS

In spite of Wall Street's Oct. 19 market crash and a late-year slowdown in car incentives, 1987 turned out to be the fourth best sales year in the past decade.

"We were pleasantly surprised by the buoyancy in spite of the crash and weakening economic fundamentals. The whole market seems to be a lot stronger" than anticipated, said Jack V. Kirnan, analyst with Kidder, Peabody & Co., New York.

"There seems to be no panic out there. We were slightly surprised by the strength of sales," agreed Ann Knight, PaineWebber first vice president.

Total vehicle sales in the United States in calendar 1987 were 15,182,071, including an estimate of 287,000 for medium and heavy truck sales.

That represented a 6.98 percent decline from 16,320,840 vehicles sold in calendar 1986.

The 84,644-unit increase in sales of light, medium and heavy trucks helped offset a 10.68 percent decline in the sales of U.S.-built and imported cars during the year.

Trucks set a sales record last year and accounted for 32.64 percent of total vehicle sales, up from a 29.84-percent market share in 1986, reflecting the continued crossover of car buyers into the truck market.

Kirnan predicted the light-truck segment will continue growing because "these vehicles appeal to the 25- to 44-year-old market which is expected to grow two times faster than the overall population in the 1990s."

New domestic and imported car sales in the calendar year fell 10.68 percent to 10,226,588 from a record 11,450,001 sold in calendar 1986.

New-truck sales reached an estimated 4,955,483, up 1.74 percent from 4,870,839 in 1986.

Actual light-truck sales were a record 4,668,483, up 1.38 percent from 1986's 4,604,837. Estimated medium and heavy truck sales of 287,000 were up from 266,002 in calendar 1986. Actual figures are expected to be available this week.

Sales of imported cars slipped a mere 2.78 percent despite price hikes resulting from a sharp drop in the dollar against foreign currencies.

The weak dollar, though, began hitting German luxury cars, such as BMW, Mercedes-Benz and Porsche, fairly hard in the third quarter, though the European car sales managed to remain on a fairly even keel for the year. Import-car sales dropped to 3,145,326 units, down from 3,235,343 in calendar 1986. Importers retailed 2,836,973 cars in 1985.

Sales of domestically produced cars fell 13.80 percent in calendar 1987 from the year earlier.

The eight U.S. carmakers retailed 7,081,262 cars compared with 8,214,658 in 1986.

Only Honda, Nissan and Toyota

continued →

IMPORTED CAR SALES

	Dec. 1987	Dec. 1986	12 Mos., 1987	12 Mos., 1986
Acura	10,439	9,280	109,470	52,869
Alfa Romeo	432	574	6,300	8,201
Audi	1,836	3,788	41,322	59,795
BMW	6,744	10,472	87,839	96,759
Chevrolet	11,616	11,418	137,211	160,363
Chrysler	599	1,003	11,217	2,572
Dodge	3,421	5,850	57,357	68,685
Ford	3,712	0	26,750	0
Eagle	1,847	388	13,991	4,152
Honda	40,496	40,306	312,218	405,399
Hyundai	19,345	22,412	263,610	168,882
Isuzu	3,790	4,662	39,577	38,910
Jaguar	2,848	2,757	22,919	24,464
Maserati	90	123	932	1,334
Mazda	18,649	28,299	206,354	222,716
Mercedes-Benz	7,762	13,692	89,918	99,314
Mercury	636	758	14,301	14,315
Mitsubishi	5,185	5,438	67,954	49,436
Nissan	29,664	39,342	409,476	494,294
Peugeot	943	1,160	9,320	14,336
Plymouth	3,026	5,731	51,763	64,271
Pontiac	2,910	0	35,564	0
Porsche	1,281	3,547	23,632	30,471
Saab	3,103	3,742	45,105	48,246
Sterling	911	0	14,171	0
Subaru	15,324	15,114	175,864	179,100
Toyota	73,978	71,359	585,199	633,914
Volkswagen	11,662	11,846	130,641	143,319
Volvo	4,010	2,140	106,539	113,267
Yugo	2,840	4,299	48,812	35,959
TOTAL	289,099	319,500	3,145,326	3,235,343

Sales charts compiled by Karen Detkowski

U.S. CAR SALES BY MARKETING UNITS

	Dec. 1987	Percent Share	Dec. 1986	Percent Share	12 Mos., 1987	Percent Share	12 Mos., 1986	Percent Share
Alfa Romeo	432	0.05	574	0.06	6,300	0.06	8,201	0.07
American Honda	80,127	9.54	74,517	7.51	738,306	7.22	693,515	6.06
BMW	6,744	0.80	10,472	1.06	87,839	0.86	96,759	0.85
Buick	47,960	5.71	55,158	5.56	557,411	5.45	769,434	6.72
Cadillac	19,785	2.36	25,191	2.54	261,284	2.55	304,057	2.66
Chevrolet	115,442	13.75	127,558	12.85	1,500,398	14.67	1,718,839	15.01
Chrysler	26,976	3.21	22,311	2.25	306,342	3.00	356,460	3.11
Dodge	34,031	4.05	42,575	4.29	405,651	3.97	525,462	4.59
Eagle	3,685	0.44	4,736	0.48	43,517	0.43	77,000	0.67
Ford	113,557	13.52	139,862	14.09	1,416,636	13.85	1,397,141	12.20
Hyundai	19,345	2.30	22,412	2.26	263,610	2.58	168,882	1.47
Isuzu	3,790	0.45	4,662	0.47	39,577	0.39	38,910	0.34
Jaguar	2,848	0.34	2,757	0.28	22,919	0.22	24,464	0.21
Lincoln	14,974	1.78	22,852	2.30	166,037	1.62	177,584	1.55
Maserati	90	0.01	123	0.01	932	0.01	1,334	0.01
Mazda	19,634	2.34	28,299	2.85	208,025	2.03	222,716	1.95
Mercedes	7,762	0.92	13,692	1.38	89,918	0.88	99,314	0.87
Mercury	35,014	4.17	45,928	4.63	478,161	4.68	506,097	4.42
Mitsubishi	5,185	0.62	5,438	0.55	67,954	0.66	49,436	0.43
Nissan	35,129	4.18	47,759	4.81	529,154	5.17	546,896	4.78
Oldsmobile	47,731	5.68	66,120	6.66	714,394	6.99	1,059,390	9.25
Peugeot	943	0.11	1,160	0.12	9,320	0.09	14,336	0.13
Plymouth	25,444	3.03	39,556	3.99	340,875	3.33	427,069	3.73
Pontiac	47,605	5.67	63,294	6.38	694,826	6.79	841,441	7.35
Porsche	1,281	0.15	3,547	0.36	23,632	0.23	30,471	0.27
Saab	3,103	0.37	3,742	0.38	45,105	0.44	48,246	0.42
Sterling	911	0.11	0	0.00	14,171	0.14	0	0.00
Subaru	15,324	1.82	15,114	1.52	175,864	1.72	179,100	1.56
Toyota	81,058	9.65	75,536	7.61	630,052	6.16	641,195	5.60
Volvo	4,010	0.48	2,140	0.22	106,539	1.04	113,267	0.99
VWoA	17,015	2.03	21,192	2.14	233,027	2.28	277,026	2.42
Yugo	2,840	0.34	4,299	0.43	48,812	0.48	35,959	0.31
TOTAL	839,775	100.00	992,576	100.00	10,226,588	100.00	11,456,001	100.00
TOTAL GM	276,523	33.17	337,321	33.99	3,728,313	36.46	4,693,161	40.99
TOTAL FORD	163,545	19.47	208,642	21.02	2,060,834	20.15	2,060,522	18.16
TOTAL CHRYSLER	90,130	10.73	109,178	11.00	1,096,385	10.72	1,386,991	12.10
TOTAL JAPANESE	240,247	28.61	251,327	25.32	2,399,932	23.36	2,371,768	20.71
TOTAL EUROPEAN	45,130	5.38	59,399	5.98	639,702	6.26	713,418	6.23
TOTAL KOREAN	22,186	2.64	26,711	2.69	312,422	3.05	204,841	1.79

*Big 3 totals include their captive imports.

SALES

reported increases in sales of their U.S.-built cars.

The five foreign-based car manufacturers retailed 174,842 more domestically produced cars in 1987 than the year earlier.

Here are the 10 top-selling vehicles for 1987:

1. Ford F-Series, 550,125.
2. Chevrolet full-sized pickup, 418,221.
3. Ford Escort, 392,360.
4. Ford Taurus, 354,971.
5. Honda Accord, 334,876.
6. Chevrolet Cavalier, 307,028.
7. Chevrolet Celebrity, 306,480.
8. Ford Ranger, 305,295.
9. Hyundai Excel, 263,610.
10. Toyota pickup, 252,946.

Ford Motor Co. outpaced GM and Chrysler by showing an increase in combined car and truck sales for 1987 and by increasing its share of the the total vehicle market.

However, Ford Motor's sales of U.S.-built cars slipped 2.26 percent to 2,019,783 down from 2,066,507 units in 1986, a decline offset by higher truck sales.

Ford Division's full-sized F-series pickups again topped the list of best-selling nameplates, with 550,125 sales. Its Escort, with 392,360 sales, ranked third, and its Taurus, with 354,971 sales, was fourth. The Ford Ranger, with 305,295 sales, ranked eighth.

Ford Division outsold Chevrolet in total vehicle sales, with 2,869,861 compared to Chevrolet's 2,692,246.

Where the U.S. market was, Dec. 1987

	Total Sales	Pct. of Total
SUBCOMPACT	64,769	7.71
COMPACT	156,681	18.66
INTERMEDIATE	211,149	25.14
STANDARD	113,419	13.51
SPECIALITY	4,478	0.53
IMPORT	289,099	34.43
TOTAL	839,775	100.00

Where the U.S. car market was in 1987

	Total Sales	Pct. of Total
SUBCOMPACT	979,[illegible]	9.58
COMPACT	1,944,751	19.02
INTERMEDIATE	2,691,324	26.32
STANDARD	1,397,336	13.66
SPECIALITY	66,784	0.66
IMPORT	3,145,326	30.76
TOTAL	10,226,586	100.00

Chevrolet's full-sized pickups ranked second among best-selling nameplates, with 418,221 sales. Its Cavalier ranked sixth with 307,028 sales and its Celebrity was seventh with 306,480 sales.

GM's year-end car sales dropped nearly a million units to 3,555,538, down 21.56 percent from last year's 4,532,798.

Although GM remains the sales leader in the car market, its car market share dropped to 36.46 percent from a 40.99 percent share in 1986.

Chevrolet's Corsica/Beretta was the only new car line to garner a spot in the 20 top-selling nameplates. It ranked 16th.

In 1987, import-car makers seized almost a third of the total U.S. car market, although total import-car sales dropped from 3,235,346 to 3,145,326 in 1987.

Though import-car makers sold 90,017 fewer cars in the calendar year, Honda's Accord ranked fifth among best-selling nameplates and its Civic ranked 14th. The Hyundai Excel ranked ninth and Nissan Sentra was 12th.

Of the Big 3 U.S.-based carmakers, only Ford gained a larger part of the market and sold almost as many cars as in the previous year. Ford's share rose from 18.18 percent last year to 20.15 percent in 1987.

Chrysler's car share dropped to 10.72 percent, down from 12.10 percent in calendar 1986. All Big 3 shares include their captive imports.

The Japanese-branded car lines took 23.36 percent of total U.S. car sales, up from 20.71 percent in 1986. European carmakers held on to 6.26 percent of U.S. car sales in 1987, compared with 6.23 percent the previous year. Korea's Hyundai took 3.05 percent of U.S. car sales, up from 1.79 percent in 1986.

There were 307 selling days in each calendar year. Last year's auto daily selling rate was 33,311, compared with 1986's 37,296 daily selling rate.

Among light-truck manufacturers, Ford, Chrysler, GMC and Jeep all scored increases, the latter three setting records.

Chevrolet and most importers, excluding Mitsubishi, Suzuki and Ranger Rover, saw a decline in their light-truck sales in 1987.

Ford, the light-duty-truck sales leader, retailed 1,398,969 units, up 5.59 percent from 1986. Chevrolet retailed 1,173,675 light duties, off 4.54 percent from 1986.

Chrysler's Plymouth and Dodge truck sales of 708,125 were up 18.78 percent, while GMC's sales of 311,217 light duties showed a 1.51 percent increase.

Jeep sales of 208,440 barely edged out the 207,514 retailed in 1986.

The light-duty-truck importers, with 868,057 sales, had a 7.68-percent decline from the year earlier's 940,262 sales.

In December, car sales fell to 839,775, a drop of 15.39 percent from a year ago when 992,578 cars were delivered. Domestic car manufacturers sold 550,676 cars, down 18.9 percent from 673,078 a year earlier. The import total also dipped. Import-car sales were 289,099, down 9.52 percent from 319,500 last year. However, import carmakers took over a third of December's total car sales.

AUTOMOTIVE NEWS/JOE WILKINS

Rewey and victory cake

SALES WAR

FROM PAGE 1

year does not make a trend."

General Manager Robert Burger predicted Chevrolet would reclaim as much as a full percentage point of the car market in 1988 and three or four percentage points of the truck market.

And while he stopped short of saying Chevy would limit Ford's reign to a single year, he vowed to "cut the deficit by a lot."

As an early step, Chevrolet trimmed truck prices by an average of $200 from the tentative prices announced earlier this model year. Included in the price cuts are its new full-size C/K series and the S-10 pickup and Blazer models. In addition, Chevrolet has boosted its truck advertising budget in the 1988 model year to nearly half of the total ad budget. Much of that advertising will be aimed squarely at Ford.

The division also is planning to bring attention to niche truck products, particularly those built off the C/K platform such as the Sportside 4x4 pickup. That model was named Four Wheeler of the Year by Four Wheeler magazine.

In the car lineup, Chevrolet is expecting to pull gains from a full year of production of the Corsica and Beretta and improved sales from the restyled Cavalier.

Meanwhile, Robert Rewey, Ford Division general manager, last week stood beside an oversized five-foot victory cake, reminded Detroit employees of the challenges in the marketplace and then excused the celebration by quoting baseball legend Dizzy Dean: "If you can do it, you ain't braggin'."

For 1988, the division will shoot for an additional percentage point of market share — 15 percent for cars and 30 percent for trucks.

Ford will reach its goals largely on the strength of the Festiva and the new Probe, Rewey said. The Festiva will be available for a full year and contribute about 85,000 sales. The Probe, a sporty 2+2 built in the United States by Mazda, is expected to bring 70,000 sales between its May introduction and the end of the year.

For the time being, at least, Rewey doesn't foresee much of a threat from the new GM10 models. The cars are arriving initially as two-door models, so they won't compete directly with the industry's second-best-selling car, the four-door Taurus. And he predicted that the redesigned Thunderbird, due this fall, will do nothing less than hold its own.

On the truck side, improved availability of the Ranger will contribute to a stronger performance in 1988, Rewey said.

As for another sales championship, Rewey noted that Ford has already built up a 77,000-unit lead over Chevy in the first quarter of the 1988 model year.

For first time, domestics slice import truck share

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Domestic light-truck manufacturers regained market share from the imports for the first time in 1987, an historic turn of events and one that some analysts expect to continue.

The turning point is particularly significant since it occurred as truck sales have been growing while the auto market is on the ebb.

Calendar 1987 light-truck sales were a record 4,668,483, up 1.38 percent from the previous year's 4,604,837.

Of that total, domestic companies accounted for 3,800,426 sales, up 3.71 percent from 1986, while foreign companies' sales of 868,057 light trucks were off 7.68 percent.

The domestic companies picked up 1.83 percentage points of market share, accounting for 81.41 percent of the light-truck market. Foreign companies' share dropped to 18.59 percent from 20.42 percent in calendar 1986.

As Gerry Paul, an analyst with Sanford C. Bernstein, New York, pointed out, domestics not only picked up share, they also picked up volume.

"In a market that was up year-to-year, the imports' volume was down. It happened particularly in the fourth quarter," he said.

He added, "This (trucks) is the first place you see the pressure of currency change appear because imports have to pay a 25-percent duty on trucks that they're not paying on cars."

He expects the trend to continue because "I don't think they've (imports) passed along all the costs resulting from the currency changes. There's more evidence of the pressure they're under from the fact that Nissan moved all production of trucks to Smyrna. They're no longer importing trucks."

David Healy, an analyst with Drexel Burnham Lambert, New York, largely concurred, noting that "there's a lot of very aggressive price competition in light trucks, which developed as the dollar weakened and U.S. companies were able to price more aggressively against the Japanese."

He also pointed to the 25-percent duty on imported trucks and said he felt the market has not yet fully reflected the "big decline in the dollar relative to the yen."

"I think the weakness of the dollar really made some Japanese trucks an unprofitable business," Healy concluded.

Wendy Beale, an analyst with Smith Barney, Harris Upham & Co., New York, traced some of the imports' softness to the "uncertainty over whether multipurpose vehicles will be counted as cars or as trucks and the implicit threat of dumping litigation."

"If MPVs are counted as cars rather than as trucks, then they will be included in each importer's car quota and will substantially reduce the number of passenger cars that each automaker can import for the remainder of the quota year," she added.

"Dumping litigation is never far offstage these days, with the dollar on its downward slide. Suits were prepared earlier this year, forcing Japanese truck makers to raise prices. In this very competitive market, protected by a 25-percent import tariff, Japanese truck manufacturers do not have much of a cost advantage any more," she concluded.

Generally, domestics appear inclined to maintain their aggressive posture, based on incentives on small pickups the past couple of months.

LIGHT-DUTY TRUCK SALES

	Dec. 1987	Dec. 1986	12 Mos., 1987	12 Mos., 1986
Vans	13,333	18,714	184,413	180,395
Aerostar	12,153	15,142	159,149	150,049
Club Wagon	2,433	2,946	27,300	27,374
Ranger	21,516	21,489	305,295	269,490
Bronco	5,062	5,278	51,782	49,588
Bronco II	9,842	9,571	120,905	103,020
Pickups	47,746	43,649	550,125	544,969
Ford	**112,095**	**116,789**	**1,398,969**	**1,324,885**
Vans	10,517	8,473	114,835	134,977
Sportsvan	1,041	1,039	11,979	15,614
Astro	10,761	14,658	148,205	147,932
S-10	18,374	14,949	224,807	203,416
S-10 Blazer	11,267	12,124	153,064	159,820
El Camino	374	1,520	13,743	21,508
Blazer	2,586	3,102	30,859	41,893
Suburban	5,067	5,176	57,962	61,226
Pickups	37,846	32,961	418,221	443,051
Chevrolet	**97,773**	**94,002**	**1,173,675**	**1,229,437**
Vans	4,178	6,411	64,265	73,706
Ram Wagon	2,671	2,882	30,505	39,843
Voyager	13,369	11,730	140,799	110,083
Caravan	14,909	11,633	153,191	115,964
Mini Ram Van	1,290	1,160	13,851	14,587
Ram 50	3,815	7,631	65,593	78,706
Raider	1,155	1,301	19,539	4,768
Ramcharger	1,968	1,845	23,667	23,006
Dakota	6,831	10,879	99,045	29,045
Pickups	8,817	9,712	97,670	106,451
Chrysler	**59,003**	**66,184**	**708,125**	**596,159**
Vans	3,713	3,802	38,565	39,622
Safari	2,963	3,546	32,232	31,178
S-15	4,666	3,354	49,191	46,084
S-15 Jimmy	4,550	3,109	38,841	39,027
Jimmy	977	871	8,596	9,390
Caballero	58	165	1,705	2,542
Suburban	1,921	2,019	19,110	19,961
Pickups	12,169	8,459	115,839	112,799
P Model	437	654	5,602	4,665
W-4	160	139	1,534	1,292
GMC	**31,614**	**26,128**	**311,217**	**306,580**
Wrangler/CJ	3,451	4,059	30,663	35,267
Wagoneer	938	1,336	12,305	12,800
Cherokee	12,423	10,517	112,005	107,225
Grand Wagoneer	1,439	2,309	14,079	17,254
Comanche	3,248	3,028	38,061	33,453
J-10/J-20	70	100	1,327	1,515
Jeep	**21,569**	**21,349**	**208,440**	**207,514**
Toyota	25,003	35,204	303,783	304,150
Nissan	15,393	20,375	216,514	223,406
Mazda	8,438	14,742	123,699	157,127
Isuzu	4,856	9,349	86,990	88,720
Mitsubishi	4,179	3,772	51,862	34,985
Suzuki	5,092	6,795	81,349	47,732
Subaru	9	364	1,274	4,142
Range Rover	381	0	2,564	0
Imports	**63,351**	**90,601**	**868,057**	**940,262**
Industry Total	356,406	414,943	4,668,483	4,604,837

PRODUCTION

U.S. CAR	Week Ended Jan. 9, 1988	Week Ended Jan. 10, 1987	Week Ended Dec. 26, 1987	Dec. Total	Jan. 1 to Jan. 9, 1988	Jan. 1 to Jan. 10, 1987
CHRYSLER MOTORS	11,700	22,519	15,616	88,386	11,700	22,519
Eagle Total	0	0	0	0	0	0
Alliance	0	0	0	0	0	0
Plymouth Total	3,400	8,582	4,970	26,242	3,400	8,582
Horizon	1,400	3,393	907	4,163	1,400	3,393
Sundance	1,800	1,960	925	6,049	1,800	1,960
Reliant	0	2,355	2,419	12,719	0	2,355
Caravelle	0	874	643	2,722	0	874
Gran Fury	200	0	76	569	200	0
Chrysler Total	2,900	4,691	4,275	22,943	2,900	4,691
LeBaron K	0	1,598	612	3,338	0	1,598
LeBaron J	0	1,070	1,737	9,080	0	1,070
LeBaron GTS	400	741	493	1,826	400	741
N. Yorker E-Class	0	1,282	0	0	0	1,282
N. Yorker C-Class	1,200	0	678	4,467	1,200	0
Fifth Avenue	1,300	0	755	4,052	1,300	0
Dodge Total	5,400	9,246	6,573	39,203	5,400	9,246
Daytona	0	543	1,086	6,006	0	543
Omni	1,500	2,973	845	4,120	1,500	2,973
Shadow	1,900	1,774	1,347	8,101	1,900	1,774
Aries	0	2,411	1,761	11,461	0	2,411
Dodge 600	0	902	331	2,368	0	902
Dynasty	1,300	0	844	4,859	1,300	0
Lancer	400	643	129	946	400	643
Diplomat	300	0	230	1,342	300	0
FORD MOTOR CO.	39,701	40,508	23,956	136,543	39,701	40,508
Ford Division	28,451	27,585	17,478	99,531	28,451	27,565
Escort	8,440	7,210	5,584	31,948	8,440	7,210
Mustang	4,446	4,589	2,783	15,759	4,446	4,589
Tempo	4,486	3,956	2,467	14,148	4,486	3,956
Taurus	6,199	9,332	4,908	27,284	6,199	9,332
Thunderbird	2,880	2,478	1,736	10,392	2,880	2,478
L-M Division	11,250	12,943	6,478	37,012	11,250	12,943
Mercury Total	6,709	9,029	3,966	22,420	6,709	9,029
Lynx	0	1,246	0	0	0	1,246
Topaz	1,690	1,281	833	4,568	1,690	1,281
Cougar	2,887	3,725	1,726	9,226	2,887	3,725
Sable	2,132	2,777	1,427	8,626	2,132	2,777
Lincoln Total	4,541	3,914	2,492	14,592	4,541	3,914
Continental	674	391	373	2,100	674	391
Lincoln	3,246	2,935	1,780	10,436	3,246	2,935
Mark VII	621	588	339	2,056	621	588
GENERAL MOTORS	51,831	63,844	30,000	213,250	51,831	63,844
Buick Total	7,858	12,069	3,431	27,112	7,858	12,069
Skyhawk	0	0	661	3,286	0	0
Century	2,146	4,648	0	5,045	2,146	4,648
Regal (rwd)	0	0	0	860	0	0
Somerset/Skylark	1,300	2,191	0	2,409	1,300	2,191
LeSabre (fwd)	2,400	2,679	1,418	8,192	2,400	2,679
LeSabre (rwd)	290	1,773	127	724	290	1,773
Electra (fwd)	1,722	0	1,088	5,751	1,722	0
Riviera	0	778	137	845	0	778
Cadillac Total	3,597	6,127	2,867	22,255	3,597	6,127
Cimarron	297	632	0	174	297	632
Allante	60	28	80	371	60	28
Brougham (rwd)	0	1,667	0	5,519	0	1,667
DeVille (fwd)	3,240	2,527	2,034	11,498	3,240	2,527
Eldorado	0	486	428	2,653	0	486
Seville	0	787	325	2,040	0	787
Chevrolet Total	19,986	20,794	12,812	92,927	19,986	20,794
Camaro	0	0	1,475	8,325	0	0
Cavalier	6,974	7,448	4,766	24,826	6,974	7,448
Celebrity	3,738	6,293	0	7,111	3,738	6,293
Corsica/Beretta	3,200	2,930	2,771	27,972	3,200	2,930
Monte Carlo	0	0	0	3,133	0	0
Caprice	5,826	1,477	3,389	19,650	5,826	1,477
Corvette	248	646	391	2,108	248	646
Oldsmobile Total	10,203	11,669	3,947	30,178	10,203	11,669
Firenza	0	0	292	1,436	0	0
Calais	3,500	2,379	0	5,313	3,500	2,379
Cutlass Ciera	0	4,276	0	126	0	4,276
Cutlass Supreme	1,798	0	0	2,843	1,798	0
88 (fwd)	3,135	2,701	2,060	11,678	3,135	2,701
88 (rwd)	344	453	289	1,326	344	453
Olds 98	1,426	1,310	1,074	5,976	1,426	1,310
Toronado	0	551	233	1,480	0	551
Pontiac Total	10,187	13,185	6,343	40,778	10,187	13,185
Fiero	0	0	695	3,705	0	0
Firebird	0	0	916	4,761	0	0
Sunbird	2,289	2,839	1,236	8,002	2,289	2,839
Grand Am	4,800	5,125	2,840	16,371	4,800	5,125
Pontiac 6000	1,043	1,910	0	905	1,043	1,910
Bonneville	1,925	3,311	1,176	6,524	1,925	3,311
Safari/Parisienne	130	0	80	510	130	0
HONDA	6,460	6,839	3,246	22,206	6,460	6,839
Civic	1,560	2,481	777	6,317	1,560	2,481
Accord	4,900	4,358	2,469	15,889	4,900	4,358
MAZDA	845	0	264	1,793	845	0
NISSAN	1,340	2,927	825	4,514	1,340	2,927
NUMMI	3,250	3,930	0	9,034	3,250	3,930
Corolla	1,000	919	0	3,105	1,000	919
Nova	2,250	3,011	0	5,929	2,250	3,011
VOLKSWAGEN	0	0	1,224	6,894	0	0
Golf/GTI	0	0	804	4,514	0	0
Jetta	0	0	420	2,380	0	0
Total Cars, U.S.	114,927	140,567	75,333	482,522	114,927	140,567
Total Cars, Canada	22,851	16,815	13,122	73,127	22,851	16,815
U.S., Canada Cars	137,778	157,382	88,455	555,749	137,778	157,382
U.S., Canada Trks.	95,323	90,236	59,887	350,012	95,323	90,236
U.S., Canada Cars and Trks.	233,101	247,618	148,342	905,761	233,101	247,618

4th-quarter car output trails '86

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

U.S. automakers produced 1,737,806 cars in last year's fourth quarter, 29.70 percent more than the third-quarter total of 1,339,881 but 8.71 percent below the 1,903,517 built in the final quarter of 1986.

December's car production of 482,622 dipped 17.29 percent from November's 583,503 and declined 17.44 percent from the the year-ago month's 584,548.

Returning to work after the holiday, automakers opened 1988 with scheduled output of 114,927 cars last week, 18.24 percent below the year-ago week's 140,567.

Last week's targeted output was shared as follows: General Motors, 45.10 percent; Ford Motor Co., 34.54 percent; Chrysler Motors, 10.18 percent; Honda of America Manufacturing Inc., 5.62 percent; New United Motor Manufacturing Inc., 2.83 percent; Nissan Motor Manufacturing Co. U.S.A., 1.17 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 0.56 percent.

Volkswagen of America's Westmoreland, Pa., plant remains idle for inventory adjustment. The plant is expected to resume output Jan. 18.

GM's Tarrytown, N.Y., plant is closed until Feb. 1 for renovation of the paint shop.

GM's Fiero plant in Pontiac, Mich., is idle for inventory adjustment until Jan. 25. When the plant reopens, the line speed will be reduced from 30 units per hour to 15 units per hour. About 425 workers will be permanently laid off.

GM's Van Nuys, Calif., plant remains closed until Jan. 18 for inventory adjustment. One shift will be discontinued temporarily on Feb. 1, also to reduce bloated inventories.

GM's Lakewood, Ga., plant resumed output today after being idle for one week because of slow sales.

Chrysler's St. Louis plant was closed last week for inventory adjustment.

Overtime was scheduled last Saturday at Ford's Wixom, Mich., plant. Ford has slated daily overtime this week at its plants in Lorain, Ohio; Dearborn, Mich.; Wixom, Mich.; Wayne, Mich.; and Kansas City, Mo.

Truck production sets record in Canada

Canadian truckmakers built 214,699 units in the fourth quarter, the highest ever for that period. The former peak was 203,820 in the fourth quarter of 1985.

The fourth quarter's truck output was 30.38 percent more than the third quarter's 164,673 and 42.92 percent more than the year-earlier period's 150,226.

December truck production of 64,554 was 12.48 percent below November's 73,755 but 35.95 percent more than the year-ago month's 47,483.

Last week's targeted output of 17,078 trucks was 7.45 percent more than the year-ago week's 15,894.

Car production during the fourth quarter totaled 241,316, 87.20 percent more than the third quarter's 128,910 but 17.14 percent below the year-ago quarter's 291,237.

Last month's production of 73,127 cars dipped 19.05 percent from November's 90,338 and declined 12.96 percent from the year-ago month's 84,018.

Carmakers scheduled 22,851 units last week, 35.90 percent more than the year-ago week's 16,815.

Chrysler Motors' Pillette Road plant in Windsor, Ontario, was idle last week for inventory adjustment.

Truck build rises for quarter

Domestic truck output for the fourth quarter was 969,674, the highest for any fourth quarter since 1978 when 980,442 trucks were assembled.

For the three-month span, output was 7.31 percent more than the third quarter's 903,660 and 18.58 percent above the year-ago quarter's 817,721.

December's production of 285,458 trucks was the highest ever for that month. The previous record was 276,248 in December 1978.

Last month's output was 9.32 percent below November's 314,808 but 12.33 percent more than the year-ago month's 254,121.

Scheduled production of 78,245 trucks last week was 5.25 percent more than the year-ago week's 74,342.

General Motors' Pontiac West plant in Pontiac, Mich., remains idle until Jan. 18 for inventory adjustment.

All Ford plants are scheduled for daily overtime this week.

CANADIAN CAR	Week Ended Jan. 9, 1988	Week Ended Jan. 10, 1987	Week Ended Dec. 26, 1987	Dec. Total	Jan. 1 to Jan. 9, 1988	Jan. 1 to Jan. 10, 1987
CHRYSLER	1,515	150	782	4,441	1,515	150
FORD MOTOR	11,040	11,036	7,058	37,055	11,040	11,036
GENERAL MOTORS	9,616	5,310	5,046	30,065	9,616	5,310
HONDA	590	69	236	1,566	590	69
VOLVO	90	248	0	0	90	248
Total Cars, Canada	22,851	16,815	13,122	73,127	22,851	16,815
U.S. TRUCK*	Week Ended Jan. 9, 1988	Week Ended Jan. 10, 1987	Week Ended Dec. 26, 1987	Dec. Total	Jan. 1 to Jan. 9, 1988	Jan. 1 to Jan. 10, 1987
CHEVROLET	20,430	22,186	13,326	83,327	20,430	22,186
DODGE/PLYMOUTH	7,700	3,866	5,024	26,511	7,700	3,866
FORD	30,414	31,973	18,695	109,243	30,414	31,973
GMC	6,901	6,889	4,478	22,013	6,901	6,889
NAVISTAR	1,800	1,469	1,088	6,150	1,800	1,469
JEEP	5,000	3,854	2,768	15,873	5,000	3,854
NISSAN	3,250	1,755	1,979	10,991	3,250	1,755
AM GENERAL*	450	50	270	1,530	450	50
MISCELLANEOUS*	2,300	2,300	1,380	7,820	2,300	2,300
Total Trucks, U.S.	78,245	74,342	48,008	285,458	78,245	74,342
CANADIAN TRUCK	Week Ended Jan. 9, 1988	Week Ended Jan. 10, 1987	Week Ended Dec. 26, 1987	Dec. Total	Jan. 1 to Jan. 9, 1988	Jan. 1 to Jan. 10, 1987
JEEP	703	606	519	967	703	606
CHRYSLER	6,144	9,113	4,232	30,606	6,144	9,113
FORD	3,496	3,233	2,294	12,294	3,496	3,233
GENERAL MOTORS	6,510	2,738	3,702	19,927	6,510	2,738
NAVISTAR	225	202	132	780	225	202
Total Trks., Canada	17,078	15,894	10,879	64,554	17,078	15,894
U.S., Canada Trks.	95,323	90,236	59,887	350,012	95,323	90,236

—Indicates vendor run production. *—Estimates
Jeep includes commercial only. AM General includes government-contract vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.

Continental to have bags

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — In what apparently will be a first for a domestic manufacturer, Ford Motor Co. will make both driver- and passenger-side air bags standard on the 1989 Lincoln Continental.

Company sources and suppliers confirmed that the dual system will appear on next year's model. Currently, driver-side air bags are available as options on the Ford Tempo and Mercury Topaz.

The move comes after Ford successfully petitioned NHTSA last year for a four-year delay in a rule that would have required automakers to install passenger-side passive restraints on all 1990 models.

The company had argued that the extension would give it more time to develop its preferred form of protection — air bags — instead of using automatic seat belts.

Ford had said earlier that it expected to have the dual air bags in one 1989 model and at least 500,000 driver-side bags in its vehicles by 1990.

"We have to go to passive restraints in one form or another," said one source. "It's easier to make an air bag standard on luxury vehicles."

He explained that the cost of the system will be more easily absorbed in the $26,000 Continental than in a lower-priced model.

While all supplier costs haven't come in yet, the source estimated that the the system wouldn't contribute more than $1,000 to the retail price of the car.

Ford has delivered about 21,000 Tempos and Topazes with the single-air-bag option, and a "vast majority" of those have gone to fleet buyers, a spokesman said.

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Automotive News

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Japanese upgrade warranties

Mazda, Mitsubishi, Toyota lead way

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

Mazda and Toyota fired the first shots and Mitsubishi recently entered the fray in what may become the 1988 version of warranty wars, Japanese style.

Last year, the domestic manufacturers played a game of warranty one-upmanship and introduced six- and seven-year powertrain warranties.

At the start of the 1988 model year, Mazda introduced a three-year/50,000-mile bumper-to-bumper vehicle warranty, and Toyota adopted a three-year/36,000-mile comprehensive car warranty.

In the last month, Mitsubishi announced to its dealers that it will offer a three-year/36,000-mile comprehensive warranty on all Mitsubishi-built cars and trucks. The Hyundai-built Mitsubishi Precis is covered by a separate warranty.

Before 1988, Japanese manufacturers favored comprehensive one-year warranties with an additional two to three years of powertrain coverage and three to five years of corrosion protection.

The major exception was Honda's Acura line, which offered a three-year/36,000-mile comprehensive vehicle warranty along the lines of the European manufacturers with which it competes. Other Japanese manufacturers seem to be following the European model.

Japanese manufacturers are offering longer warranties because "they are trying to find a merchandising advantage or to be competitive with domestic manufacturers' warranties," said George Peterson, president of AutoPacific Group, an auto product marketing and consulting firm in Newport Beach, Calif.

Also, with the cost of Japanese cars rising as a result of the weakened dollar, a longer warranty allows Japanese manufacturers to add value to their vehicles at a low cost.

"As Japanese prices go up, the consumer who might have gone directly to a Japanese maker will cross-shop. Warranty is an advantage, and the dealers are trained to use it," Peterson said.

Japanese manufacturers favor extended complete-vehicle warranties because research indicates consumers like them more than extended powertrain coverage, according to Peterson.

But domestic manufacturers are unlikely to compete head-on with

see WARRANTIES page 6

AUTOMOTIVE NEWS/JOE WILSSENS

ROGER PENSKE

Multi-talented entrepreneur just keeps on growing

By Matt DeLorenzo
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Just two weeks into the new year, Roger Penske has brought his scalpel to General Motors' faltering Detroit Diesel subsidiary, unveiled an $18 million state-of-the art retailing facility at the country's largest Toyota dealer, and replaced the familiar Potamkin Cadillac name with Penske signs in New York City.

As Roger Penske — racer, retailer, entrepreneur, super manager — works to digest it all, some wonder if he has attempted too much too fast. Penske doesn't stop long enough to think about it.

It was just two years ago that Penske, better known as a racing guru than businessman, acquired Longo Toyota in California and the heavy-duty truck leasing business of Leaseway Transportation. Last year he added the high-volume Potamkin Cadillac stores in Manhattan and his biggest property yet — 60 percent of the $900 million Detroit Diesel Corp. — a move that takes Penske from his retailing roots into basic manufacturing.

Through it all, Penske is betting that he can do what large bureaucracies couldn't with a lean and mean approach — the leading edge in management today and what Penske contends America needs to regain a competitive advantage over foreign firms.

"The common theme that he (Penske) brings to his businesses is that he runs them effectively," said Roger Vincent, managing director and head of the client group for Bankers Trust. "It is very much a part of the development of corporate America of the future — reducing central staff and the bureaucracy. We are moving into an environment where businesses are getting leaner."

In Detroit last week, Penske himself mused, "For the next 12 months the focus of the company will be to digest the businesses that we have at this point and then review our position going into 1989."

But he added a warning: "We are not going to stay stagnant from the standpoint of growth if there is an economic opportunity."

"I didn't buy this business (Detroit Diesel) to sell it," he added. "We bought the business to grow it. It's going to take a lot of long hours from a lot of people. There's a lot of selling that has to be done."

What lies behind the Penske push?

The central philosophy of the organization is to maximize performance, whether in racing or the boardroom. Penske uses joint ventures to operate in the big leagues, while relying on a handful of key players to get the job done.

see PENSKE, page 54

Japanese, Hyundai face price probes

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Hyundai Motor Co. of Korea and several Japanese light-truck manufacturers could face heavy U.S. tariffs if General Motors and the U.S. Commerce Department pursue and prove anti-dumping cases against them.

News that both cases are being actively considered came last week as Sen. John Danforth, D-Mo., released a letter to Noboru Takeshita, prime minister of Japan, accusing Japanese automakers of dumping.

The letter was timed to coincide with Takeshita's visit to Washington, but came after several charges that foreign automakers have not raised prices to keep pace with the falling dollar.

If the anti-dumping cases are brought, and if they prove successful, the charges would result in the imposition of penalty tariffs against Japanese and Korean automakers, designed to raise the U.S. prices of their imports.

The Commerce Department case would charge Japanese light-truck manufacturers with selling their products in the United States at prices below the cost of production, according to Washington trade attorneys. The case would be supported by a cost and pricing study of Japanese light trucks now being prepared by the Motor Vehicle Manufacturers Association.

The second action, now under study by GM, would mirror a case brought against Hyundai Auto Canada by General Motors of Canada and Ford of Canada. Last fall, the Canadian government tentatively found Hyundai guilty of under-pricing its Excel model by 37 percent. The Excel currently starts at $5,395 in the United States. Last Friday, Hyundai Motor America raised prices $100 on the base model and $200 on other models.

In anti-dumping cases, an aggrieved industry must first prove that a foreign competitor is pricing its products below cost. The petitioner also must show that the pricing policy has injured domestic industry.

Although a trade adviser to the Automobile Importers of America said the threat of anti-dumping actions may simply be an attempt to scare Japanese and Korean automakers into raising prices, the threat appears to be well orchestrated.

Background for the anti-dumping case

see PROBES, page 51

Toyota, Nissan pickup sales fell over 20% in '87

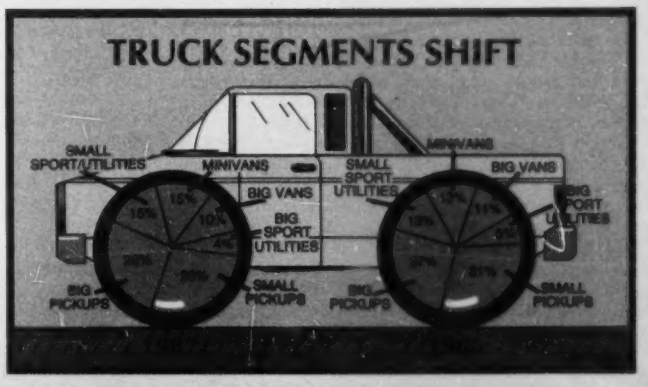
By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Minivans and small sport-utility vehicles drove the light-truck market in calendar 1987, accounting for all of the industry's sales gains.

Compact pickups, once the spark plugs of the light-truck market and still the largest single segment, stumbled for the first time. Their sales decline reflects the Japanese importers' difficulties in competing in the low-price end of this segment.

Hamstrung by the strong yen and a 25 percent import duty, the Japanese are having pricing problems. Their compact pickups once were among the lowest-priced vehicles on the car/truck market.

see PICKUPS, page 6



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Isuzu ships sport-utilities Page 2
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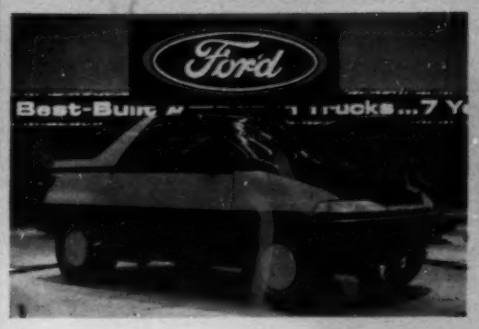
Early-January sales 2% above slow '87 Page 51



At Detroit show
Highlights of this week's Detroit Auto Show include, clockwise from top: Dodge Dakota convertible modified by American Sunroof; Buick Regal convertible; Lincoln Machete four-passenger luxury coupe with an 0.25 cd; and Ford Bronco DM-1, a five-passenger concept vehicle that has an electronic navigation system and windows that darken automatically.

Automakers discover $2 billion tax bonanza

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The Big 3 automakers are defending their use of a tax loophole in the 1986 Tax Reform Act that allows them to continue to defer taxes on profits derived from the sale of new vehicles. The saving is estimated at $2 billion for 1987.

Import automakers — apparently unaware of the tax change — were not so fortunate, however, since the loophole required speedy changes in franchise agreements following passage of the 1986 Tax Reform Act.

Senate Finance Committee staffers estimated the Big 3's savings at $2 billion for 1987.

"To my knowledge, only General Motors, Ford and Chrysler will be able to defer taxes on their new cars" that are sold on an installment basis, a tax consultant to the Big 3 said last week.

The "installment" angle stems from the change in the franchise agreement. At GM, for example, a dealer (or his floorplanning source) now pays 90 percent of the invoice price of the vehicle in the ususal way — after expiration of the 20-day delayed-billing period — and the remaining 10 percent when the vehicle is sold. Under the change, the manufacturer also has the option of buying back the vehicle after it has been in the dealer's inventory for nine months.

The tax loophole was created in 1986 to exempt John Deere & Co. from a change in the way installment sales are taxed. Lawmakers approved the Deere exemption after they agreed to abolish the deferral of taxes on profits from goods sold on an installment basis.

According to a report in the Washington Post, the Big 3 were able to take advantage of the tax change because the exemption was vaguely worded to conceal the identity of its intended beneficiary — Deere & Co.

GM, which tax analysts in Washington credit with first recognizing and exploiting the loophole, said in a statement, "It makes sense not to have to pay taxes on a sale until payment for that sale has been received."

A Washington spokesman for GM said "the installment sales tax issue boils down to whether the manufacturer should pay taxes on income from installment sales to dealers before or after completion of payment.

"GM believes the principle of paying taxes as payments are received is a sound one. This principle was recognized in the tax law for over 60 years. We are pleased that Congress has upheld and clarified this principle — adopted as part of the Tax Reform Act of 1986 — with respect to certain sales by manufacturers and their dealers."

Spokesman for Ford and Chrysler said their companies simply acted to take advantage of a one-time change in the tax law that was available to all companies selling through dealers.

In the past, auto manufacturers have been paid in full for the vehicles at the end of the delayed-billing period. Because of that arrangement, and because the former tax law permitted it, automakers could ship cars to dealers in the final days of one year and defer taxes on the sale until they received full payment for the vehicle in the second year.

When the law was changed, Congress sought to require manufacturers, such as Deere, to assume for tax purposes that they were fully paid in the year in which they received their first payment for the shipment. The change pertaining to installment purchases would have had little effect on the Big 3 since the franchise required dealers to pay 100 percent of the cost of a vehicle at the end of the 20-day delayed billing period.

Lawmakers agreed to an exemption, however, for the hard-pressed Deere. And, because they did not want Deere's name in the bill, the exemption was written to allow the tax deferral to continue to apply to any company if it met two criteria: If it offered an installment purchase plan and if it offered a buyback plan for an item in inventory nine months or less. This arrangement was already in force among Deere dealers.

GM, Ford and Chrysler immediately added the nine-month and installment purchase provisions to their franchise agreements in time to qualify for a Jan. 1, 1987 deadline. The change gives the Big 3 the option of buying back a dealer's inventory if the dealer has had possession for at least nine months, such as Deere offered.

The estimated $2 billion in savings for the Big 3 results as a one-time benefit in tax year 1987. The tax can be deferred each year for an indefinite period of time.

BIG BUCKS: *GM adopts new incentives; Ford, Chrysler string along*

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

Saddled with heavy inventories of unsold 1987 and 1988 vehicles, General Motors announced aggressive incentives on 1988 and leftover 1987 cars and trucks for each of its six car and truck divisions.

The move sparked the usual one-upmanship at GM's domestic competitors: Ford Motor Co. extended and added rebates worth $400 to $1,000 on selected cars and $500 on selected trucks, and Chrysler began a new low-financing incentive on its popular minivans and mid-sized Dakota pickup truck.

GM's wide-ranging rebate program was the automaker's second move to spur sales. Two weeks ago, GM announced it would reduce prices on some of its trucks, and provide special introductory offers on its two new GM10 cars, the front-wheel-drive 1988 Pontiac Grand Prix and Oldsmobile Cutlass Supreme.

Auto analyst William Pochiluk of Autofacts said the Big 3 domestic automakers are generally placing incentives on their slowest and fastest selling models to gain or maintain market share in a soft market.

"It's not because of the inventory that has been accumulated so far but the generally soft market (anticipated) in the first quarter," said Pochiluk, who recently completed a study of the effectiveness of automotive incentive programs.

"Incentives are a holding action to prevent the market from cascading downward," he said.

The latest round of incentives includes:

BUICK: Rebates of $400 to $1,000 are offered on selected 1988 models, starting Jan. 12. Buick is offering $400 on Skylark, $750 on Century and LeSabre and

see INCENTIVES, page 51

INDEX

Auction dates	38
Classifieds	39
Coming events	32
Dealing with dealers	26, 27
Inventories	50
Legal briefs	33
News briefs	8
Obituaries	4
Opinion	10
Personnel	22
Production	52
Recreation on wheels	18
Sales, car	51
Sales, import car	50

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Audi throws weight behind 80/90 models

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

A sluggish launch for the new Audi 80 and 90 has Audi of America looking for ways to increase showroom traffic.

The company has added one television ad that pits the cars directly against BMW and Mercedes-Benz. It also is inviting potential customers on the East Coast for a two-day test drive. And it is preparing a video catalog on the car for inquiring shoppers.

In addition, Audi is exploring ways to guarantee the resale price or somehow ease concerns about the long-term value of its cars.

Company officials have admitted that they've been disappointed by the 80/90 launch. But the models have carried a heavy burden; they are Audi's hopes for reversing the sales decline brought about by the sudden-acceleration issue.

The company has projected 28,000 sales for 1988 models. But in the first two months, just over 1,300 80s and 90s were sold. In an early step to spur interest, the company began a 6.9-percent financing program and a discount leasing offer in late December.

A company spokesman noted, however, that the heaviest portion of the advertising didn't kick in until last weekend. The ad campaign had been phased in sooner than originally planned to coincide with the Nov. 1 sales debut of the new models.

In the print and television spots, memories of childhood thrills — a sleigh ride, for example — are equated to the experience of driving an Audi 90. The new television ad will show a string of Audi 80s and 90s passing a BMW and a Mercedes on a test track. Viewers will be told that Audi's entries have been outselling the BMW 3 series and the Mercedes 190 in Europe.

In the United States, though, the name Audi doesn't rank as high on the prestige ladder as do its German competitors. But the 80 and 90 mark a step into a higher price territory — nearly $28,000 for the top-of-the line 90 Quattro — and some shoppers have apparently been jolted by the price tag.

"The problem that we feel we are having with the car is that we have been bumping up against the price threshold," said one Audi insider. "We are trying to tell people that the quality is there, the performance is there. It's every bit as good as BMW and Mercedes as proven by the sales performance in Europe."

In another move, the Audi Eastern distributor is inviting thousands of potential customers to test drive an Audi for two days. Their only obligation will be to fill out an evaluation form on the car.

If the program is successful, it may be expanded to other parts of the country. A primary aim is to generate some word-of-mouth interest.

The videotaped catalog likely will be sent to people who respond to a mailing by filling out cards for more information, the spokesman said. The program should be in place before April.

WARRANTIES

FROM PAGE 1

extended complete-vehicle warranties (except on certain high-line automobiles) because that might be seen as backing off from the very long-term powertrain warranties they now offer.

Officials at Mazda, Toyota and Mitsubishi said a longer warranty will help sell cars but is not a marketing tool per se.

"We have learned to build a better product," said Phil Virga, warranty manager for Mazda Motors of America (Central).

The longer warranty, he claimed, will not cost Mazda a great deal of money because of the quality of the company's vehicles.

The call for a longer warranty originated in the service and parts department, and had been under discussion for a couple of years while data was compiled, Virga said.

"We didn't wait for a marketing battle to introduce it," he said.

However, the longer warranty will influence sales, he predicted.

"The marketing people have taken advantage of it" and are aggressively advertising it. "Dealers are letting everyone know about it. If not, they would be foolish. Anything that shows you have a better product is a light in your favor," Virga said.

Mazda introduced its three-year vehicle warranty in August, and Toyota announced its new warranty in October. Both announcements coincided with new-model introductions.

"Mazda beat us (in introducing the new warranty), but it was a coincidence. We didn't introduce our warranty in response. Warranty approval is a lengthy process in Japan," said Phil Broman, corporate service manager for Toyota Motor Sales U.S.A.

"We improved our warranty because of our need to be consistent with what the customer expects from us — quality and good service," he added.

Toyota advertising, Broman said, touts quality, not the new warranty. Toyota depends mainly on word-of-mouth communication between customers and unsolicited reports in the consumer press to reinforce its reputation as a quality manufacturer, he said.

"We (auto manufacturers) are in a quality competition. We lead in quality and want to stay there, to reinforce our image with consumers," Broman said.

"We want to stress hassle-free ownership for three years. We want to hold people in our portfolio of satisfied customers that are taken care of every step of the way," he added.

Mitsubishi Motor Sales of America's three-year warranty was put into effect mainly as a reflection of competition, said Michael Impullitti, supervisor of warranty administration.

"A warranty is one selling point, not all-encompassing but a product feature. . . . If a customer is wavering between models or considering how much a vehicle is worth, a longer warranty helps make a sale," he said.

A warranty is not inexpensive, but may be needed to meet demands of customers, Impullitti said.

"Any warranty is an expensive proposition. It is a sign of the times; as cars get more complicated and expensive, customers want to be better protected," he said.

Longer warranties are strictly marketing tools on the order of incentives or rebates, according to a Subaru of America spokesman.

Subaru, which previously offered only a one-year comprehensive warranty, has introduced a three-year powertrain and corrosion warranty.

"We went with a longer warranty for 100 percent competitive reasons," the Subaru spokesman said. "Management has always viewed warranty as a marketing tool, not as a sign of the life of the product. They are comparable to incentives to a large extent.

"Our dealers said people were competitive shopping — largely with the other Asian companies. Our (old) warranty was one of the lowest among the Japanese manufacturers," he said.

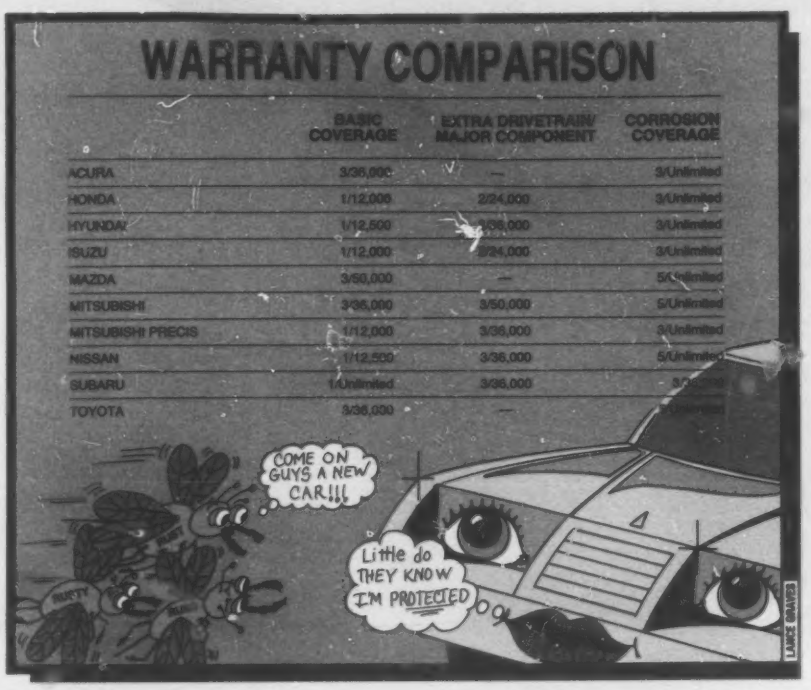
Nissan Motor Corp. in U.S.A. bumped up its corrosion coverage from three to five years. Thomas Mignanelli, senior vice president of sales and marketing, said a salesman may use a warranty to close a sale, but it is not a marketing tool or a drawing card.

Doug Lawrence, national warranty manager for Nissan Motor Corp., noted that a warranty can have a negative effect if it doesn't meet the expectations of customers. Also, some cars are seen as needing a long warranty and others have a long warranty because they can support it.

However, Nissan is not ignoring the efforts of its competitors. Asked if a full-scale "warranty war" is likely among Japanese manufacturers, Lawrence said, "Nobody wants to go to war. We are looking at the situation daily, but the situation is not tense. Just say, we are very alert to the competition and the marketplace."

An American Honda spokesman said, "Our sales (of Honda and Acura) have held up well. It is a competitive market, but our warranty has proved acceptable. No changes are planned."

Honda cars are covered by a 12-month/12,000-mile comprehensive warranty, a two-year/24,000-mile powertrain warranty and a three-year/unlimited-mileage corrosion warranty. As noted, Acura models have a 3/36 comprehensive warranty.



PICKUPS

FROM PAGE 1

To some extent, new low-priced imported cars from Korea, Brazil and Yugoslavia also have eaten into that portion of the small pickup market.

As it is, Toyota's 252,946 pickup sales in calendar 1987 were off 21.13 percent from the year-earlier total. Similarly, Nissan's 164,528 pickup sales were off 24.01 percent from 1986.

Also, Mazda, with sales of 123,699 small pickups, had a 21.27 percent decline from 1986; Isuzu, with sales of 44,297 pickups, had a 14.53 percent decline; Dodge's Mitsubishi-built Ram 50, with 65,593 sales, had a 16.66 percent decline; and Subaru dropped out of the market after selling 1,274 pickups.

Mitsubishi was the only importer to show a gain, with 37,835 pickup sales compared with the 28,307 retailed in calendar 1986.

Overall, small pickups accounted for 1,406,571 of the industry's 4,668,483 light-duty sales last year, equal to a 30.13 percent share of the market.

Volume declined 2.24 percent from the 1,438,804 small pickups sold in 1986, when they accounted for 31.25 percent of the light-truck market.

New full-sized pickups from Ford and GM helped to slow, but not stop, the ongoing decline of the full-sized pickup market.

Full-sized pickups, the second largest light-truck category, chalked up 1,204,232 sales in calendar 1987, accounting for 25.80 percent of the light-truck total.

Their sales were off 2.69 percent from 1,237,500 sold in calendar 1986, when they accounted for 26.87 percent of the market.

Large sport-utility and van sales continued to decline, largely because of the increasing inroads of compact versions of those vehicles.

Full-sized van sales of 473,396 units were off 7.69 percent from 512,823 retailed in 1986.

Their 10.14 percent market share was down from an 11.14 percent share in 1986.

Full-sized sport-utilities accounted for 208,643 sales, off 6.16 percent from the previous year's 222,338.

Their 4.47 percent market share reflected a decline from the 4.83 percent share of market they held in 1986.

The Japanese had mixed results in the growing compact van market, but fared better overall in the compact sport-utility segment.

Toyota, for example, retailed 19,414 compact vans last year, off from 33,290 in calendar 1986; Nissan, 17,673 compared with none the previous year; and Mitsubishi, 3,103 compared with 2 the previous year.

In the sport-utility segment, Toyota retailed 31,423 4Runners, up from 30,158 in 1986; Nissan, 34,313 Pathfinders, up from 6,901; and Isuzu, 42,693 Troopers, up from 36,893.

Mitsubishi retailed 10,924 Monteros, up from 6,676 in calendar 1986; Suzuki, 81,349 Samurais, up from 47,732; and Dodge, 19,539 Mitsubishi-built Raiders, up from 4,768 in 1986.

Small sport-utilities outsold minivans for the first time in calendar 1987.

Compact sport-utility sales of 688,024 were up 16.56 percent from 590,287 in 1986.

Minivan sales of 687,617 were up 14.02 percent from 603,085 in 1986.

They had a 14.73 percent market share compared with a 13.10 percent share in 1986.

Warranty firm dies; makers fill in

By Alex Law
SPECIAL CORRESPONDENT

TORONTO — Seven Canadian import-car firms have agreed to honor about 400,000 extended-warranty contracts sold by a bankrupt firm in Edmonton, Alberta.

People who bought extended warranty coverage on Mazdas, Hondas, Hyundais, Nissans, Toyotas, Subarus and Volkswagens from International Warranty Co. Ltd. will have their claims covered — for the time being, and only if they bought the cars new.

International Warranty let its 150 employees go and closed its doors in mid-December.

The uncertainty about how long this offer will stand depends upon the findings of the court-appointed receiver, Clarkson Gordon. The firm is expected to present a plan for processing warranty claims by the end of the month.

Until then, the car firms will honor the estimated 4,000 warranty claims, but they have made it plain that they are under no legal obligation to do so.

However, an Ontario official has written all the car companies, domestic and imported, telling them the government expects them to honor the contracts they endorsed or sold.

How each claim will be treated at each car company is somewhat in doubt, since the warranty records are in the possession of Lloyds Bank Canada, a secured creditor of International Warranty.

The Automobile Importers of Canada is trying to obtain access to the records. To complicate the matter further, the auto importer association has to gain access to the files of an insurance company that insured payment of claims under some International Warranty contracts.

It appears, however, that the people who bought their cars used will simply be out of luck.

Spurred by that situation, Automobile Importers of Canada has asked the 10 provincial governments in Canada to set up consumer protection legislation covering extended warranties on cars.

Peter Davies, the group's executive director, said it wants the governments to take the "appropriate steps" needed to "safeguard the interests of our customers in this matter and in the future."

JAPANESE

FROM PAGE 2

The great rise of the yen and the resulting severe losses in profits have led all companies to look for new ways to tighten their belts. The effort is particularly pronounced at Nissan and Mazda, whose sales have faltered in recent years.

Last year, when Nissan had just recorded its first-ever operating loss, Kume opened the new year by calling for a "lean company."

This year, with the anticipation of a 50 billion yen ($400 million) operating profit, Kume called for greater efforts to build a "strong and tough corporate organization."

Mazda's Furuta said previous efforts to cut back had focused on reducing waste. He said the company now needs "a drastically new approach, with an eye toward developing the best possible performance at the lowest possible cost."

Kume

Toyoda

All companies refer to 1988 as what Mazda's Furuta calls "a challenging year." The prospects of maintaining employment is an issue at a time when exchange rates and cyclical demand are deflating the export market and increasing the prospects of moving some production overseas.

But all companies insist they will maintain current levels of employment, despite continued efforts to reduce costs. Recently, Mazda announced a tie-up with Suzuki Motor Co. to produce minicars for the domestic market. Part of the intent was to expand Mazda's efforts in the Japanese market, but the company also said its point was to maintain employment levels at its Hiroshima plants.

Toyota Chairman Eiji Toyoda said that maintaining employment is a problem not just for the company or the industry, but for the country.

RVIA plans to expand consumer awareness effort

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

LOUISVILLE, Ky. — Although it is bullish about the long-range future, the Recreation Vehicle Industry Association has a number of more immediate concerns to resolve.

A major one is its continuing effort to create greater awareness of RVs among consumers.

"A lot of people still don't know what an RV is. They think it's a motor home or pickup camper," said Don Cuzzocrea, chairman of the RVIA board of directors and chairman of Starcraft Corp.

RVIA will continue — and expand — its public relations efforts through Burston-Marsteller, New York, which netted it a segment on television's "20/20" show and a lot of local TV spotlights.

RVIA also won gold honors in the Mercury Awards Competition, an international communications competition, for its promotion manual for first-time buyers, which was aimed at helping RV dealers expand their markets.

Its "Wish you were here" weekly RV travel series on cable TV received an ACE Award nomination from the National Academy of Cable Programming.

Through an agreement with the Recreation Vehicle Dealers Association, Fairfax, Va., RVIA plans to pool its finances and get additional input from RV dealers for increased promotional efforts, Cuzzocrea said.

RVIA has also been lobbying, on a state-by-state basis, against stricter driver licensing for RV operators.

Because of the federal government's crackdown on heavy-truck accidents, some states have been looking at stiffer licensing requirements for operators of large vehicles, including motor homes.

California is looking at new medical requirements, including tests, for motor home operators.

Cuzzocrea said there are no statistics indicating that motor homes, generally driven by senior citizens, are involved in an inordinate number of accidents.

The RVIA is concerned, though, that stiffer licensing requirements might scare some of those people away from the market.

The association has been successful in defeating changes in the new federal income tax law that would have eliminated the deduction of interest on loans used to buy RVs as second homes.

Cuzzocrea pointed out how unfair it would have been "if a guy who buys a $1 million condo in Maui, Hawaii, can write off the interest on his loan" but a middle-income person "who bought a park model and parked it in Texas" wouldn't have been allowed to write off the interest.

RV buyers tend to make pretty big down payments, often 50 to 60 percent of the price of the vehicle, Cuzzocrea said. Some even pay cash for units that cost up to $100,000 or more.

The law probably would have had more of a psychological effect than anything else, he said.

"If they found the interest not deductible, that would have been one more reason for them not to buy. Our job is to remove all the negatives," Cuzzocrea added.

RVIA is continuing its certification program for van converters and is continuing its educational program on federal safety standards for them.

But it doesn't plan any tougher certification standards or entry into new areas, like warranty standards for converters.

"We (RVIA) have discussed setting other standards numerous times," Cuzzocrea said. "But as an industry association, we really can't. It gets into the competitive nature of the business. Trade associations are restricted by federal antitrust laws. Our legal feeling is that the current program is as far as we can go in our standards."

Warranties, for example, are part of the price and the package that converters offer, and there is no legal way to standardize them throughout the industry, even though good warranty backing is a major dealer concern, he added.

Just as the car companies have been focusing on customer satisfaction, so has the RV industry, and "the general quality level of this industry is so much better than it was four or five years ago," Cuzzocrea said.

"All the way up and down the product lines, the improvement is really amazing. It's not really an association thing. The companies realize that if they don't take care of customers, they won't come back," he said.

From a demographic standpoint, RVIA manufacturers are excited about the long-term outlook.

All the surveys conducted either by the RVIA or independent companies point out that the major RV buying segment is the fastest-growing in the country.

The industry is looking for good times between now and the year 2000. That is probably more true of larger motor homes and fifth-wheel trailers than some other segments.

Fold-down camping trailers, for example, are not expected to show much growth during the next 10 years. That is one reason why Starcraft has been diversifying into big travel trailers.

The company has four van conversion plants and could probably use another in Florida, a strong van conversion market where Starcraft isn't very heavily represented, Cuzzocrea concluded.

RV shipments rise for third straight month

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

RV wholesale shipments rose for the third straight month in October, continuing a late-season selling surge for the industry.

October shipments of 33,900 units were up 16.10 percent from a year earlier. The industry shipped 347,400 units during the first 10 months of the year, an increase of 5.88 percent over the same period in 1986, the Recreation Vehicle Industry Association said.

The results were considered very encouraging, particularly in light of the October stock market tumble and the resulting slide in consumer confidence.

The Index of Consumer Confidence, as measured by the University of Michigan's Survey Research Center, showed October's level was down 4.30 points, to 89.30, largely due to responses received in the final 10 days of the month.

Although consumers were not as optimistic about the economy in general, their evaluation of their personal finances has remained quite favorable, RVIA said.

All categories of RVs except park trailers participated in the October upturn, with van campers leading the way with a 100 percent sales increase.

Van camper sales totaled 600 units in October. With 5,800 for the 10-month period, they exceeded the full-year total for 1986.

Van conversion shipments, totaling 14,800 in October, were up 18.40 percent from a year earlier. Their 10-month total of 157,200 units was 0.88 percent below 1986's level. The industry shipped 181,900 units in 1986.

Shipments of van chassis with the seat-delete option from Detroit manufacturers to converters totaled 16,900 in October, off 22.83 percent from 21,900 a year earlier.

For the 10-month period, however, Detroit manufacturers shipped 181,000 stripped chassis, up 25.00 percent from 144,800 in the year-earlier period.

Recreational Vehicle Wholesale Deliveries

	October 1987	October 1986	% change	10 months 1987	10 months 1986	% change
Travel trailers	4,900	4,600	+ 6.5	53,400	49,300	+ 8.3
Park Trailers	800	900	- 11.1	5,600	6,500	- 13.9
Travel trailers—fifth wheel	2,800	2,300	+ 21.7	23,200	19,900	+ 16.6
Folding camping trailers	3,100	2,500	+ 24.0	35,200	30,100	+ 16.9
Truck campers	800	600	+ 33.3	9,000	6,400	+ 40.6
Towable RV total	12,400	10,900	+ 13.8	126,400	112,200	+ 12.7
Conventional (type A)	4,100	3,200	+ 28.1	34,700	28,000	+ 23.9
Van Campers (type B)	600	300	+ 100.0	5,800	5,000	+ 16.0
Chopped vans (all)	2,000	2,300	- 13.0	23,300	24,000	- 4.1
Motor home total	6,700	5,800	+ 15.5	63,800	57,300	+ 11.3
Van conversions	14,800	12,500	+ 18.4	157,200	158,600	- 0.9
TOTAL ALL RVs	33,900	29,200	+ 16.1	347,400	328,100	+ 5.9

Source: Recreation Vehicle Industry Association

1988 PLANS: *Bush will address RVIA; group schedules busy year*

RESTON, Va. — The Recreation Vehicle Industry Association, which closed out 1987 with strong attendance at its two major Western and Southern shows, has mapped out some of its 1988 agenda.

Vice President George Bush will deliver the keynote address at RVIA's annual meeting in Marco Island, Fla., March 2-5. Bush is scheduled to speak the morning of March 5.

Other key events planned as part of the annual membership meeting include an open forum featuring spokespersons from the auto industry and a meeting of van converters to discuss promotional ideas and association programming.

Converters will have a chance to talk to manufacturers about their specific industry problems and opportunities.

There also will be regional caucuses. An RVIA board of directors meeting is scheduled for March 6. The board will meet again in Washington on June 30.

Seminars on federal motor-vehicle safety standards for van converters working toward qualifications for association membership are scheduled for Feb. 18 and June 23 at RVIA's headquarters in Reston, Va.

The 36th annual Recreation Vehicle Show in Los Angeles is scheduled for Nov. 1-14. The industry trade portion of the show will be held Nov. 1-2, and the public portion is set for Nov. 4-13.

Both this Western show and the subsequent one in Louisville generated heavy traffic and upbeat responses from attendees in 1987.

Last year's show in Dodger Stadium, Los Angeles, drew 1,651 representatives from 683 dealerships, representing a 38-dealership increase over the previous year.

Public attendance at the Western Show was up 7 percent in 1987 over the previous year, with a total of 49,191 people attending.

Dealer attendance at the Louisville show was up 17 percent in 1987 over the previous year. Last year's show drew 4,472 dealers from an estimated 1,500 dealerships. Overall attendance was also up.

Vixen names new officers; gas engine due in March

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

PONTIAC, Mich. — Vixen Motor Co. has named new top officers and is preparing to introduce its new gasoline-engined motor home in March.

Robert Gillow, president of Action Oldsmobile, Livonia, Mich., became chairman of the board and chief executive officer of Vixen Motor, effective Jan. 4.

He replaced William T. Collins Jr., co-founder, who retired.

Allen J. Dryer was named president and chief operating officer. He joined Vixen in 1985 after positions with Chrysler and Volkswagen of America.

Dryer replaced Gerald Bryce, who left Vixen in December.

Collins will continue as a member of Vixen's board of directors and will do some consulting work for the company. He also will retain his minority investment in the firm.

"My mission was to get the Vixen 21 into production and to help launch the gasoline engine, and that's been done," Collins told Automotive News.

Gillow, one of Vixen's strongest dealers, has been a director of the company since it was founded.

He said the changeover to a new V-6 gasoline engine/automatic transmission model was on schedule.

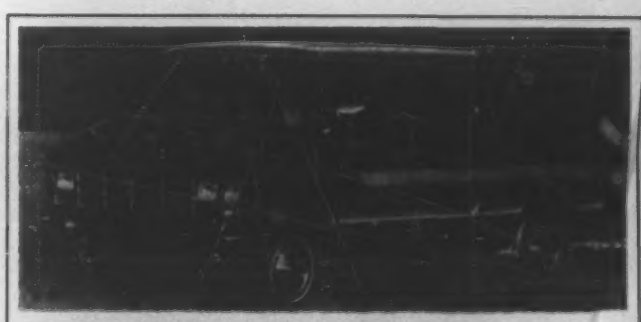
"The pilot-line vehicles are being built and system fill will take place in March," Gillow said.

The Vixen 21 SE features a new floorplan, raised roof and more conventional motor home amenities, as well as General Motors' sequentially fuel-injected 3800 V-6 engine, which is used in Buick, Oldsmobile and Pontiac cars, Gillow said.

The engine, revamped for 1988 from GM's 3.8-liter V-6, delivers a maximum 165 horsepower at 4,800 rpm and has 210 pounds-feet of torque at 2,000 rpm.

"We have been spending a lot of time restructuring, reorganizing and preparing for the new-model introduction," Gillow added. He said he was not prepared to provide all the details of the company's new-model program at this time.

A major focal point, though, will be a heavy marketing effort in California, a huge motor home market from which Vixen's previous diesel-engined model was excluded because of emissions regulations.



Winnebago highlights 1988-model conversions
Winnebago's 1988-model van conversions, such as this full-size Dodge, feature tinted vista bay windows. The company offers conversions of all domestic full-size vans and a variety of minivans. Its two distinct full-size models — the flagship St. Regis and the economical SL Value conversion — come with a variety of standard and optional features.

Canadian car sales decline 6% for '87; trucks rise 12%

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

Canadian sales of North American-built cars dropped 6.16 percent in 1987, despite a healthy 5.14 percent gain in December.

Dealers sold 693,560 new domestic cars last year, compared with 739,124 in 1986.

In December, dealers sold 42,782 domestic cars, compared with 40,690 a year earlier.

Truck sales showed gains for both the month (18.30 percent) and for the year (12.71 percent).

General Motors sold 21,791 domestic cars in December, up 14.62 percent from 19,012 in December 1986. However, sales declined 10.47 percent for the 1987 calendar year. GM's Canadian dealers sold 355,341 North American-built cars in 1987, compared with 396,893 in 1986.

"We were down a little bit in the 1987 calendar year overall, but we're quite happy with our performance in the Canadian market," said a GM of Canada spokesman.

"The Chevrolet Corsica and Beretta and the Pontiac Tempest (Pontiac version of the Corsica) have been quite well accepted here in their first year," he added.

During December, GM offered Canadian buyers free air conditioning, free automatic transmission or $500 on Pontiac 6000, Sunbird and Tempest; Chevrolet Cavalier, Corsica, G-van, ST pickup and ST sport-utility vehicles; Buick Century; and Oldsmobile Cutlass Ciera.

CANADA MARKET SHARES December 1987

Cars	
General Motors	50.93%
Ford Motor Co.	28.21%
Chrysler/AMC	19.32%
Honda	1.38%
Volvo	.16%
Trucks	
General Motors	35.77%
Ford Motor Co.	39.70%
Chrysler/Jeep	24.53%

The Pontiac 6000 was the best-selling GM car in 1987 with 32,916 units sold. The Chevrolet C/K pickup truck was the best-selling GM truck with 29,341.

Ford sold 12,069 North American-built cars in December, up 3.07 percent from 11,710 a year earlier.

For the year, Ford's domestic sales totaled 182,912, down 1.97 percent from 186,585 in 1986.

The Ford Tempo, with 42,320, and the Ford F-series full-sized pickup truck, with 59,676, were the best selling car and truck for Ford of Canada in 1987.

Chrysler sold 8,267 North American-built cars in December, down 8.69 percent from 9,054 in December 1986. The 1987 figure includes 297 American Motors Eagles and Renault Alliances.

Chrysler's domestic-car sales were up slightly for the 1987 calendar year because of the inclusion of AMC Eagle and Renault models. The company sold 141,189 North American-built cars in 1987, up 0.93 percent from 139,894 in 1986. The 1987 total includes 4,764 domestic Renault and Eagle cars, thus sales of Chrysler, Plymouth and Dodge cars were down.

AMC figures for 1986, which are not included in the Chrysler totals for that year, were 785 for December and 13,161 for the year.

"The four- to five-month absence of the Omni and Horizon Expo (called America in the United States) and the M-body cars (Fifth Avenue, Diplomat and Gran Fury) was a factor in the decline; it definitely hurt us," said a Chrysler Canada spokesman.

The Plymouth Reliant was the best-selling car for Chrysler in 1987 with 26,847. The Plymouth Voyager minivan was the best-selling truck with 19,116.

Honda Canada sold 589 Canadian-built Hondas in December vs. 66 a year earlier. Honda began producing cars in its Alliston, Ontario, plant in November 1986. Honda sold 11,985 domestic Hondas in the 1987 calendar year, compared with 126 in 1986.

CANADIAN SALES OF NORTH AMERICAN-BUILT VEHICLES

	Dec. 1987	Dec. 1986	Pct. Change	12 mos. 1987	12 mos. 1986	Pct. Change
CHRYSLER/AMC						
Cars	8,267	9,839	– 8.69	141,189	139,894	– 0.93
Trucks-Jeep	7,358	6,022	+62.28	94,767	59,046	+60.50
GM						
Cars	21,791	19,012	+14.62	355,341	496,893	–10.47
Trucks	10,729	9,321	+15.11	158,096	151,854	+ 4.11
FORD						
Cars	12,069	11,710	+ 3.07	182,912	186,585	– 1.97
Trucks	11,907	10,012	+18.93	142,438	124,626	+14.29
VOLVO						
Cars	66	63	+ 4.76	2,133	2,465	–13.47
HONDA	589	66	-	11,985	126	-
TOTAL CAR	42,782	40,690	+ 7.21	693,560	739,124	– 6.16
TOTAL TRUCK	29,994	25,355	+25.67	395,301	350,728	+12.71

The Accord four-door model was the top-selling model for Honda in 1987.

Volvo sold 66 Canadian-built cars in December vs. 63 a year earlier. Sales of domestic Volvos totaled 2,133 in 1987, down 13.47 percent from 2,465 in 1986.

The Swedish-built 740 series was Volvo's best seller in Canada in 1987.

Truck sales continued to be strong in Canada. Dealers delivered 29,994 domestic trucks in December, up 18.30 percent from 25,355 in December 1986. They sold 395,301 domestic trucks for all of 1987, a gain of 12.71 percent over 350,728 in 1986.

Ford outsold GM in trucks in December and posted the best total in its history.

Ford sold 11,907 domestic trucks in December, up 18.93 percent from 10,012 in 1986, the previous record. It sold 142,423 domestic trucks in the 1987 calendar year, an increase of 14.29 percent over 124,626 in 1986.

GM sold 10,729 North American-built trucks in December, a 15.11 percent increase over 9,321 in December 1986. GM sold 158,096 domestic trucks in 1987, a 4.11 percent increase over 151,854 in 1986.

Chrysler dealers sold 7,358 domestic trucks in December, up 62.28 percent from 4,534 a year earlier. The December 1987 figure includes 1,993 Jeeps. AMC sold 1,488 Jeeps in December 1986.

Last month's truck total was an all-time December record for Chrysler's Canadian operations; the previous record was set in December 1986.

Jeep sales also boosted Chrysler's full-year total. Chrysler dealers sold 94,767 domestic trucks in 1987, up 60.50 percent from 59,046. The 1987 total includes 22,263 Jeeps. AMC sold 15,202 Jeeps in 1986.

In addition to North American-built cars sold in December, GM sold 523 Chevrolet Sprints, 461 Pontiac Fireflys, 25 Chevrolet Spectrums, 13 Pontiac Sunbursts, 16 Isuzu I-Marks and 13 Daewoo-built Optima models.

Ford sold 39 Merkur XR4Ti models, eight Merkur Scorpios and 412 Taiwanese-built Tracers. Chrysler sold 782 Japanese-built Mitsubishi cars, 11 Peugeots and 174 Renaults.

Honda sold 3,879 Japanese-built Honda cars and 657 Japanese-built Acura cars in December. Volvo sold 252 Swedish-built Volvos.

In the imported truck category, GM sold 50 Isuzu Troopers and Chrysler sold 271 Mitsubishi trucks in December.

Full-year totals for imports were: Sprint, 11,805; Firefly, 9,936; Spectrum, 1,150; Sunburst, 844; I-Mark, 63; Optima, 20; XR4Ti, 594; Tracer, 9,254; Scorpio, 240; Mitsubushi cars, 11,158; Peugeot, 379; Renault, 3,352; Honda, 54,964; Acura, 6,027; Volvo, 5,283; Trooper, 108; and Mitsubishi trucks, 3,757.

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S. California OK's clean-fuel plan

5-year program designed to attack air pollution at the source

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — The South Coast Air Quality Management District has approved a far-reaching air-pollution-control program that could replace up to 400,0000 gasoline- and diesel-powered vehicles with those that are powered by clean-burning fuels or electricity.

Approval of the program came unexpectedly shortly after it was officially unveiled at the first meeting of the the new 11-member air-quality governing board.

The program marks a turning point in the way in which the Air Qality Management District has attempted to reduce air pollution in the South Coast Air Basin.

Most of its past efforts to curb pollution have involved the imposition of technological controls on smokestacks and tailpipe emissions. Now, for the first time, the Air Quality Management District said it will mount a concerted attack on the source of emissions — the fuels themselves.

Under the five-year program, there will be 16 demonstration projects for vehicular sources to test, under realistic conditions, the advantages and limitations of vehicles that are powered by electricity, methanol, compressed natural gas and other alternative fuels. Another 13 projects are earmarked to test the viability of cleaner-burning fuels at industrial sites.

The Air Quality Management District said it hopes the projects will hasten the day when clean-burning fuels and electricity will be used to run 40 percent of all passenger vehicles and 70 percent of trucks that now are diesel-powered. It believes that goal can reached by the year 2007.

Rules enforcing the clean-fuels decree are expected to be announced in September and are expected to cover all public and private fleets with 15 or more vehicles, including transit buses and rental cars.

They will cover between 200,000 and 400,000 vehicles in the South Coast Air Basin — Los Angeles, Orange, Riverside and San Bernardino counties — said to be the nation's smoggiest area.

Other provisions of the program awaiting formal rules will require service stations to sell cleaner-burning methanol by the early 1990s.

The air quality board will coordinate such a requirement with the California Air Resources Board, which is tightening vehicle emission standards. According to an air resources board official, that will speed the day when auto manufacturers are forced to build methanol-powered vehicles in order to comply.

Beginning immediately, all new electrical turbines, internal combustion engines and co-generation units must use methanol as the emergency backup fuel in place of diesel.

The Air Quality Management District said it is the first in the United States to impose such a requirement. It also plans to present a schedule by May to phase out the use of diesel fuel in all stationary turbines, boilers and other equipment.

Mark Shoen, center, U-Haul marketing vice president, and Harry DeShong, left, U-Haul marketing manager, with Bob LaLain, Anglo's national sales director

U-Haul chooses Anglo American to auction 50,000 trucks, trailers

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Tons and tons of trucks, trailers and mobile homes will roll across the auction blocks beginning this month in a deal ballyhooed by Anglo American Auto Auctions and U-Haul International as an industry first.

More than 50,000 U-Haul trucks and travel trailers will be sold through Anglo auctions during the next five years as the national rental company for do-it-yourself movers begins an expansive rotation of its aging fleet.

"This marks the first time that U-Haul will use an auction firm to remarket its fleet," said Al Ladensack, public information director for U-Haul. He said 10,000 vehicles will be shipped to Anglo's 20 locations in 1988 for sale. He predicted that trucks will sell for $2,500 to $4,500 each.

Vehicles crossing the auction block will include: Ford F-350 trucks with one-ton chassis and aluminum van boxes measuring 14 feet; several varieties of Ford F-600 trucks with two-ton chassis and aluminum boxes measuring 12 feet, 16 feet, 20 feet and 24 feet; 1984 and 1985 Southwind motor homes; and 1985 27-foot Alumalite motor homes.

The package also includes hundreds of stake trucks, tractors and trailers through Class 8, vans and miscellaneous pickup trucks.

About 60 percent of the vehicles destined for the auctions are F-600s and most of the others are F-350s. Ages of the trucks ages are mixed, dating from 1974 to 1984, Ladensack said.

He said the company will unload approximately 4,000 motor homes and 650 tractor-trailer rigs in a broad range of classes.

Anglo auctions will sell the trucks in dealer-only sales and in special public sales at auctions held in Atlanta; Fort Wayne, Ind.; Dallas and San Francisco.

Dealers will be alerted to the U-Haul sales through direct mail, telemarketing, display advertising and point-of-purchase programs.

Nearly all the vehicles are equipped with four-speed manual transmissions, although there will be some automatics. All have ramps and low decks for loading.

"In many cases, the mileage is unknown because the speedometers have gone beyond their range," said Bob Lalain, national sales director for Anglo.

In the past, U-haul rotated its vehicles by selling them through its rental outlets. "This is a new stance for us," said Ladensack. "We felt it would be a quicker method of disposing of the vehicles."

Alfa Romeo seeks America's eye

164 sedan's launch will culminate its 20-month publicity plan

By John A. Russell
AUTOMOTIVE NEWS STAFF REPORTER

ENGLEWOOD CLIFFS, N.J. — Executives at Alfa Romeo Inc. have a major goal for the next 20 months: Get Americans to sit up and take notice of their company and its cars.

The time span is significant because at the end of it, the new 164 sedan will be introduced in the United States.

Robert Owens, Alfa Romeo marketing director, said the company has no intention of merely dropping the new model into a highly competitive marketplace without preparation.

Many former Alfa Romeo executives have expressed similar goals over the years. However, this time, according to Owens, Alfa Romeo has a product to build upon: the Milano.

The Milano sedan, introduced in early 1986, received generally good reviews from the enthusiast press.

Owens, who has been with Alfa Romeo for slightly over a year, termed the Milano a legitimate contender in the sports sedan market. He views the car as the cornerstone on which to build Alfa Romeo's sedan business after years of being considered in the United States as a sports-car company.

Owens did not minimize the importance of the sports-car market to the company. The Spyder, in three versions, has represented the bulk of Alfa sales in the United States for years even though the design is old. Owens referred to it as "classic."

Owens: Milano is the cornerstone on which to build Alfa Romeo's sedan business

Unlike the Spyder, the Milano has a lot of competitors in the marketplace, including the BMW 3 series.

Alfa Romeo sold 6,300 cars in 1987, down from 8,201 in 1986. Owens attributed the decline to the lack of an automatic transmission for the Milano. Milano sales last year were 2,839. The company sold 70 GTV-6 coupes, a model that has been discontinued. The rest of the sales were Spyders.

Alfa Romeo expected to have Milano automatics last March. Instead, the cars arrived in December, which prevented the company from taking advantage of prime selling periods.

There is now a good model mix, Owens said, with two automatic-transmission and two manual-transmission Milano models available.

A glimpse of the support Alfa Romeo has in mind to promote the company and the Milano was seen late last year. It went into television advertising on a broader scope than at any time in the past.

From Sept. 10 to Dec. 13, the company spent $6 million on a campaign to make the name more widely known. Owens said the company had planned to return to television advertising this month, but decided to postpone the return for several months because of the unsettled conditions resulting from the stock market crash.

A new television commercial is in production and should be completed by the end of this month, Owens said.

Owens said he does not want to become involved in what he terms "extra-curricular programs," such as roadside assistance. However, Alfa Romeo soon will introduce a leasing program. The leasing program will be promoted in print advertising.

He also said that Alfa Romeo will concentrate its future advertising efforts on television, magazines and newspapers.

Chrysler slates $187 million for Indiana

INDIANAPOLIS — Chrysler Motors will spend $187 million to modernize three Indiana plants.

Richard E. Dauch, Chrysler Motors executive vice president — manufacturing, said the company will invest $130 million to expand its transaxle and transmission program at Kokomo, $30 million to modernize the Indianapolis foundry and $27 million to update the New Castle machining and forge operation.

Chrysler officials said the company could spend up to $38.5 million retraining 3,380 workers at the three plants. Indiana will contribute $1,015,000 to help with retraining costs.

Dauch said the reinvestment in the Indiana plants will help the company compete against foreign and domestic manufacturers.

"It's no longer the Big 3. It's the Big 36," he said. "If we are to compete effectively with them, we must constantly update our technology to equal or surpass our foreign competitors."

At the Indianapolis foundry, which manufactures *engine blocks, all 719 employees* will be retrained at an estimated cost to Chrysler of $21.8 million.

At New Castle, where components such as wheel hubs, idler arms and tie rods are produced, all 1,061 employees will be retrained at a potential cost of $13.7 million, officials said.

Retraining costs are expected to reach $3 million for 1,600 of the 4,492 workers at Kokomo, where three- and four-speed transmissions for both rear-wheel-drive and front-wheel-drive vehicles are manufactured.

Chrysler is phasing out its Indianapolis electrical plant, which had 975 workers when the two-year phaseout was announced last March.

— The Associated Press

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AUCTION DATES

Chrysler Motors

Jan. 19 — American Auto Auction, Walpole, Mass.; Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Golden Gate Auto Auction, Fremont, Calif.

Jan. 20 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; Minneapolis Auto Auction, Plymouth, Minn.; Southwest Auto Auction, Phoenix, Ariz.; and Denver Auto Auction, Aurora, Colo.

Jan. 21 — Clanton's Auto Auction, Darlington, S.C., and Northway Exchange, Clifton Park, N.Y.

Jan. 22 — Manheim Auto Auction, Manheim, Pa.

General Motors

Jan. 19 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas

Jan. 20 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Omaha Auto Auction, Omaha, Neb.; and Indianapolis Auto Auction, Indianapolis

Jan. 21 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah

Ford Motor Co.

Jan. 20 — Lakeland Auto Auction, Lakeland, Fla., and Southern California Auto Auction, Fontana, Calif.

Jan. 21 — Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

Model Breakdown
Auction Averages

	JAN 1988	DEC 1987	NOV 1987
1988	$10,258		
1987	$8,702	$10,564	$11,220
1986	$6,514	$8,454	$8,624
1985	$5,110	$7,199	$7,257
1984	$4,273	$5,640	$5,711
1983	$3,113	$4,844	$4,897
1982	$2,235	$3,504	$3,549
1981	$1,909	$2,542	$2,549
Overall Average	$4,379	$5,914	$5,878

Used Car Sales
Auction Averages

January, 1988	$4,379
Month ago	$5,914
Year ago	$5,878

Oklahoma sale promises 300 collector cars

OKLAHOMA CITY — Sports cars will be the main attraction at the fourth annual Oklahoma City Classic Car auction, scheduled for Feb. 29-21 at the International Trade Center.

More than 300 collector cars will fall under the gavel, including a 1962 Ferrari Lusso, a 1967 Ferrari 330 GT, a 1972 Jaguar V-12 roadster, a 1964 Austin-Healey 3000 and a 1973 Porsche RS Carrera coupe.

The auction will be conducted by Indiana-based Kruse International.

DOMESTIC DAYS' SUPPLIES

	Jan. 1, 1988	Dec. 1, 1987	Jan. 1, 1987
Alliance	102	73	112
Eagle	69	90	46
Total Eagle	171	77	102
Horizon	49	32	50
Sundance	80	71	76
Turismo	127	96	99
Reliant	90	86	45
Caravelle	60	82	46
Gran Fury	126	79	57
Total Plymouth	80	74	56
Laser	—	—	135
LeBaron K	134	103	43
LeBaron J	109	101	89
LeBaron GTS	144	173	83
Fifth Avenue	92	100	70
New Yorker C	49	73	—
New Yorker E	164	189	79
Total Chrysler	106	111	72
Omni	52	40	50
Shadow	83	80	51
Charger	124	122	158
Daytona	110	130	133
Aries	96	90	44
Lancer	163	211	119
Diplomat	156	119	60
Dynasty	60	45	0
Dodge 600	52	65	57
Total Dodge	91	92	62
CHRYSLER MOTORS	94	93	62
Escort	84	73	46
Mustang	61	64	46
Tempo	44	39	57
Taurus	61	77	33
Thunderbird	89	82	40
Crown Victoria	63	53	41
Total Ford Div.	69	66	43
Lynx	95	77	61
Topaz	56	52	66
Sable	67	72	42
Cougar	112	95	33
Capri	—	—	5
Grand Marquis	46	39	27
Total Mercury	74	66	41
Continental	23	—	21
Lincoln	53	52	19
Mark VII	60	40	38
Total Lincoln	50	49	22
Total L-M Division	66	61	34
FORD MOTOR CO.	68	65	40
Skyhawk	117	99	131
Skylark/Somerset	150	177	124
Century	97	106	59
Regal	80	82	102
LeSabre	91	122	74
Electra	53	113	66
Riviera	110	118	97
Total Buick	84	113	81
Cimarron	132	110	78
Allante	196	139	—
Seville	53	54	65
Cadillac	84	77	56
Eldorado	50	51	89
Total Cadillac	79	74	60
Chevette	83	112	53
Nova	275	222	143
Cavalier	48	75	92
Camaro	136	150	132
Celebrity	98	119	49
Corsica/Beretta	145	175	11
Monte Carlo	179	166	99
Caprice	73	83	66
Corvette	98	98	80
Total Chevrolet	100	121	73
Firenza	87	131	163
Calais	107	114	83
Cutlass Ciera	68	78	51
Cutlass Supreme	144	107	99
Olds 88	101	99	68
Olds 98	61	98	77
Toronado	87	64	115
Total Oldsmobile	88	95	70
Fiero	175	144	148
Pontiac 1000	89	78	121
Sunbird	82	63	105
Firebird	103	95	80
Grand Am	80	63	33
Pontiac 6000	77	65	58
Grand Prix	45	55	125
Bonneville H	78	90	—
Paris./Safari	96	80	74
Total Pontiac	84	74	69
GENERAL MOTORS	91	101	72
HONDA	9	13	4
MAZDA	51	47	—
NISSAN	62	59	54
TOYOTA	18	40	44
VOLKSWAGEN	146	117	81
DOMESTIC TOTAL	79	83	58
Subcompact	53	54	—
Compact	67	67	—
Intermediate	92	99	—
Standard	74	81	—
Sportsvity	119	122	—

IMPORT DAYS' SUPPLIES

	Jan. 1, 1988	Dec. 1, 1987	Jan. 1, 1987
Chevrolet	141	131	102
Chrysler/Mitsubishi	174	78	84
Acura	24	20	36
Honda	13	13	4
Isuzu	71	113	71
Mazda	58	53	31
Mitsubishi	108	94	64
Nissan	125	90	66
Subaru	65	56	49
Toyota	18	29	12
JAPAN	54	53	36
Audi	182	115	134
BMW†	87	58	50
Mercedes-Benz	36	59	13
Merkur	172	99	127
Porsche	133	102	43
VW	96	89	66
GERMANY	87	78	51
Alfa Romeo	52	62	60
Festiva	134	112	—
Hyundai	41	26	16
Jaguar	23	26	8
Peugeot	58	73	59
Pontiac	159	98	—
Eagle/Renault	133	195	—
Saab	74	71	44
Sterling	89	82	—
Volvo	164	65	274
Yugo	130	85	32
Other Countries	81	59	38
Total Import Cars	61	57	38
Isuzu	145	124	76
Mazda	67	69	42
Mitsubishi	67	61	83
Nissan*	96	107	82
Range Rover	18	42	—
Suzuki	57	46	19
Toyota	31	44	34
Chrysler	142	121	69
Total Imp. Trucks	70	78	53
Total Imp. Vehicles	63	61	42

*Includes domestic trucks.
†Company estimate.

Imports report record inventories

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

At the dawn of the new year, the weak dollar continued to throw cold water over sales of imported cars. One dramatic result: Inventories of imported cars in the United States on Jan. 1 soared to record highs.

Stocks of domestic cars also were well above those of a year before and close to those of a month earlier.

The supply of unsold imported cars on Jan. 1 totaled 677,306 units, which represented a 61-day supply at current selling rates. That compares with 473,165 units and a 38-day supply a year before. On Dec. 1, the supply of unsold imports totaled 583,128 units, a 57-day supply, according to Automotive News estimates.

The import stockpile was down to 48 days as recently as Oct. 1 when there were 547,966 cars on hand.

The earlier record of 650,508 units, a 60-day stock, came on July 1, 1987. Truck inventories then, of 241,038 units, also were a record and represented a 71-day stock. That truck record still stands.

The stockpile of imported trucks as of Jan. 1, 1988, was 185,183 units, a 70-day supply, down from 202,207, a 53-day supply, a year ago. A month earlier, the supply of new unsold imported trucks totaled 201,613 units, equal to a 78-day supply.

As of the first of this year, the combined imported car and truck inventory totaled 862,489 units, a 63-day stock, compared with 675,372, or just 42 days, a year before and 784,741, or 61 days, a month before.

Executives of importing companies and others have been saying the dollar's declining value in relation to the Japanese yen — and most other currencies — has led to declining sales of imports in this country. A weak dollar means prices of imports must increase as sellers try to recapture profits.

The stockpile of domestic cars stood at 1,682,600 units on Jan. 1, the equivalent of a 79-day supply. That compares with 1,506,557 units, a 58-day supply, a year before and 1,686,501 units, an 83-day supply, on Dec. 1, 1987.

Inventory figures include cars in dealers' hands, in transit in the United States and at ports of entry. Days' supplies are based on selling days, excluding Sundays and holidays.

General Motors cars made up the largest share of domestic stocks as the year began. They totaled 921,495 units, or 54.76 percent of the domestic total. Ford Motor Co. had 416,221 cars, or 24.74 percent. Chrysler Motors had 295,069 cars, accounting for 17.54 percent.

Among the transplants — foreign-owned companies with assembly operations in this country — Volkswagen cars made up 1.16 percent of the domestic total. Nissan accounted for 0.78 percent; Honda, 0.61 percent; Toyota, 0.29 percent; and Mazda 0.12 percent.

By size class, the Jan. 1 domestic inventory showed: intermediate, 44.21 percent; compact, 23.87 percent; subcompact, 11.33 percent; standard, 19.18 percent and luxury, 1.41 percent.

Among imports with large days-supply figures as of the first of this year were Audi with 182 days, Merkur sold by Lincoln-Mercury dealers with 172 days and the Mitsubishi lines sold as Colts by Chrysler Motors dealers with 174 days.

Among imported trucks, large days-supply tallies were noted for Isuzu with 145 days, Nissan with 96 and Mazda and Mitsubishi each with 67 days.

IMPORT SALES BY MODEL

	Dec. 1987	Dec. 1986	12 Mos., 1987	12 Mos., 1986
ACURA	10,439	9,280	109,470	52,869
Integra	4,597	5,038	54,757	27,807
Legend	5,842	4,242	54,713	25,062
ALFA ROMEO	432	574	6,300	8,201
GTV-6	0	89	64	671
Milano	264	264	2,839	2,934
Spider	168	241	3,397	4,596
AUDI	1,836	3,788	41,322	59,795
4000S	58	813	9,043	12,261
4000CS Quattro	40	417	2,929	4,174
5000S	504	1,496	17,356	30,811
5000CS Turbo	131	361	3,604	6,303
5000CS Turbo Quattro	380	503	5,082	3,400
80	256	0	550	0
90	366	0	768	0
Coupe GT	101	196	1,990	2,846
BMW	6,744	10,472	87,839	96,759
318i	0	8	18	907
524 TD	0	23	28	1,759
325	4,410	6,430	57,754	60,915
528e	582	2,102	9,405	15,880
535i/535iS	375	765	6,550	7,377
6-Series	49	385	1,944	2,979
7-Series	1,062	759	10,028	6,942
M3	203	0	1,121	0
M5	33	0	403	0
M6	30	0	588	0
CHEVROLET	11,616	11,418	137,211	160,363
Spectrum	5,538	7,934	76,852	99,380
Sprint	6,078	3,484	60,359	60,983
CHRYSLER/MITSUBISHI	7,046	12,584	120,337	135,528
Colt	5,092	7,924	79,367	93,343
Conquest	599	1,107	11,590	7,089
Vista	1,355	3,553	29,380	35,096
EAGLE/RENAULT	1,847	388	13,991	4,152
18i	0	388	0	2,760
Fuego	0	0	0	1,392
Medallion	1,847	0	13,991	0
FORD Festiva	3,712	0	26,750	0
HONDA	40,496	40,306	312,218	405,399
Civic/CRX	17,479	17,876	134,719	212,791
Accord	11,968	12,607	104,791	112,767
Prelude	11,049	9,823	72,708	79,841
HYUNDAI	19,345	22,412	283,610	168,582
ISUZU	3,790	4,662	39,577	38,910
I-Mark	3,239	3,414	32,290	26,046
Impulse	551	1,248	7,287	12,864
JAGUAR	2,848	2,757	22,919	24,464
XJ6	2,353	2,112	17,539	19,579
XJS	495	646	5,380	4,885
MASERATI	90	123	932	1,334
MAZDA	18,649	28,299	206,354	222,716
323	6,961	9,062	76,212	74,062
626	5,044	12,675	74,439	92,411
MX-6	1,970	0	10,445	0
929	2,232	0	6,913	0
RX-7	2,442	6,562	38,346	56,203
MERCEDES BENZ	7,762	13,692	89,918	99,314
190	1,274	3,032	17,545	21,803
260E	556	526	6,160	859
300	2,032	3,828	23,456	27,521
300SDL Turbo	117	1,064	6,035	6,850
300SEL	579	0	906	0
420SEL	1,138	2,071	14,945	15,956
560SEL	696	1,187	6,346	9,922
560SL	1,139	1,718	11,825	12,214
560SEC	202	216	1,785	2,175
Tourist	27	80	915	2,012
MERKUR	635	758	14,301	14,315
XR4Ti	480	758	9,123	14,315
Scorpio	228	0	5,178	0
MITSUBISHI	5,185	5,438	67,954	49,436
Starion	257	612	5,084	5,792
Cordia	506	455	4,499	4,997
Tredia	180	896	4,972	9,449
Mirage	1,593	1,726	15,185	14,640
Galant	763	1,554	10,856	14,363
Precis	1,454	0	20,658	0
Van/Wagon	432	195	6,700	195
NISSAN	29,664	39,342	409,476	494,294
Sentra	10,343	7,852	116,266	158,893
Pulsar	2,992	5,789	61,785	47,350
Stanza	5,220	6,101	67,604	67,904
Maxima	5,957	9,325	93,289	112,755
200SX	1,234	3,329	30,085	45,952
300ZX	2,032	4,568	33,566	52,936
Hawaii	1,886	2,382	6,921	8,604
PEUGEOT	943	1,160	9,320	14,336
PONTIAC LeMans	2,910	0	35,564	0
PORSCHE	1,281	3,547	23,632	30,471
924S	105	340	2,975	3,096
944	319	844	6,336	9,486
944S	39	485	1,876	808
944 Turbo	105	380	2,588	6,215
911 Coupe	304	577	4,157	4,485
911 Turbo	103	162	1,541	1,384
911 Cabriolet	150	338	2,192	2,215
928S	156	421	1,967	2,780
SAAB	3,103	3,742	45,105	48,[illegible]
900	627	704	9,831	12,869
900S	858	1,307	14,357	15,151
900 Turbo	748	775	9,120	8,627
9000S	274	0	3,715	46
9000 Turbo	573	891	7,341	9,721
Tourist	23	65	741	832
STERLING	911	0	14,171	0
SUBARU	15,324	15,114	175,864	179,100
Hatchback	809	966	8,377	15,972
3-Door	1,159	1,224	14,541	12,032
4-Door Sedan	2,564	3,626	39,397	49,706
XT	1,160	1,709	17,901	23,947
Station Wagon	7,630	7,584	82,408	77,436
Justy	2,002	5	13,240	5
TOYOTA	72,679	71,359	583,900	631,914
Corolla	18,807	16,773	119,447	153,137
Tercel	11,142	6,894	100,590	76,914
Celica	7,156	10,106	79,333	106,731
Supra	2,619	3,924	29,907	33,823
Camry	23,447	31,112	186,633	151,767
Cressida	1,944	4,280	21,968	42,180
Land Cruiser	810	611	5,008	4,475
Van	918	2,659	12,892	21,936
4Runner SR 5	1,458	386	3,635	5,564
MR2	1,215	2,757	15,847	28,851
Hawaii	3,163	3,877	6,640	9,536
VOLKSWAGEN	11,662	11,846	130,641	143,319
Cabriolet	545	1,224	13,563	14,276
Jetta	4,864	7,195	52,551	83,611
Variagon	718	1,194	10,746	12,569
Quantum	304	1,352	9,722	11,860
Scirocco	328	881	8,971	10,364
Fox	4,905	0	40,178	0
VOLVO	4,010	2,130	106,690	113,267
240 Series	1,611	952	49,107	64,195
740 Series	1,728	815	41,360	48,578
760 Series	566	228	14,109	10,313
780	45	0	511	0
Tourist	68	135	2,452	2,181
YUGO	2,842	4,269	48,819	36,964
IMPORT TOTAL	287,800	319,500	3,144,027	3,235,346

Compiled by Ward's Reports

INCENTIVES

FROM PAGE 3

$1,000 on Electra.

There is no dealer participation cost. Customers must select the car from stock and take delivery before Feb. 29.

Buick also is offering consumers $1,000 rebates on selected 1987 Buick models that are still in dealer inventory. Eligible vehicles include 1987 Skyhawk, Skylark, Somerset, Century, Regal, LeSabre, Electra Park Avenue and Electra Estate Wagon. The 1987 Regal equipped with the 3.8-liter intercooled engine is not eligible.

The 1987 model incentives began Jan. 12 and expire March 2. There is no dealer participation cost.

CADILLAC: Cadillac is mailing coupons worth $1,500 toward the purchase of a 1988 Seville to 95,000 Seville and Lincoln Continental owners who purchased their cars between the 1979 and 1987 model years. Customers must order the cars by March 31 or purchase them from stock. The program began Dec. 20. There is no dealer financial participation required.

CHEVROLET: Chevrolet announced its "Winter Cash" program offering $400 to $1,000 to customers on selected cars and trucks. Buyers of the following 1987 and 1988 vehicles are eligible: Cavalier, $400; Spectrum, $500; Celebrity, $750; Spectrum Turbo, $1,000; S/T pickup cab and chassis model, $500; S/T Blazer, $500; C/K 1500 to 3500 series pickups and cab chassis, $500; R/V 10 to 30 series pickups and cab chassis, $500; and G10 to 30 series vans, $500. Buyers of 1988 Corsica or Beretta models will receive a $600 rebate.

The program began Jan. 12 and expires Feb. 29. Vehicles must be purchased from dealer stock. There is no dealer participation cost.

CHRYSLER MOTORS: Chrysler announced last week that buyers of its 1987 and 1988 Dodge Dakota "S" pickups can receive 7.7 percent loans for up to 48 months or 9.9 percent loans for 49 to 60 months. Customers who lease a Dakota "S" pickup through Chrysler's Gold Key Lease Program are eligible for special-rate financing or a $500 rebate. The Chrysler retail program has no expiration date.

In a program that began Jan. 12, buyers of 1987 and 1988 Dodge Caravan and Plymouth Voyager minivans can receive 9.9 percent, 72-month loans until Jan. 31.

FORD MOTOR: Ford extended and sweetened incentives on selected 1987 and 1988 cars and trucks until March 8. That program was scheduled to expire on Feb. 3. Eligible vehicles and rebates are as follows: 1987 and 1988 Escort and Lynx, $400; Mustangs equipped with 2.3-liter engines and manual transmissions, $400; Tracer, $500; Thunderbird and Cougar, $600; Thunderbird Turbo Coupe, $1,000; Taurus and Sable, $750, and 1987 Sable, $1,000.

Also included are 1987-1988 F-series full-size trucks equipped with manual transmissions, Bronco II, Ranger and Aerostar, $500. All vehicles must be purchased from dealer stock and delivered by March 8. There is no dealer participation cost.

GMC TRUCK: Rebates of $500 are offered on 1988 Sierra full-sized pickups; 1987 and 1988 R/V full-sized pickups, cab and chassis models; 1987 and 1988 S-15 compact pickup trucks and cab and chassis models; 1987 and 1988 S-15 Jimmy; and 1987 and 1988 Rally and Vandura full-sized vans.

There is no dealer participation cost. Customers must purchase eligible vehicles from stock between Jan. 12 and Feb. 29.

OLDSMOBILE: Customer rebates are $400 on 1987 Calais and 1988 Cutlass Calais, $750 on Cutlass Ciera and $750 on Cutlass Cruiser.

Dealers will receive a cash bonus on 1987 and 1988 Firenza, rear-drive Cutlass Supreme, Delta 88, Custom Cruiser and 98 Touring Sedan models based on each dealer's total sales.

Oldsmobile dealers receive $250 per unit for meeting up to 33.9 percent of their goals, $500 per unit for meeting 34 percent to 66.9 percent and $750 per unit for selling more than 67 percent of their goals.

Dealers can receive an additional $600 on any 1987 model sold between Jan. 12 and March 2 and another $400 per car if they sell their entire inventory of 1987 models by March 2.

Oldsmobile is giving each dealer an advance check worth 50 percent of his or her potential earnings from both the 1988 dealer cash bonus program and the $600 bonus program on 1987 cars.

There is no dealer financial participation charge. Consumers must purchase vehicles from stock and take delivery before the program ends.

PONTIAC: Pontiac announced its "88 Excitement Savings" last week. It offers customers rebates of $400 to $750 on selected 1988 models. The rebates can be combined with a direct-mail coupon and an option-package discount incentive on eligible vehicles.

Pontiac is offering $750 rebates on 1988 Pontiac 6000 and Bonneville models, $600 rebates on Fiero, $400 rebates on Sunbird and $400 on Grand Am. The program began Jan. 12. Vehicles must be purchased from dealer stock before Feb. 29.

No dealer financial participation is required. Pontiac also is offering dealers $1,000 on any 1987 model sold between Jan. 12 and Feb. 29. There are no sales targets in the dealer incentive program. Dealers had complained that putting incentives on the 1988 models made 1987s less attractive because of the small price differential.

Early-January auto sales 2% above slow '87 period

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

DOMESTIC SALES

	Jan. 1-10, 1988	Jan. 1-10, 1987
Eagle	330	810
Chrysler	3,766	3,064
Plymouth	3,844	4,903
Dodge	6,045	5,218
Chrysler Motors	13,985	12,995
Ford	23,048	17,030
Mercury	7,617	5,177
Lincoln	2,450	2,128
Ford Motor Co.	33,115	24,335
Buick	11,120	10,407
Cadillac	3,193	6,443
Chevrolet	18,193	21,955
Oldsmobile	15,950	15,277
Pontiac	10,915	11,227
General Motors	59,368	65,309
Volkswagen	340	482
Honda	2,333	2,116
Nissan	878	1,087
Toyota	251	411
Mazda	83	—
U.S. Industry Total	110,363	107,735

Sales of domestic cars in the United States climbed a bit in early January with Ford Motor Co. responsible for much of the gain.

Deliveries of new cars rose 2.43 percent to 110,353 units compared with 107,735 a year earlier, when sales were unusually slow because income tax changes had just gone into effect. The changes knocked out the deduction for sales tax and reduced the deduction for interest paid on installment loans. The result was a new-car buying spree in December.

The Jan. 1-10 daily selling rate moved up 17.06 percent. The rate was 15,765 cars a day this year compared with 13,467 in 1986. There were seven selling days in this year's period and eight in last year's.

Ford Motor dealers delivered 33,115 cars in the Jan. 1-10 period, up 36.08 percent from 24,335 a year ago.

Honda, the only other company reporting a sales increase, retailed 2,333 units, up 10.26 percent from 2,116.

General Motors dealers delivered 9.10 percent fewer cars with sales at 59,368 units against 65,309 last year.

Chrysler Motors sales were off just 0.07 percent and totaled 13,985 cars vs. 13,995.

Toyota's sales fell 38.93 percent to 251 units from 411, and Volkswagen's fell 29.46 percent to 340 units from 482. Nissan deliveries were down 19.23 percent in the 10 days to 878 units from 1,087.

Ford Division sales were up 35.34 percent; Mercury's were up 47.13 percent; and Lincoln's rose 15.13 percent.

For GM, the major drop was at Cadillac with a sales decline of 50.44 percent.

PROBES

FROM PAGE 1

against Japanese light-truck manufacturers is being prepared by the MVMA. According to Steve Collins, MVMA director of international affairs, MVMA "is in the middle of a study on Japanese light-truck pricing."

Collins said MVMA undertook the study at the request of the U.S. Commerce Department. The Commerce Department, in turn, has been under pressure from members of Congress and the Big 3 to initiate an anti-dumping case against Japanese light-truck manufacturers.

Collins said MVMA expects to complete its study in late winter or early spring.

S. Bruce Smart, undersecretary of commerce for international trade, told a House committee last year he is convinced that foreign automakers have been dumping their products on the U.S. market, but bemoaned the fact that no domestic companies have filed formal complaints.

Under U.S. trade law, the Commerce Department may bring its own case against foreign companies. An action of that kind is unusual, although a successful Commerce Department case was brought on behalf of the U.S. semiconductor industry. For reasons of cost and diplomacy, the Commerce Department has historically preferred that U.S. industries prosecute their own cases.

A staff member of the International Trade Commission said GM has submitted a draft petition of an anti-dumping case against Hyundai to commission attorneys. Investigative attorneys have been reviewing the petition, although GM told the ITC it may not decide whether to file a case until late March.

Spokesmen for GM say they are not preparing a case against Hyundai and that reports to the contrary are "absolutely untrue".

According to trade commission sources, however, GM told the commission it will make a decision on whether to file a case based on several factors. These include the final resolution of the Canadian trade case.

The initial verdict in that case is under protest by Hyundai and will not be resolved until March or April of this year.

An ITC commissioner, who asked not to be identified, said attorneys for one of the domestic manufacturers have had discussions with commission attorneys about a possible case.

When told that GM is allegedly preparing an anti-dumping case, a Hyundai spokesman said, "Hyundai is not dumping automobiles or automobile parts in America. We feel strongly that our company offers the highest-value car in the subcompact segment. We are aware of the rumour that GM may be preparing an anti-dumping case against Hyundai, but we are treating the report as no more than a rumor."

The spokesman added that Hyundai's recent decision to raise prices resulted from meetings held months ago and is entirely unrelated to charges of dumping.

GM is in a unique position to file an anti-dumping case against the Korean auto manufacturer because of its first-hand knowledge of the country's production costs. GM has a 50 percent interest in Daewoo Motor Co., which last year began supplying LeMans models to Pontiac.

GM also may be capable of demonstrating injury by reason of Hyundai's pricing if domestic manufacturers continue to have difficulty selling cars to entry-level buyers.

Danforth's letter to Takeshita said, "If Japanese auto companies were to pass through the full effects of the shifts in the yen-dollar exchange rate — that is, if they were to adjust prices well beyond the 25 percent on autos and 20 percent on trucks that we have seen since September 1985 — I believe that the current economics of the marketplace must dictate that Japan's auto exports to, and market share in, the U.S. would drop dramatically below the existing restraint level.

"This cessation of dumping on the part of Japanese automakers, coupled with price restraint on the part of their American counterparts (the Big 3), would surely have a significant impact on our overall balance of trade.

"In the absence of this type of responsible behavior on the part of Japanese automakers, it is inevitable that Japan will continue to face both intense pressure for a sharp reduction in the restraint level and the very real threat of anti-dumping cases," Danforth said.

Sign of upturn for steel: Lakes boats race ice lock

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

Some economists say filled order books in basic industries such as steel are an indication of a strong and growing economy.

DETROIT — Late last week, several iron-ore boats steamed down the Great Lakes in a race against winter's fast-approaching ice.

As Great Lakes Steel near Detroit had guests in to show off a $245 million piece of new machinery, two other steel companies were announcing price hikes.

Such vigorous signs of life may have surprised some who have been calling the steel industry moribund and maybe in some stage of rusty rigor mortis. News of such activity for the automotive industry is of the good and bad variety.

The shipping movements this late in the year — the latest since the mid-1970s — are a good indication the basic steel industry expects its production rates to continue strong in the months ahead.

In turn, some economists say filled order books in basic industries such as steel are an indication of a strong and growing economy — good news for car and truckmakers.

The steel company's visitors saw a new continuous caster and ladle metallurgy station that will sharply increase the company's casting capacity. Continuously cast steel is of higher quality than steel made by the older batch method, experts say.

The caster's completion caps a $500 million Great Lakes Steel capital spending program by its parent, National Steel Corp. Much of the outlay was aimed at satisfying automotive customers' demands for steel that is better in terms of such qualities as formability and chemical content and that is delivered just-in-time. The just-in-time feature is enhanced by reductions in the amount of scrap steel produced.

Kokichi Hagiwara, National Steel president, said the new machinery "will enable us to produce quality that will compare favorably with any steel company in the world."

The computerized facility has annual capacity of 2.2 million tons.

The price increases came from USX Corp., the country's biggest steelmaker, and from Bethlehem Steel Corp., the second largest. Prices were raised by amounts ranging from 4 percent to 8 percent, effective April 3.

Usually, other companies follow the leaders in the steel pricing game, and this time several said they were studying the price moves by the big producers. Prices of galvanized steel sheet, used increasingly in auto body panels, were not increased.

PRODUCTION

Auto output up for week, trails 1987

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Targeted domestic auto production of 111,300 cars last week was 5.66 percent more than the prior week's 105,338 but 31.84 percent below the year-ago week's 163,295.

Last week's scheduled production was divided as follows: General Motors, 41.37 percent; Ford Motor Co., 35.94 percent; Chrysler Motors, 11.32 percent; Honda of America Manufacturing Inc., 6.64 percent; New United Motor Manufacturing Inc., 2.92 percent; Nissan Motor Manufacturing Co. U.S.A., 1.20 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 0.61 percent.

Volkswagen of America's Westmoreland, Pa., plant resumes output today. The plant has been idle for inventory adjustment.

GM announced that production of the new all-wheel-drive Pontiac 6000 STE will begin in February at its Oklahoma City plant. However, a spokesman said overall output at the plant will not increase. The plant also builds the Buick Century and Chevrolet Celebrity.

The Oklahoma facility closed today for two weeks for inventory adjustment.

GM's Fiero plant in Pontiac, Mich., remains idle for inventory adjustment until Jan. 25.

Three GM plants resumed output today after being closed due to sluggish sales. They are: Lakewood, Ga.; Van Nuys, Calif.; and Linden, N.J.

Domestic truck output was estimated at 83,523 units last week, 7.70 percent more than the prior week's 77,551 and 6.41 percent more than the year-ago week's 78,502.

Year-to-date, 161,074 trucks have been assembled, 5.97 percent more than the 151,999 built last year at this time.

Ford announced it built its three-millionth light truck at its Wayne, Mich., assembly plant last Monday.

GM's Pontiac West plant in Pontiac, Mich., resumed output today. The plant had been idle for inventory adjustment.

Car-truck build rises in Canada

Canadian automakers scheduled production of 23,634 cars last week, 5.11 percent more than the previous week's 22,486 and 39.83 percent more than the year-ago week's 16,902.

So far this year, 46,120 cars have been built, 35.55 percent more than the 34,025 built last year at this time.

Truck output was targeted at 18,772 last week, 16.62 percent more than the previous week's 16,097 and 16.81 percent more than the year-ago week's 16,071.

Year-to-date, 34,869 trucks have been built, 8.73 percent more than the 32,069 completed last year at this point.

Chrysler Motors' Pillette Road plant in Windsor, Ontario, resumed output last week. The plant had been closed for inventory adjustment.

U.S. CAR	Week Ended Jan. 16, 1988	Week Ended Jan. 17, 1987	Week Ended Jan. 9, 1988	Jan. to Date	Jan. 1 to Jan. 16, 1988	Jan. 1 to Jan. 17, 1987
Allanza	0	1,500	0	0	0	1,500
Total Eagle	0	1,500	0	0	0	1,500
Horizon	1,400	4,091	1,509	2,909	2,909	6,583
Sundance	1,900	2,355	2,000	3,900	3,900	3,460
Reliant	300	2,932	0	300	300	5,056
Caravelle	250	1,313	0	250	250	1,774
Gran Fury	200	0	232	432	432	0
Total Plymouth	4,050	10,691	3,741	7,791	7,791	16,882
LeBaron K	0	1,942	0	0	0	2,996
LeBaron J	0	1,470	0	0	0	2,070
LeBaron GT	100	781	157	257	257	1,241
N. Yorker E-Class	0	1,938	0	0	0	2,562
N. Yorker C-Class	1,200	0	1,081	2,281	2,281	0
Fifth Avenue	1,250	0	1,298	2,548	2,548	0
Total Chrysler	2,550	6,131	2,536	5,086	5,086	8,891
Omni	1,400	3,564	1,434	2,834	2,834	5,973
Daytona	0	736	0	0	0	1,043
Shadow	1,900	2,202	2,010	3,910	3,910	3,274
Aries	650	3,044	0	650	650	5,111
Dodge 600	200	1,315	0	200	200	1,802
Dynasty	1,300	0	1,328	2,628	2,628	0
Lancer	250	600	206	456	456	1,043
Diplomat	300	0	298	598	598	0
Total Dodge	6,000	11,511	5,276	11,276	11,276	18,246
CHRYSLER MOTORS	12,600	29,833	11,553	24,153	24,153	45,519
Escort	9,599	7,931	7,719	17,318	17,318	15,243
Mustang	4,633	4,202	4,357	8,990	8,990	8,803
Tempo	4,008	4,169	4,497	8,505	8,505	8,102
Taurus	8,316	10,718	6,943	15,259	15,259	20,049
Thunderbird	2,888	2,588	2,878	5,766	5,766	4,824
Total Ford Div.	29,444	29,608	26,394	55,838	55,838	57,021
Lynx	0	1,337	0	0	0	2,608
Topaz	1,515	1,373	1,654	3,169	3,169	2,662
Cougar	2,879	3,853	2,892	5,771	5,771	7,208
Sable	2,121	3,094	1,764	3,885	3,885	5,894
Total Mercury	5,515	9,657	6,310	12,825	12,825	18,372
Continental	644	404	702	1,346	1,346	798
Mark VII	505	613	627	1,132	1,132	1,199
Lincoln	2,893	3,052	3,323	6,216	6,216	5,983
Total Lincoln	4,042	4,069	4,652	8,694	8,694	7,980
Total L-M Division	10,557	13,726	10,962	21,519	21,519	26,352
FORD MOTOR CO.	40,001	43,334	37,356	77,357	77,357	83,373
Skyhawk	1,030	2,074	0	1,030	1,030	2,233
Skylark/Somerset	650	2,237	1,102	1,752	1,752	4,416
Century	1,635	4,377	1,179	2,814	2,814	9,099
Regal (rwd)	0	0	0	0	0	0
Riviera	0	816	0	0	0	1,646
Electra	1,722	2,647	1,719	3,441	3,441	2,618
LeSabre (fwd)	2,400	2,125	2,319	4,719	4,719	4,948
LeSabre (rwd)	0	0	204	204	204	1,773
Total Buick	7,437	14,276	6,523	13,960	13,960	26,725
Cimmaron	296	452	254	550	550	1,180
Eldorado	0	559	0	0	0	985
Seville	0	1,201	0	0	0	1,944
Brougham (rwd)	0	1,851	0	0	0	3,347
Deville (fwd)	3,600	3,832	3,208	6,808	6,808	6,434
Allante	0	44	0	0	0	78
Total Cadillac	3,896	7,739	3,462	7,358	7,358	13,968
Cavalier	6,375	8,107	6,409	13,384	13,384	15,592
Camaro	0	0	0	0	0	0
Celebrity	3,730	8,716	2,845	6,575	6,575	16,813
Corsica/Beretta	3,765	4,053	4,352	8,117	8,117	6,692
Monte Carlo	0	0	0	0	0	0
Caprice	3,206	1,421	4,260	7,466	7,466	2,917
Corvette	440	650	258	698	698	1,286
Total Chevrolet	18,116	22,947	18,124	36,240	36,240	43,300
Calais	1,750	2,782	3,102	4,852	4,852	4,954
Firenza	530	1,279	0	530	530	1,195
Cutlass Ciera	0	4,227	0	0	0	8,520
Cutlass Supreme	0	0	0	0	0	0
Toronado	0	593	0	0	0	1,172
88 (fwd)	3,467	4,690	3,455	6,922	6,922	7,858
88 (rwd)	344	498	246	590	590	933
Olds 98	1,426	1,789	1,419	2,845	2,845	3,121
Total Oldsmobile	7,517	15,828	8,222	15,739	15,739	27,753
Sunbird	2,289	2,937	2,076	4,365	4,365	5,657
Grand Am	4,800	5,036	4,673	9,473	9,473	10,335
Firebird	0	0	0	0	0	0
Pontiac 6000	60	1,887	36	96	96	3,844
Bonneville	1,925	3,148	1,935	3,860	3,860	6,711
Safari/Parisienne	0	0	24	24	24	0
Fiero	0	0	0	0	0	0
Total Pontiac	9,074	12,910	8,744	17,818	17,818	26,547
GENERAL MOTORS	46,040	73,700	45,075	91,115	91,115	136,293
HONDA	7,395	7,315	6,250	13,645	13,645	14,154
Civic	1,663	4,336	1,423	3,086	3,086	5,526
Accord	5,732	2,979	4,827	10,559	10,559	8,628
MAZDA	674	0	572	1,246	1,246	0
NISSAN	1,340	2,930	1,335	2,675	2,675	5,947
NUMMI	3,250	4,202	3,197	6,447	6,447	8,130
Corolla	2,250	823	1,183	3,433	3,433	2,019
Nova	1,000	3,373	2,014	3,014	3,014	6,111
VOLKSWAGEN	0	1,981	0	0	0	2,000
Golf/GTI	0	1,731	0	0	0	1,790
Jetta	0	250	0	0	0	210
Total Cars, U.S.	111,300	163,295	105,338	216,638	216,638	297,316
Total Cars, Canada	23,634	16,902	22,486	46,120	46,120	34,025
U.S., Canada Cars	134,934	180,197	127,824	262,758	262,758	331,341
U.S., Canada Trks.	102,295	94,573	93,648	195,943	195,943	184,068
U.S., Canada Cars and Trucks	237,229	274,770	221,472	458,701	458,701	515,409

Monthly estimates may contain more or less work days in reporting.

CANADIAN CAR	Week Ended Jan. 16, 1988	Week Ended Jan. 17, 1987	Week Ended Jan. 9, 1988	Jan. to Date	Jan. 1 to Jan. 16, 1988	Jan. 1 to Jan. 17, 1987
Eagle	0	—	0	0	0	—
Premier	1,618	—	1,440	3,058	3,058	—
CHRYSLER MOTORS	1,618	153	1,440	3,058	3,058	300
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,386	—	4,238	8,624	8,624	—
Topaz	1,374	—	2,002	3,376	3,376	—
Crown Victoria	2,980	—	2,812	5,792	5,792	—
Grand Marquis	2,780	—	2,638	5,418	5,418	—
FORD MOTOR CO.	11,520	11,250	11,690	23,210	23,210	22,198
Celebrity	670	—	633	1,303	1,303	—
Cutlass Ciera	4,260	—	4,290	8,550	8,550	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,230	—	1,139	2,369	2,369	—
Regal	3,616	—	2,761	6,377	6,377	—
GENERAL MOTORS	9,776	5,198	8,823	18,599	18,599	10,910
HONDA	630	76	435	1,065	1,065	144
VOLVO	90	225	98	188	188	473
Total Cars, Canada	23,634	16,902	22,486	46,120	46,120	34,025

U.S. TRUCK☆	Week Ended Jan. 16, 1988	Week Ended Jan. 17, 1987	Week Ended Jan. 9, 1988	Jan. to Date	Jan. 1 to Jan. 16, 1988	Jan. 1 to Jan. 17, 1987
Caravan	1,500	—	1,614	3,114	3,114	—
Dakota	3,100	—	3,081	6,181	6,181	—
Mini-Ram Van	200	—	260	460	460	—
Pickups	1,500	—	1,528	3,028	3,028	—
Total Dodge	6,300	4,641	6,483	12,783	12,783	7,866
Cherokee	3,600	—	3,820	7,420	7,420	—
Commanche	1,000	—	982	1,982	1,982	—
Grand Wagoneer	300	—	0	300	300	—
Pickups	0	—	0	0	0	—
Wagoneer	300	—	310	610	610	—
Total Jeep	5,200	4,837	5,112	10,312	10,312	8,329
Voyager	1,300	—	1,538	2,838	2,838	—
Total Plymouth	1,300	—	1,538	2,838	2,838	—
CHRYSLER MOTORS	12,800	9,478	13,133	25,933	25,933	16,195
Aerostar	4,393	—	3,895	8,288	8,288	—
Bronco	1,295	—	1,252	2,547	2,547	—
Bronco II	3,476	—	2,970	6,446	6,446	—
Econoline	5,052	—	4,843	9,895	9,895	—
Heavy trucks	1,267	—	1,324	2,591	2,591	—
Light trucks	9,471	—	9,209	18,680	18,680	—
Ranger	7,665	—	6,518	14,183	14,183	—
Total Ford Div.	32,619	32,876	30,011	62,630	62,630	65,279
FORD MOTOR CO.	32,619	32,876	30,011	62,630	62,630	65,279
Astro	3,140	—	3,533	6,673	6,673	—
Blazer	564	—	536	1,100	1,100	—
Mediums/Heavies	1,446	—	434	1,880	1,880	—
P-Model	990	—	969	1,959	1,959	—
Pickups	6,390	—	5,856	12,246	12,246	—
S-10	5,064	—	5,083	10,147	10,147	—
S-10 Blazer	1,515	—	1,392	2,907	2,907	—
Sportsvan/Van	1,239	—	1,679	2,918	2,918	—
Suburban	1,552	—	1,252	2,804	2,804	—
Total Chevrolet	21,900	22,922	20,734	42,634	42,634	44,693
Jimmy	253	—	94	347	347	—
Mediums/Heavies	1,445	—	708	2,153	2,153	—
P-Model	108	—	42	150	150	—
Pickups	2,070	—	1,795	3,865	3,865	—
S-15	1,423	—	1,052	2,475	2,475	—
S-15 Jimmy	285	—	79	364	364	—
Safari	785	—	822	1,607	1,607	—
Suburban	894	—	694	1,588	1,588	—
Vandura/Rally Vans	1,141	—	601	1,742	1,742	—
Total GMC	8,404	7,580	5,887	14,291	14,291	14,572
GENERAL MOTORS	30,304	30,482	26,621	56,925	56,925	59,265
NAVISTAR	1,800	1,602	1,785	3,585	3,585	3,075
NISSAN	3,250	1,714	3,251	6,501	6,501	3,485
AM GENERAL*	450	50	450	900	900	100
MISCELLANEOUS*	2,300	2,300	2,300	4,600	4,600	4,600
Total Trucks, U.S.	83,523	78,502	77,551	161,074	161,074	151,999

CANADIAN TRUCK	Week Ended Jan. 16, 1988	Week Ended Jan. 17, 1987	Week Ended Jan. 9, 1988	Jan. to Date	Jan. 1 to Jan. 16, 1988	Jan. 1 to Jan. 17, 1987
Caravan	2,804	—	3,001	5,805	5,805	—
Mini-Ram Van	213	—	216	429	429	—
Ram Wagon	600	—	0	600	600	—
Ram Van	1,290	—	0	1,290	1,290	—
Total Dodge	4,907	—	3,217	8,124	8,124	18,077
Voyager	2,815	—	2,781	5,396	5,396	—
Total Plymouth	2,815	—	2,781	5,396	5,396	—
Wrangler	827	—	724	1,551	1,551	1,233
Total Jeep	827	—	724	1,551	1,551	1,233
CHRYSLER MOTORS	8,340	9,786	6,722	15,071	15,071	19,310
FORD MTR (lt. trks.)	3,648	3,539	3,466	7,114	7,114	6,729
Light trucks	3,290	—	2,551	5,841	5,841	—
Vans	1,325	—	1,084	2,409	2,409	—
Total Chevrolet	4,615	—	3,635	8,250	8,250	—
Light trucks	1,310	—	1,456	2,766	2,766	—
Vans	625	—	593	1,218	1,218	—
Total GMC	1,935	—	2,040	3,984	3,984	—
GENERAL MOTORS	8,550	2,547	5,684	12,234	12,234	5,829
NAVISTAR	225	198	225	450	450	401
Total Trks., Canada	16,772	16,071	16,097	34,869	34,869	32,069
U.S., Canada Trks.	102,295	94,573	93,648	195,943	195,943	184,068

☆—excludes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-contract vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain more or less work days in reporting.

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Automotive News

January 25, 1988

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Nissan, Ford sign Europe tie

Patrol sport-utility may be 1st product

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Ford Motor Co. and Nissan Motor Co. last week signed a letter of intent providing for joint manufacturing of vehicles in Europe.

Sources at Ford's European subsidiary said the two companies have discussed several possible arrangements, including a production deal in Spain or Portugal. The United Kingdom was discussed as a site, but is believed to have been rejected.

The feasibility study is expected to take about a year to complete.

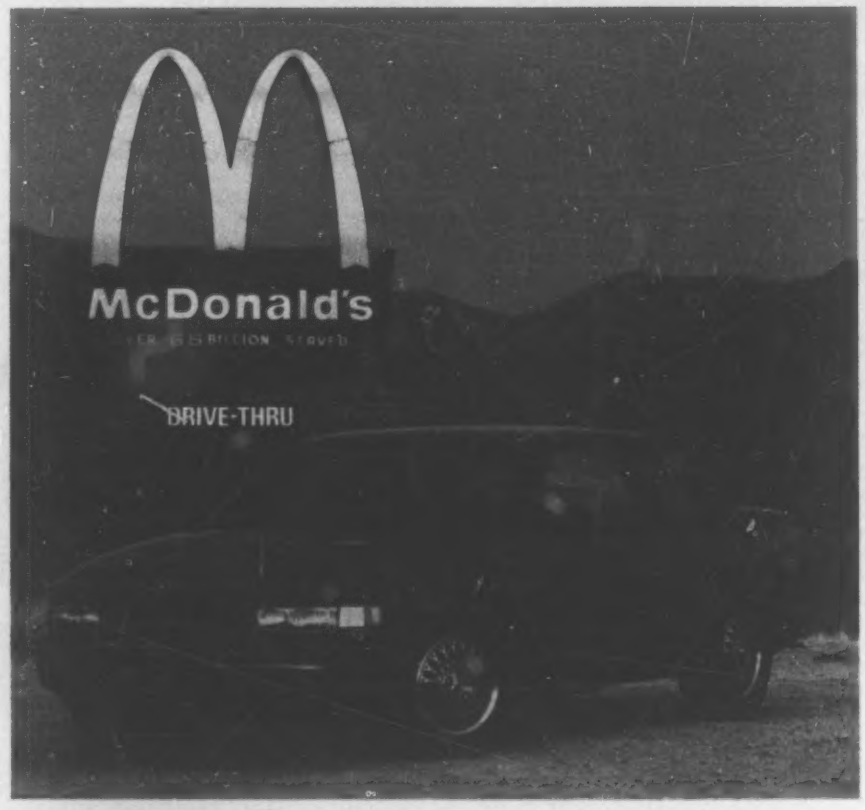
Such a move in Europe would mirror similar discussions between the two companies about joint manufacturing in North America and Australia. They also come at a time when the future of Ford's 24 percent shareholding in Mazda Motor Corp. is in question following recent top management changes at Mazda.

It is believed in Japan that Norimasa Furuta was installed as Mazda president with the backing of the company's principal shareholder, Sumitomo Bank. Sumitomo was apparently concerned that under former President Kenichi Yamamoto, Mazda was becoming too much like a division of Ford (Automotive News, Dec. 28, 1987) and the Ford-Mazda linkup could become less smooth in the future.

Combined European production was on the agenda last fall when Ford Vice Chairman Harold A. Poling and Nissan Chief Executive Yutaka Kume met in Tokyo.

A Ford of Europe official last week confirmed that the letter of

see NISSAN-FORD, page 54



PROMO: *Oldsmobile, McDonald's team up in $110 million campaign*

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER
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Oldsmobile and the McDonald's Corp. hamburger chain will launch an estimated $110 million joint promotion on April 1 in connection with the introduction of Oldsmobile's new GM10 car, Cutlass Supreme.

Oldsmobile sources said last week that the division is planning to give away 500 Cutlass Supremes to winners of a new McDonald's Monopoly game and another 100 to instant winners of a matching card game played at Oldsmobile dealerships.

In addition, the division will offer coupons worth $400 to $2,000 off the price of a new Cutlass Supreme and cash prizes of $1,000 as part of the McDonald's Monopoly game.

There is no dealer financial participation required in the program except that Oldsmobile dealers must contribute half of the cost of the $5 McDonald's coupon books that will be given to consumers who test drive 1988 Cutlass Supremes at their stores.

Oldsmobile sources said both the division and McDonald's will promote the tie-in in an advertising campaign. Both employ Leo Burnett USA as their agency.

Oldsmobile dealers will merchandise the program in their stores and coordinate displays of Cutlass Supreme models at local McDonald's locations.

The launch of the 1988 Cutlass Supreme will represent the single biggest product launch in terms of advertising and marketing dollars in Oldsmobile's history, according to division officials. In addition to the McDonald's tie-in, Oldsmobile has planned a multi-media advertising campaign for the car's introduction.

see PROMO, page 58

Acustar sale a tough task for Chrysler

By Mary Connelly and Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTERS

DETROIT — Highly placed sources say Chrysler Motors decided to sell its Acustar parts-making subsidiary after the UAW negotiated job guarantees in new General Motors and Ford Motor Co. labor agreements.

However, the profit picture for the component-making operation and its diversity of products apparently has dissuaded potential buyers.

Although Chrysler labels as "pure speculation" Acustar's possible sale, a parade of major automotive suppliers have evaluated the $3 billion component manufacturer in recent months by invitation from the automaker.

Although some suppliers are said to be interested in acquiring parts of Acustar's operation, the company is currently insisting on selling the whole subsidiary. It has an estimated $1.1 billion in assets, 28,000 employees and 29 plants producing a wide range of components.

A spokesman from Sheller-Globe confirmed that the company looked at Acustar and expressed an interest in certain parts of its assets. "We continue to be interested in them," he said.

And a spokesman for Rockwell International said, "We've looked at it and, to the best of my knowledge, no decisions have been made at this point. It was fairly recently."

But the two companies that reportedly have expressed the most interest in Acustar are United Technologies Corp. of Hartford, Conn., and Harvard Industries of St. Louis. Harvard Industries officials were not available for comment.

Serious offers for the company or pieces of it began last fall, said sources, after the UAW settled labor agreements with GM and Ford.

Chrysler, which must negotiate a new contract with the UAW later this year, fears that an agreement patterned after the 1987 Ford and GM contracts would severely impact the company's profitability and, therefore, the long-range value and viability of Acustar.

Among other features, the GM and Ford contracts guarantee the jobs of their workforces — except those workers at plants already slated for closure — for the three-year span of the

see ACUSTAR, page 56

FORD'S FUTURE

Fourth generation steps up to board

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — If the entry of the fourth generation of Fords to the Ford Motor Co. board of directors was inevitable, last week's election of Edsel B. Ford II and William Clay Ford Jr. to board seats should have surprised no one.

Among the Fords of their generation, the two cousins have shown the most promise within the company founded by their great grandfather.

For Edsel Ford, the 39-year-old general sales manager of Lincoln-Mercury Division, the appointment came four months after the death of his father, former company chairman Henry Ford II. William Clay Ford Jr., who at 30 is managing director of Ford of Switzerland, joins his father, Vice Chairman William Clay Ford, on the board.

But experts on board affairs pointed out that despite the logic behind it, the decision could not have come without careful consid-

see FORD, page 56

AUTOMOTIVE NEWS/JOE WILKINS

Edsel B. Ford II, left, and William Clay Ford Jr.

Lutz, Bidwell inherit Sperlich's duties

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Corp. officers will gather today in a special meeting at which Chrysler Motors Executive Vice President Robert A. Lutz is expected to inherit many of the duties, if not the title, of retiring Chrysler Motors President Harold K. Sperlich.

Chrysler Motors Vice Chairman Bennett E. Bidwell is also expected to assume some of the responsibilities handled by Sperlich, who announced his retirement Thursday.

Sperlich said his decision to retire at age 58 after more than 30 years in the automotive industry was a personal one designed to give him greater freedom and was not part of a wider

see SPERLICH, page 56

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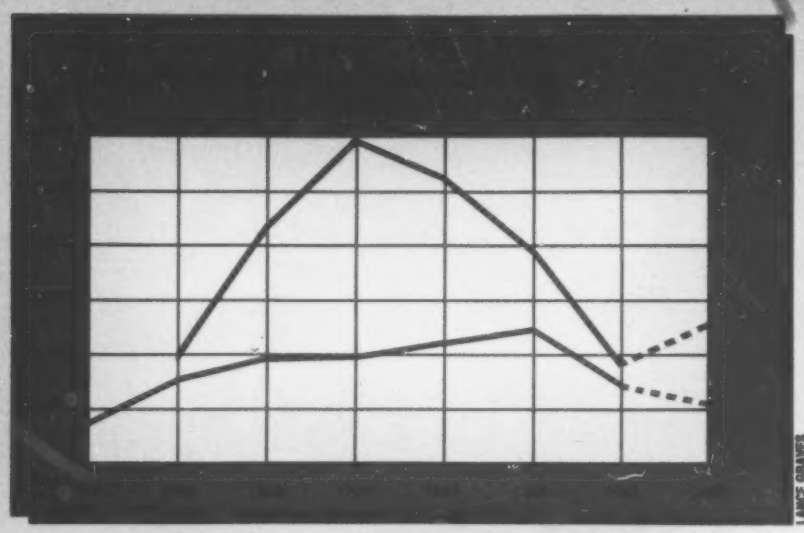
Canada shines new light on Hyundai dumping — Page 2
GM signs pact to build 2-liter engines in China — Page 3
Pension funds rise despite crash — Page 6



LANCE GRAVES

Entry-level cars dropped

Olds, Cadillac develop replacements

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Cadillac is developing a vehicle that may be an alternative to the soon-to-be extinct Cimarron, while Oldsmobile likely will offer an entry-level Calais to replace the Firenza.

General Motors announced last week that it will stop selling the Cadillac Cimarron and Oldsmobile Firenza, both J-body compact-size cars, at the end of the 1988 model year. Production ends this spring.

The announcement came in conjunction with GM's decision to idle its Leeds assembly plant in Kansas City, Mo., on April 15. The plant produces the J-body Buick Skyhawk and Oldsmobile Firenza.

In recent years, Cadillac has been trying to decide what it should do with Cimarron and the "near-luxury," or lower end of the luxury market.

Cadillac General Manager John Grettenberger said the division has "in the development phase" an all-new vehicle exclusive to Cadillac. It would not specifically replace Cimarron or be a near-luxury model. Rather, it would fit into an entry-level luxury slot and probably would compete head-to-head with upscale models from Japan being sold through second distribution networks as well as with some European autos.

The new vehicle has not received corporate approval, nor has a timetable for its introduction been set, Grettenberger said. He also indicated that there may be more than one proposal for the all-new vehicle.

The vehicle, if and when it arrives, would be more expressive than the Cimarron and Cadillac's soon-to-be entry-level model, the Deville, Grettenberger said.

It will not, however, be an import from Opel, he added. Rather, he said he sees the new vehicle as an "opportunity to make a statement for American luxury cars."

Grettenberger has acknowledged that Cadillac looked at replacing Cimarron with the Senator, built by Adam Opel AG, GM's West German subsidiary.

It ultimately ruled that out, in part because of GM's plan to import Opel models through a separate dealer network as early as next year.

However, that plan may be in jeopardy or at least on hold as the dollar continues to weaken against the West German mark, making it less attractive to import the cars.

The decision to drop the Cimarron was a difficult one, Grettenberger said, and was made with the advice of the division's national dealer council.

"It became difficult to justify the Cimarron being in the middle of the pack of the near-luxury entries when our vision and image says we are to be at the top end of any segment we are in," Grettenberger said.

He said it also became difficult to justify the resources the division and its dealers had to put behind Cimarron when the sales returns were diminishing.

Sales of the Cimarron, which was introduced in 1981 as a 1982 model, climbed to a high of 24,209 in the 1986 model year but plummeted the following year to 14,651. Cadillac had projected sales to drop to 11,000 in the 1988 model year, but the car apparently isn't even going to live up to those expectations. Cadillac has sold only 1,893 Cimarrons so far in the model year (as of Jan. 10), which means the daily selling rate is off 57 percent from the 1987 model year.

Until a new model is brought into the Cadillac fold to fill the void left by Cimarron, Grettenberger said that the division will devote its resources to promoting Cadillac's exclusive 4.5-liter engine and other models in the line with more potential, including the new, stretched Eldorado, as well as De-

see ENTRY-LEVEL, page 54

GM signs pact to build 2-liter engines in China

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

General Motors, as expected, has announced a major venture in the People's Republic of China, which initially involves production of 2-liter engines but could ultimately result in car building.

GM officials signed the agreement last Thursday with officials of China National Automotive Industry Corp. in Beijing.

GM described the agreement as a "multiphase umbrella agreement" under which the automaker will cooperate with various Chinese enterprises in a number of areas of automotive production designed to assist China in developing its automotive industry.

China's goal is to establish an automotive industry — vehicle production as well as component operations — within its own borders rather than import vehicles and parts.

GM declined to reveal the dollar amount of the deal with China.

The first step in the agreement covers the sale of equipment and licensing of related technology for the manufacture of a GM four-cylinder 2-liter gasoline engine, now used in a number of GM products including its J-body cars. The equipment will be shipped from a plant in Flint, Mich., to the Bei Nei engine factory in Beijing.

The engines will be used in non-GM cars and trucks now produced in China as well as for replacements. The plant eventually will produce 300,000 engines a year. Assembly is to begin in 1989.

The first phase of the agreement also is expected to include a foundry joint venture, an axle program and a project involving the manufacture of starter motors, distributors and alternators.

GM said details of some of the projects are likely to be announced in the next few months.

Some of those projects may be undertaken through joint ventures with other companies, and some may be undertaken by Chinese enterprises, Barton Brown, GM vice president in charge of Asian, African and international export operations, has said.

Brown said component operations, though initially focused on commercial light vehicles, likely will be adaptable to cars. He also said the component operations will be tied into existing Chinese vehicle programs to supplement or replace present component operations. Some components would be tied to future vehicle programs and some could be exported.

So far, nothing has been specifically negotiated on car production, but eventually the GM-China agreement could cover production of cars, GM President Robert Stempel has said (Automotive News, Jan. 11).

Fuji Heavy Industries, the Japanese maker of Subaru cars, has said it is conducting a "pre-feasibility study" with GM and a Chinese company, Second Automobile Works in Sian, on possible production of small cars.

Japanese press reports have said that the overall project would cost about in the billions of dollars with an annual production goal of 300,000 1.5-liter, front-wheel-drive models.

The Chinese government, in planning its future vehicle production, has shifted some of its emphasis, which had been purely on commercial vehicles. Cars will not be used by the masses but will be for people who manage companies and work in government as well as for taxis and for tourist lease.

The philosophy behind the GM-China deal was to establish a components base, which could be generating cash, before the Chinese begin an expensive car-production project.

Brown said the GM-China deal is designed to scale the program to Chinese resources, spread out hard currency expenditures and give the Chinese an opportunity to raise hard currency.

Lexus to debut at expanded 1989 Detroit show

DETROIT — The Detroit Auto Show will become the North American International Auto Show in 1989 and will be the site of the U.S. debut of Toyota's upscale Lexus Division models.

Ken Maeda, chairman of this year's Detroit Auto Show, said that an expansion of Cobo Hall, where the show is held every January, will allow the show to become "the Frankfurt show of North America."

"This is the motor city," Maeda said. "We had the first show here in 1899, and we're going to have the best auto show in the world."

The facility expansion will allow 200,000 square feet of additional floor space for cars. Maeda noted that some manufacturers, including Mercedes-Benz, have not displayed their products at the show because of a lack of space.

Others have wanted more space. He said Toyota already has written requesting 25,000 square feet for the 1989 show instead of its usual 14,000 square feet.

Maeda said Toyota plans to use the Detroit show for the U.S. debut of its Lexus line, its second distribution network.

He said the show committee is seeking commitments from other automakers to use the show to introduce new models.

The committee also will solicit commitments from domestic makers to make their top executives available on press day.

— Michelle Krebs

INDEX

Around the world	38, 39
Auction dates	50
Classifieds	42
Coming events	29
Dealing with dealers	51
Legal briefs	37
Marketing and media	25
News briefs	8
Obituaries	58
Opinion	10
Personnel	34
Production	59
Sales, truck	22
Service management	14
Truck industry	18, 22, 24

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Calif. discounter spawned auto-dealer links

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Price Club, the California wholesale chain that apparently was the inspiration for discounters across the country to get into the car business, has met with mixed results since launching its auto program more than a year ago.

Price Club members buy imported and domestic vehicles at less than sticker price from dealers who pay the wholesaler a monthly advertising fee.

Similar systems are being adopted around the country by discounters with membership networks, including Sam's Wholesale Club and Amway (Automotive News, Nov. 9 and 16).

Other wholesale clubs, however, charge dealers a fee for each vehicle sold. In most instances, the fee is the amount over invoice price that customers are charged for the vehicle by the dealer.

Price Club membership is limited to business people and employees of financial institutions and state, federal and local governments. The company sells a broad range of products, from automobile tires to appliances and bulk food, at wholesale prices.

Robert Price, owner and founder of Price Club, declined to comment on the practice, saying, "I don't talk to trade papers."

Although Price Club has about 30 outlets in California, only those in the San Diego area currently offer members the option to buy Toyotas, Hondas, Nissans and Fords through dealers.

According to one dealer, however, Price Club is expanding the promotion into Orange County, Calif.

Chevrolets and Cadillacs were offered to members but agreements with the participating dealers were canceled by the company earlier in the year.

Automotive News discussed the system with the four dealers now associated with the Price Club. They offered mixed reactions to the program. One of the dealers said he is unhappy with it.

And the fleet manager of a Chevrolet dealership in Chula Vista said Price Club canceled the agreement with his dealership in July, saying its monthly sales were too low.

"Price Club told us other nameplates were outselling us," said John Merriman, fleet manager for South Bay Chevrolet. "They said the Chevy nameplate was no longer important to them."

Merriman said at its peak, the dealership sold about 40 vehicles per month through the system. At its lowest, the dealership moved half that many each month.

"It was very successful for us," said Merriman. "Customers were thrilled to know the numbers and totally shocked to know they could order a car from the factory the way they wanted it."

He said it accelerated the dealership's sales rate on ho selling vehicles like Corvettes and Astro vans, earning more vehicles for the dealership from the manufacturer.

"These were very sophisticated customers

see DISCOUNTER, page 50

Service Index climbs

November rises 12% after October dip

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

The Automotive News Service Index sprang back strongly in November, following a slight dip in October.

The service and parts business at new-car dealerships rose 12.8 percent above the November 1986 figure.

In October, the Service Index fell 0.7 percent below the year-ago month.

Shop business during the first 11 months of 1987 was up 4.2 percent over the same period in 1986.

Service volume during 1987 had been relatively consistent, month-to-month, but November 1986 was a particularly weak month, hence the exceptional showing of the service index last November, a service representative at a domestic manufacturer noted.

Likewise, dealers and service managers did not report dramatic increases in business during November, but said business had been consistent or improving moderately throughout the year.

A service manager at a Ford dealership in a Midwestern farm state said business increased as a result of improvements in the local economy. He said local manufacturers have started to hire new employees and the farm economy is also looking up. As a result, customers are bringing cars in for repairs that they have been putting off.

A service manager for an Eastern Chevrolet dealership said his slight increase in shop business during November followed a trend for the year.

A Northwestern Dodge-BMW dealer attributed his outlet's service increase to the addition of a new Dodge mechanic.

The addition of one mechanic in a small shop gave the shop significantly more capacity. The dealer said he would have preferred to have hired a technician during the busy summer months.

"Good mechanics are hard to find," he said. "We wanted to find one to satisfy our needs and decided to wait until we found a good one. It's not worth our while to hire a poor mechanic because they don't last long and they make repairs that come back to the shop."

Sales of all parts and accessories led the business indicators in November with an increase of 15.3 percent over November 1986.

Gross profit on all labor, parts and accessory sales rose 15.2 percent over the year-earlier month; shop parts sales (customer paid and warranty) climbed 14.9 percent; repair orders written increased 9.6 percent; and total labor sales (customer paid and warranty) were up 8.9 percent.

Parts and accessories sales to off-premises customers rose 15.6 percent.

Sales of all parts and accessories led the indicators for the first 11 months of 1987 with an increase of 10.1 percent. Gross profit on all labor, parts and accessories sales rose 6.1 percent; shop parts sales climbed 4.5 percent; and total labor sales were up 2.2 percent.

Repair orders written fell 1.7 percent.

Parts and accessories sales to off-premises customers were up 6.3 percent for the first 11 months of 1987 compared with the same period in 1986.

Weekly bonuses hike quality in Chevy shop

By Roy Wirtzfeld
SPECIAL CORRESPONDENT

DULUTH, Minn. — Rathert Chevrolet here has initiated a technician bonus program that is paying off in increased productivity and fewer repair jobs returning to the shop.

Every Friday evening at quitting time, Larry Olson, service manager for Rathert Chevrolet, steps onto the shop floor with 12 envelopes — weekly bonuses for top technicians.

From his weekly productivity report, Olson calls out the top men. Technicians who complete repairs within 115 percent of the time allotted in the shop manual qualify for the bonus. Often among the winners are technicians who beat the time in the shop manual.

The envelopes are drawn in lottery fashion. Inside one envelope is a $100 bill, another contains $75 and another $50. The remaining envelopes contain $5 each. But 12 men may not qualify each week, so there is a chance that the top bonuses will not be won.

The incentive program is about six months old and was the idea of owner Jim Eggebrecht. In addition to productivity, the program encourages technicians to do quality work.

"The emphasis is not just on speed but also on customer satisfaction, for any returning work, of course, will tend to lower that worker's average," Eggebrecht said.

Rathert Chevrolet follows up on every service order by calling the customer to see if the job was done right, he added.

The dealership has recorded an 88 Customer Satisfaction Index rating during the past three months, up three points from its rating for the past 12 months, said Ted Dorenkamp, staff assistant, customer assistance in Chevrolet's Minneapolis branch office.

"An 88 is a high rating. . . . In the upper ranges of CSI, a three-point gain is a lot. It means 88 percent of customers think the dealer is doing a great job," Dorenkamp said.

All dealers in the Minneapolis region have recorded an 87 CSI rating during the past 12 months.

Rathert Chevrolet also keeps monthly productivity records and honors its top worker as "Service Technician of the Month."

The Technician of the Month earns a reserved parking space beside the main entrance to the service shop.

Service customers notice the sign on the parking space. It reminds them that the shop recognizes the achievements of its staff.

A different technician has won the top slot each month, indicating the overall quality of the service department, Olson said.

Warranties continue to change — some up, some down

SHOP TALK

ARTHUR FLAX

How far can car companies go with warranties? This year and last, domestic auto manufacturers and a number of Japanese automakers introduced extended warranties.

Yugo last week upgraded its warranty to include maintenance for the first year or 12,000 miles and added four-year/40,000-mile powertrain protection.

But on 1988 models, Volvo, which had one of the most complete three-year warranties in the industry, rolled back its coverage a bit. Volvo had covered virtually the entire car for three years or unlimited mileage.

The new Volvo warranty is still very good compared to those of other makes, but high-wear items that the company previously replaced under warranty are no longer covered.

For 1988, Volvo will continue to offer bumper-to-bumper coverage for one year/unlimited mileage. However, the three-year/unlimited-mileage warranty will cover only mechanical components. That coverage still includes such items as engine, brakes, steering, suspension, climate control and computerized control units.

Items that are no longer covered include shock absorbers and soft trim (seats, interior and exterior moldings, etc.).

"We provide coverage to protect the owner's investment, but owners must also do their part to protect the investment," said a Volvo spokesman.

Wear items like seats and shocks will last into high mileage if the owner takes care, but that is now the responsibility of the owner, he said.

The Volvo spokesman noted that dealers have seen cars with more than 100,000 miles on the clock that are still under warranty.

Steve Gerkens, service director at Delaware Oldsmobile-Volvo-Saab in Wilmington, Del., said the dealership has performed warranty repairs on three-year-old Volvos with 70,000 and 80,000 miles.

"The Volvo is a good car," he said. "But if you cover it for that long, it runs into money."

Other changes in the Volvo warranty for 1988 include the addition of five-year/unlimited-mileage coverage on seat belts and air bags and a six-month/unlimited-mileage break-in period that includes adjustments and alignments overlooked at time of delivery.

Last year, Porsche also cut back on its warranty. The company eliminated its five-year/50,000-mile powertrain warranty but kept its two-year/unlimited-mileage comprehensive coverage. That warranty is still in effect in 1988.

"One reason we offered a five-year/50,000-mile powertrain warranty was to battle the gray market (cars imported independently). The battle with the gray market was successful," said a spokesperson for Porsche Cars North America.

Goodyear warranty

Car companies aren't the only firms making warranty news. Goodyear has introduced a new radial tire for luxury cars with one of the strongest tire warranties in the industry.

The new Goodyear Double Eagle is a replacement tire aimed at owners of domestic luxury cars. The tire carries a 60,000-mile tread-wear warranty, free tire replacement for the life of the tread for defects in workmanship or material; road hazard and emergency road service coverage; lifetime balancing and alignment checks and tire inspection and rotation.

The new tire will be available in nine sizes, three more than the Double Eagle model it replaces.

Maserati assistance

Maserati Automobiles has introduced a roadside assistance plan that provides up to $75 in emergency towing or roadside assistance in the event of a warranty-related mechanical problem. Such non-warranty problems as flat tires, dead batteries or running out of gas are also covered. The program offers owners a round-the-clock toll-free number to call for help.

All 1987 and 1988 models sold after April 23, 1987, are covered by the Maserati Assistance Program for the first two years or 24,000 miles of Maserati's three-year/36,000-mile limited warranty.

In addition to roadside assistance, the plan provides trip-interruption benefits that include up to $500 in lodging, meals and alternate transportation if a breakdown occurs 150 miles or more from the owner's home.

The program is transferable to a new owner, should the car be sold during the coverage period.

New Goodyear Double Eagle luxury car tire carries one of the longest warranties

Counterfeit seals

CR Industries is distributing a free poster to help mechanics and fleet owners detect counterfeit oil seals. The poster describes identifying features of the company's "Scotseals" and simple tests to determine if seals are counterfeit.

The company will also exchange at no charge seals suspected of being counterfeit.

A first for a Saab deal

Spreens Saab in Hackensack, N.J., became the first U.S. Saab dealership to employ three master technicians.

Technicians Donald Scheibener, Nicholas Muti and John Arnot became master technicians by advancing through three intermediate levels of the Saab training program.

They also qualified by having five years' experience at a Saab dealership, by passing each of Saab's required technical courses and by becoming certified in the eight categories for which the National Institute of Automotive Service Excellence administers tests.

Technician awards

Ford Motor Co. and General Motors master technicians were honored at the National Institute for Automotive Service Excellence (ASE) board meeting in San Diego.

Steve Driza of Joe Rizza Ford in North Riverside, Ill., was honored by as the highest-scoring Ford dealership master automotive technician in the 1987 ASE test series.

Ray Schlecht of Contor's Motors in Neligh, Neb., was honored as the highest-scoring Ford dealership master truck technician.

Robert E. Petrosky, a GM and ASE master technician at Baytown Motors (Pontiac), Baytown, Texas, was honored as the highest-scoring GM technician in the ASE test series.

Alignment aids

Perfect Circle Chassis Parts has introduced six new color-coded shim assortments to align the rear wheels of most front-wheel-drive models from GM, Chrysler, Honda, Volkswagen and Audi.

Trucks flirt with 5 million to set sales record for '87

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Total U.S. truck sales were a shade below 5 million in calendar 1987, with most light, medium and heavy-duty segments scoring solid gains.

Manufacturers retailed a record 4,962,928 trucks last year, up 1.82 percent from the 4,874,070 sold in calendar 1986.

Light-duty truck manufacturers retailed 4,674,593 units, up 1.40 percent from 4,609,785 in 1986.

The 1987 light-duty total includes a revision for Ford, which earlier reported Class 4 Super Duty sales as part of its light-truck total. The 1986 number also includes some figures for Class 1-3 commercial truck retailers like Isuzu Truck.

Medium-duty sales, including Classes 4 to 7, totaled 157,179, up 3.81 percent from 151,414 in 1986, according to the Motor Vehicle Manufacturers Association.

Heavy-duty Class 8 sales of 131,156 were up 16.31 percent from 112,871 in 1986, according to MVMA.

Among the eight major companies in the heavy-duty truck market, seven had sales gains, with Kenworth showing the biggest increase.

Navistar, the Class 8 leader, had sales of 28,914 trucks in that segment, up 9.93 percent from 26,303 the previous year.

Freightliner, the No. 2 Class 8 retailer, also had the second-largest gain, with 23,350 sales, up 33.63 percent from 17,473 in 1986.

Third-place Mack had sales of 18,278, up 5.92 percent from 17,247 a year earlier.

Fourth-place Kenworth, with 14,018 sales, had a 34.05 percent increase over 10,457 retailed in 1986.

Ford just barely edged out Peterbilt for fifth place.

Ford's 12,796 sales were up 13.38 percent over 11,286 the previous year.

Peterbilt's 12,578 sales were up 25.88 percent over 9,992 in calendar 1986.

Seventh-place Volvo, with 10,840 sales, was off 4.59 percent from 11,361 retailed in 1986.

And GMC, which is now officially under Volvo's domain, retailed 7,308 Class 8s in 1987 for a modest 1.09 percent increase over 7,229 in 1986.

December truck sales by manufacturer and segment

		14,000 & LESS GVW CLASS 1-3	14,001-16,000 GVW CLASS 4	16,001-19,500 GVW CLASS 5	19,501-26,000 GVW CLASS 6	26,001-33,000 GVW CLASS 7	33,001 & OVER GVW CLASS 8	TOTAL 1987	TOTAL 1986
CHRYSLER	MO	59,003						59,003	65,184
	YR	708,125						708,125	596,158
JEEP	MO	21,669						21,669	21,946
	YR	208,440						208,440	207,514
TOYOTA	MO	25,003						25,003	35,204
	YR	303,783						303,783	384,150
NISSAN	MO	15,393						15,393	20,375
	YR	216,514						216,514	223,406
MAZDA	MO	8,438						8,438	14,742
	YR	123,699						123,699	157,127
ISUZU	MO	4,856						4,856	9,349
	YR	86,990						86,990	88,720
MITSUBISHI	MO	4,179						4,179	3,772
	YR	51,862						51,862	34,985
SUZUKI	MO	5,092						5,092	6,795
	YR	81,349						81,349	47,732
SUBARU	MO	9						9	354
	YR	1,274						1,274	4,142
RANGE ROVER	MO	381						381	0
	YR	2,586						2,586	0
FORD	MO	111,340	745		485	2,613	864	116,047	122,686
	YR	1,397,725	1,244		9,458	32,002	12,796	1,453,225	1,381,438
FREIGHTLINER	MO						1,952	1,952	1,723
	YR						23,350	23,350	17,473
CHEVROLET	MO	97,773		48	1,258	986	40	100,105	95,496
	YR	1,173,675		244	9,274	8,252	403	1,191,848	1,247,594
GMC	MO	31,614		333	938	1,511	516	34,912	28,630
	YR	311,217		5,679	8,197	20,615	7,308	353,016	345,047
KENWORTH	MO					79	1,292	1,371	1,063
	YR					207	14,018	14,225	10,457
MACK	MO				247	278	1,498	2,023	2,593
	YR				2,499	2,797	18,268	23,564	22,548
MERCEDES	MO				95	195		290	508
	YR				1,516	2,312		3,828	4,016
NAVISTAR	MO		14	37	1,227	2,524	2,672	6,474	5,975
	YR		202	400	11,717	32,072	28,914	73,305	71,022
PETERBILT	MO					100	1,302	1,402	999
	YR					201	12,578	12,779	9,992
VOLVO	MO					157	1,044	1,201	1,394
	YR					1,673	10,840	12,513	12,820
HINO	MO			39	61	122		222	189
	YR			499	496	1,009		2,004	1,038
NISSAN DIESEL	MO			58	25	86		169	162
	YR			571	284	856		1,711	724
ISUZU TRUCK	MO	556	1	18	45	12		634	485
	YR	5,109	1	178	336	42		5,666	4,954
MITSUBISHI FUSO	MO	148			23	71		242	0
	YR	976			205	545		1,726	0
SCANIA	MO						13	13	0
	YR						149	149	0
IVECO TRUCKS	MO	145	52	41	36			274	0
	YR	1,269	682	814	164			2,729	0
WESTERN STAR	MO						136	136	0
	YR						1,436	1,436	0
OTHER DOMESTICS	MO						45	45	58
	YR				136		1,096	1,232	1,012
GRAND TOTAL	MO	385,801	812	574	4,440	8,734	11,374	411,535	439,007
	YR	4,674,593	2,129	8,185	44,282	102,583	131,156	4,962,928	4,874,070
1986 YR to DATE		4,609,785	0	5,905	44,798	100,713	112,871	4,874,070	

Class 1-3 sales data reported by individual manufacturers; Class 4-8 data reported by Motor Vehicle Manufacturers Association.

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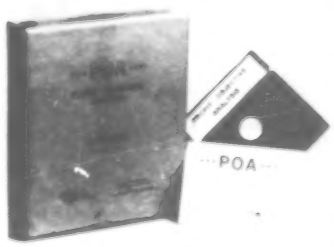

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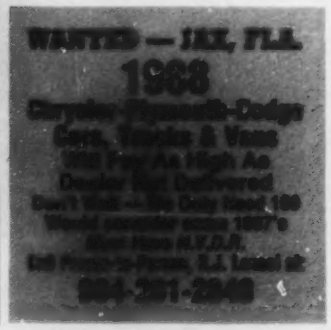

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Manheim adds California auction

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Manheim Auctions hopes to capture more factory and daily rental program vehicles with the opening Tuesday of its $10 million Riverside Auto Auction in Riverside, Calif.

The company has two other auctions in the state, including California Auto Dealers Exchange in Anaheim only 30 miles from Riverside.

Manheim views Southern California as an important and lucrative center for used cars. Despite their proximity, the company said it can support two Manheim auctions serving different market segments.

Even though there are 10 auctions in California, Darryll M. Ceccoli, Manheim vice president of operations, said there are only three major auctions in Southern California — Southern California Auto Auction in Fontana and Los Angeles Dealer Auto Auction in Rosemead, both owned by competitor GE Credit Auto Auctions, and California Auto Dealers Exchange.

Ceccoli said the California Auto Dealers Exchange and the Los Angeles Dealer Auto Auction have limited acreage available for storage, which is necessary if an auction wants to attract daily rental and lease vehicles.

Riverside's 40,000-square-foot facility sits on 70 acres and will enable Manheim to go after national accounts. Manheim has improved 25 acres, leaving plenty of room for expansion.

Chrysler Motors has picked Riverside to conduct its factory sales.

He said about 1,500 cars will cross the auction block at the grand opening tomorrow, including 800 daily rental vehicles, 250 Nissans and 400 to 600 dealer consignments.

AUCTION DATES

Chrysler Motors

Jan. 26 — Florida Auto Auction of Orlando, Ocoee, Fla.; Arena Auto Auction, Chicago; Hatfield Auto Auction, Hatfield, Pa.; Dallas Auto Auction, Grand Prairie, Texas; and Aptco Auto Auction, Taylor, Mich.

Jan. 27 — Southern Auto Auction, Warehouse Point, Conn.; Columbus Fair Auto Auction, Obetz, Ohio; and South Seattle Auto Auction, Kent, Wash.

Jan. 28 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Utah Auto Auction, West Bountiful, Utah; and Omaha Auto Auction, Omaha, Neb.

Jan. 29 — St. Louis Auto Auction, Bridgeton, Mo.

General Motors

Jan. 26 — Florida Auto Auction of Orlando, Ocoee, Fla.

Jan. 27 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Jan. 28 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; and Southwest Auto Auction, Phoenix, Ariz.

Ford Motor Co.

Jan. 26 — South Seattle Auto Auction, Kent, Wash.

Jan. 27 — Columbus Fair Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Salt Lake Auto Auction, Salt Lake City, Utah; Missippi Auto Auction, Hattiesburg, Miss.; and Northeast Auto Dealers Exchange, Newburg, N.Y.

Jan. 28 — Baltimore-Washington Auto Exchange, Baltimore; Greater Chicago Auto Auction, Chicago; Houston Predelivery Center, Houston; Bay Cities Auto Auction Inc., Hayward, Calif.; and St. Louis Auto Auction, Bridgeton, Mo.

Used Car Sales
Auction Averages

January, 1988	$4,463
Month ago	$5,914
Year ago	$4,833

Model Breakdown
Auction Averages

	JAN 1988	DEC 1987	NOV 1987
1988	$10,258		
1987	$8,460	$10,564	$11,220
1986	$6,175	$8,451	$8,624
1985	$5,210	$7,199	$7,257
1984	$4,382	$5,640	$5,711
1983	$3,172	$4,844	$4,897
1982	$2,256	$3,504	$3,549
1981	$1,653	$2,542	$2,549
Overall Average	$4,463	$5,914	$4,833

DISCOUNTER

FROM PAGE 3

who were comparing prices," he said. "Sixty percent of them were ordering cars from the factory, so there was no investment by the dealership."

An official from the state's Department of Motor Vehicles said Price Club presented the program to the agency six months ago. But the wholesaler wanted to charge dealers a fee for each vehicle sold to its members. The department's advice: Apply for a dealer's license.

Per-vehicle fees for referrals in California violate state brokering laws, the agency spokeswoman said. Price Club instead decided to charge dealerships a monthly advertising fee for placing their circulars in its wholesale outlets.

Bill White of Lee White Toyota in Lemon Grove sells about 15 cars per month using the system, down from 30 when the dealership signed on more than a year ago. The dealership pays Price Club about $1,000 per month.

White said sales fell when other dealers in the San Diego area matched prices his dealership offered through the Price Club system.

The dealership charges Price Club members $750 over invoice for Toyota Corollas, Camrys, 4Runners, Land Cruisers, Cressidas and Supras; $400 over invoice for Celicas, Tercels, MR2s, FXs and LE passenger vans; and $100 over invoice for trucks, other vans and panel vans.

Amway, by comparison, markets cars for $150 over invoice, and Sam's offers them to members at $100 over dealer invoice.

White said the manufacturer's suggested retail price for a car like the Camry LE includes a profit of about $2,000 for the dealer, so customers are realizing a saving of $1,200 to $1,400 off the sticker price under the system. Circulars are distributed from four Price Club outlets in the San Diego area.

Chris Gordon, general sales manager for Team Nissan in Encinitas, sells cars and trucks through Price Club for a flat $300 over invoice. He said Team Nissan is the wholesaler's "preferred Nissan dealer."

Team Nissan has used the system for more than a year, selling 12 to 20 cars per month.

He said there is a display in each of the four (soon to be five) Price Club outlets in the San Diego area advertising "special fleet discounts" from the preferred dealers. The display carries flyers from each of the four dealers.

Gordon praised the system, saying Price Club members are qualified, have good credit and "are usually ready to drive a car away."

Most of his sales are vehicles in stock. The dealership adds 3.9 percent to the $300-over-invoice price for vehicles ordered by members.

Is it worth it for a dealer to sell a vehicle for $300 over invoice? Gordon said that is just part of the final deal.

Half of the customers finance the cars through a Team Nissan lender, seven of 10 members buy a warranty from the dealership and three of 10 have a trade-in. Some of them buy paint sealant and credit life.

"It's no longer a $300-over deal when you put the front end and back end of the deal together," he said.

Gordon said he pays Price Club $300 per month to distribute the flyers and another $1,100 per month for the back page of Price Club's monthly customer journal, which reaches 200,000 members.

"I believe they are expanding their advertising into Orange County because they have asked the dealership to advertise in that journal," he said.

LLoyd Boshaw, general manager for Pacific Honda in San Diego, said the dealership signed up with Price Club six months ago and is selling a dozen units per month under the system.

"I don't like the program because I don't like any reference to invoice," he said. "The industry should get away from that."

Boshaw said the dealership has an exclusive agreement with Price Club to market Hondas through outlets in the San Diego area. He is still involved with the program — even though he said it represents a miniscule portion of his business — because "I won't give it up to another dealer."

Jim Hilton, sales manager for Pacific Beach Ford in San Diego, confirmed the dealership is involved in the Price Club program but declined comment on it, citing company policy.

Production climbs for cars, trucks

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Last week's scheduled domestic production of 126,735 cars was 9.62 percent more than the prior week's 115,618 but 19.26 percent below the year-ago week's 156,961.

Companies split last week's targeted output as follows: General Motors, 41.54 percent; Ford Motor Co., 32.94 percent; Chrysler Motors, 13.73 percent; Honda of America Manufacturing, 5.90 percent; New United Motor Manufacturing Inc., 2.56 percent; Volkswagen of America, 1.58 percent; Nissan Motor Manufacturing Co. U.S.A., 1.06 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 0.69 percent.

GM announced it will close its Leeds plant in Kansas City, Mo., in mid-April. The Buick Skyhawk will be transferred to the Janesville, Wis., plant and the Oldsmobile Firenza will be discontinued. As a result, about 3,500 workers will be indefinitely laid off. At the end of May, GM will discontinue production of the Cadillac Cimarron, which is built at Janesville.

GM's Fiero plant in Pontiac, Mich., and its Linden, N.J., plant resumed output today. The Fiero plant had been closed for two weeks because of slow sales, and the Linden facility had been idle for equipment installation.

Production resumed today at GM's Detroit-Hamtramck plant. It had been closed to retool for the 1989 Riviera. However, production of the 1989 model is not slated to begin until next fall.

GM's Oklahoma City plant remains closed for inventory adjustment. It is due to reopen Feb. 1.

Domestic truckmakers estimated production of 84,494 units last week, 2.59 percent more than the prior week's 82,359 and 9.92 percent more than the year-ago week's 76,872.

General Motors slated overtime last Saturday at its Baltimore plant.

Ford slated overtime last Saturday at its Wixom, Mich.; Kansas City, Mo., (car); and St. Louis plants.

All Ford car and truck plants are scheduled for daily overtime this week except the Edison, N.J., car plant.

Canada trucks: 19-month high

Canadian makers scheduled production of 19,337 trucks last week, the highest since the 19,807 built the week-ended June 21, 1986.

Last week's truck estimate was 6.36 percent more than the prior week's 18,181 and 31.80 percent above the year-ago week's 14,671.

Year-to-date, 53,615 trucks have been built, 10.10 percent more than the 48,697 completed last year at this time.

Auto production was scheduled at 20,526 units last week, 9.70 percent below the previous week's 22,732 but 2.91 percent above the year-ago week's 19,945.

So far this year, 65,744 cars have been assembled, 19.66 percent more than the 54,941 assembled last year at this point.

U.S. CAR	Week Ended Jan. 23 1988	Week Ended Jan. 24 1987	Week Ended Jan. 16 1988	Jan. 1 to Date	Jan. 1 to Jan. 23 1988	Jan. 1 to Jan. 24 1987
Alliance	0	837	0	0	0	3,000
Total Eagle	0	837	0	0	0	3,000
Horizon	1,800	3,545	1,492	4,561	4,561	10,684
Sundance	2,000	1,910	2,017	6,017	6,017	5,815
Reliant	2,000	2,339	683	2,683	2,683	8,267
Caravelle	460	1,095	438	898	898	3,187
Gran Fury	200	0	211	643	643	0
Total Plymouth	6,250	8,889	4,831	14,822	14,822	27,973
LeBaron K	250	1,337	0	250	250	5,040
LeBaron J	0	1,556	0	0	0	3,940
LeBaron GTS	150	635	151	458	458	2,022
N. Yorker E-Class	0	1,568	0	0	0	4,620
N. Yorker C-Class	1,600	0	1,478	4,159	4,159	0
Fifth Avenue	1,250	0	1,296	3,844	3,844	0
Total Chrysler	3,250	5,096	2,925	8,711	8,711	15,622
Omni	1,800	2,972	1,456	4,490	4,490	9,337
Daytona	0	799	0	0	0	2,079
Shadow	2,100	1,741	2,064	6,174	6,174	5,376
Aries	1,400	1,878	954	2,354	2,354	7,355
Dodge 600	350	1,123	212	562	562	3,217
Dynasty	1,900	0	1,658	4,686	4,686	0
Lancer	250	560	229	685	685	1,799
Diplomat	300	0	325	923	923	0
Total Dodge	7,900	9,054	6,898	20,074	20,074	29,157
CHRYSLER MOTORS	17,400	23,876	14,654	43,607	43,607	75,752
Escort	9,608	8,932	9,599	26,926	26,926	22,629
Mustang	4,632	4,856	4,635	13,624	13,624	13,676
Tempo	4,619	4,148	4,032	13,148	13,148	12,293
Taurus	8,447	10,061	8,371	23,761	23,761	30,742
Thunderbird	3,367	2,606	2,881	9,126	9,126	7,426
Total Ford Div.	30,673	28,605	29,518	86,585	86,585	86,766
Lynx	0	1,124	0	0	0	3,310
Topaz	1,769	1,359	1,497	4,920	4,920	3,989
Cougar	2,400	3,861	2,889	8,181	8,181	11,075
Sable	2,138	2,959	2,105	6,007	6,007	9,003
Total Mercury	6,307	9,303	6,491	19,108	19,108	27,377
Continental	846	376	683	2,231	2,231	1,164
Mark VII	518	540	487	1,632	1,632	1,749
Lincoln	3,406	2,747	2,930	9,659	9,659	8,730
Total Lincoln	4,770	3,663	4,100	13,522	13,522	11,643
Total L-M Division	11,077	12,966	10,591	32,630	32,630	39,020
FORD MOTOR CO.	41,750	41,571	40,109	119,215	119,215	126,286
Skyhawk	1,035	2,020	1,057	2,092	2,092	4,307
Skylark/Somerset	650	2,202	655	2,407	2,407	6,653
Century	0	3,200	1,692	2,871	2,871	13,462
Regal (rwd)	0	1,843	0	0	0	1,844
Riviera	0	785	0	0	0	2,462
Electra	1,258	2,462	1,708	4,685	4,685	5,364
LeSabre (fwd)	2,400	1,932	2,393	7,112	7,112	7,089
LeSabre (rwd)	85	383	0	289	289	2,157
Reatta	140	0	0	140	140	0
Total Buick	5,568	14,827	7,505	19,596	19,596	43,337
Cimmaron	298	546	312	862	862	1,632
Eldorado	0	366	0	0	0	1,454
Seville	0	1,197	0	0	0	3,245
Brougham (rwd)	0	1,466	0	0	0	4,998
Deville (fwd)	4,000	3,596	3,568	10,776	10,776	10,359
Allante	0	45	0	0	0	132
Total Cadillac	4,298	7,216	3,880	11,638	11,638	21,820
Cavalier	6,975	4,945	6,966	20,370	20,370	20,637
Camaro	1,935	3,095	0	1,935	1,935	3,095
Celebrity	0	7,027	3,980	8,535	8,535	24,902
Corsica/Beretta	6,949	3,615	4,394	15,895	15,895	11,429
Monte Carlo	0	1,797	0	0	0	1,840
Caprice	5,403	4,875	3,178	12,841	12,841	7,986
Corvette	440	640	450	1,148	1,148	1,936
Total Chevrolet	21,702	26,184	18,998	58,524	58,524	71,825
Cetera	1,825	2,506	1,837	6,564	6,564	7,736
Firenza	525	1,056	530	1,055	1,055	2,476
Cutlass Ciera	0	3,189	0	0	0	12,641
Cutlass Supreme	1,852	354	1,739	3,891	3,891	336
Toronado	0	576	0	0	0	1,765
88 (fwd)	3,255	4,479	3,473	10,183	10,183	12,583
88 (rwd)	345	422	330	921	921	1,373
Olds 98	1,822	1,639	1,549	4,790	4,790	4,968
Total Oldsmobile	9,724	14,220	9,258	27,204	27,204	43,878
Sunbird	2,289	0	2,207	6,572	6,572	5,676
Grand Am	4,800	5,247	4,868	14,329	14,329	15,373
Firebird	2,145	2,325	0	2,145	2,145	2,365
Pontiac 6000	0	1,348	50	86	86	5,732
Bonneville	1,925	3,243	1,921	5,781	5,781	9,859
Safari/Parisienne	199	341	0	223	223	336
Fiero	0	666	0	0	0	650
Total Pontiac	11,358	13,170	9,034	29,136	29,136	39,981
GENERAL MOTORS	52,649	75,617	48,375	146,098	146,098	220,839
HONDA	7,475	6,837	7,245	20,970	20,970	21,469
Civic	1,757	2,996	1,720	4,900	4,900	11,087
Accord	5,718	3,841	5,525	16,070	16,070	10,382
MAZDA	872	0	716	2,160	2,160	0
NISSAN	1,340	2,943	1,340	4,015	4,015	8,787
NUMMI	3,250	4,117	3,179	9,826	9,826	12,332
Corolla	1,200	837	1,159	3,542	3,542	2,848
Nova	2,050	3,280	2,020	6,084	6,084	9,484
VOLKSWAGEN	2,000	2,000	0	2,000	2,000	3,981
Golf/GTI	1,500	1,750	0	1,500	1,500	3,481
Jetta	500	250	0	500	500	500
Total Cars, U.S.	126,735	156,961	115,618	347,891	347,891	439,449
Total Cars, Canada	20,526	19,945	22,732	65,744	65,744	54,941
U.S., Canada Cars	147,261	176,906	138,350	413,435	413,435	524,390
U.S., Canada Cars and Trucks	251,082	289,449	226,800	711,454	711,454	802,740

Weekly estimates may include some of one or two units due to rounding.

CANADIAN CAR	Week Ended Jan. 23 1988	Week Ended Jan. 24 1987	Week Ended Jan. 16 1988	Jan. 1 to Date	Jan. 1 to Jan. 23 1988	Jan. 1 to Jan. 24 1987
Eagle	0	—	0	0	0	—
Premier	1,650	—	1,574	4,664	4,664	—
CHRYSLER MOTORS	1,650	150	1,574	4,664	4,664	450
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,366	—	4,426	13,050	13,050	—
Topaz	1,374	—	1,337	4,713	4,713	—
Crown Victoria	2,980	—	2,870	8,662	8,662	—
Grand Marquis	2,780	—	2,998	8,116	8,116	—
FORD MOTOR CO.	11,520	10,505	11,331	34,541	34,541	33,757
Celebrity	0	—	562	1,185	1,185	—
Cutlass Ciera	1,570	—	4,200	10,140	10,140	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,230	—	1,225	3,594	3,594	—
Regal	3,776	—	3,088	9,625	9,625	—
GENERAL MOTORS	6,576	8,958	9,145	24,544	24,544	19,788
HONDA	680	109	568	1,683	1,683	245
VOLVO	100	225	114	312	312	899
Total Cars, Canada	20,526	19,945	22,732	65,744	65,744	54,941

U.S. TRUCK*	Week Ended Jan. 23 1988	Week Ended Jan. 24 1987	Week Ended Jan. 16 1988	Jan. 1 to Date	Jan. 1 to Jan. 23 1988	Jan. 1 to Jan. 24 1987
Caravan	1,900	—	1,748	5,282	5,282	—
Dakota	3,000	—	3,198	9,280	9,280	—
Mini-Ram Van	300	—	267	827	827	—
Pickups	1,500	—	1,599	4,627	4,627	—
Total Dodge	6,700	4,716	6,813	19,996	19,996	12,707
Cherokee	3,000	—	3,786	10,606	10,606	—
Commanche	800	—	1,023	2,805	2,805	—
Grand Wagoneer	300	—	344	644	644	—
Pickups	0	—	0	0	0	—
Wagoneer	250	—	361	911	911	—
Total Jeep	4,350	4,526	5,504	14,966	14,966	12,730
Voyager	1,800	—	1,505	4,843	4,843	—
Total Plymouth	1,800	—	1,505	4,843	4,843	—
CHRYSLER MOTORS	12,850	9,242	13,822	39,805	39,805	25,437
Aerostar	5,084	—	4,419	13,398	13,398	—
Bronco	1,277	—	1,279	3,806	3,806	—
Bronco II	3,059	—	3,572	9,601	9,601	—
Econoline	5,106	—	4,985	14,934	14,934	—
Heavy trucks	1,306	—	1,336	3,966	3,966	—
Light trucks	9,642	—	9,448	28,290	28,290	—
Ranger	7,153	—	7,693	21,364	21,364	—
Total Ford Div.	32,629	32,228	32,732	95,372	95,372	97,864
FORD MOTOR CO.	32,629	32,228	32,732	95,372	95,372	97,864
Astro	3,742	—	3,134	10,409	10,409	—
Blazer	474	—	621	1,631	1,631	—
Medium/Heavies	415	—	540	1,369	1,369	—
P-Model	905	—	1,092	2,936	2,936	—
Pickups	6,400	—	5,551	17,807	17,807	—
S-10	5,083	—	4,833	14,999	14,999	—
S-10 Blazer	3,305	—	1,387	6,084	6,084	—
Sportsvan/Van	1,237	—	1,323	4,239	4,239	—
Suburban	1,304	—	1,377	3,933	3,933	—
Total Chevrolet	22,865	21,964	19,828	63,427	63,427	67,609
Jimmy	212	—	199	499	499	—
Medium/Heavies	835	—	740	2,283	2,283	—
P-Model	115	—	57	214	214	—
Pickups	2,090	—	2,367	6,252	6,252	—
S-15	1,404	—	1,508	3,959	3,959	—
S-15 Jimmy	685	—	404	1,378	1,378	—
Safari	995	—	832	2,589	2,589	—
Suburban	751	—	1,085	2,510	2,510	—
Vandura/Rally Vans	1,143	—	993	2,737	2,737	—
Total GMC	8,350	7,843	8,184	22,421	22,421	22,129
GENERAL MOTORS	31,215	29,807	28,012	85,848	85,848	89,732
NAVISTAR	1,900	1,540	1,796	5,361	5,361	4,614
NISSAN	3,250	1,705	3,247	9,748	9,748	5,157
AM GENERAL**	450	50	469	1,350	1,350	150
MISCELLANEOUS***	2,300	2,300	2,300	6,900	6,900	6,900
Total Trucks, U.S.	84,494	76,872	82,359	244,494	244,494	228,854

CANADIAN TRUCK	Week Ended Jan. 23 1988	Week Ended Jan. 24 1987	Week Ended Jan. 16 1988	Jan. 1 to Date	Jan. 1 to Jan. 23 1988	Jan. 1 to Jan. 24 1987
Caravan	3,054	—	2,810	8,965	8,965	—
Mini-Ram Van	234	—	216	666	666	—
Ram Wagon	600	—	569	1,168	1,168	—
Ram Van	1,290	—	1,383	2,673	2,673	—
Total Dodge	5,178	5,182	4,977	13,372	13,372	27,227
Voyager	2,856	—	2,808	8,243	8,243	—
Total Plymouth	2,856	—	2,808	8,243	8,243	—
Wrangler	850	—	949	2,522	2,522	—
Total Jeep	850	599	949	2,522	2,522	1,366
CHRYSLER MOTORS	8,884	8,771	8,531	24,137	24,137	29,096
FORD MTR (lt. trks)	3,848	2,796	3,472	10,586	10,586	18,420
Light trucks	3,311	—	3,092	8,954	8,954	—
Vans	1,325	—	1,233	3,842	3,842	—
Total Chevrolet	4,636	—	4,325	12,596	12,596	—
Light trucks	1,319	—	1,160	3,935	3,935	—
Vans	625	—	467	1,685	1,685	—
Total GMC	1,944	—	1,627	5,620	5,620	—
GENERAL MOTORS	6,580	2,915	5,952	18,216	18,216	9,561
NAVISTAR	225	199	228	676	676	909
Total Trks., Canada	19,337	14,671	18,181	53,615	53,615	48,697
U.S., Canada Trks.	103,831	91,543	100,540	298,019	298,019	278,351

*—Includes window van production. **—Estimated.
Jeep includes commercial only. All General includes conventional-cabbed vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Weekly estimates may include some of one or two units due to rounding.

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NEW LINES

Chrysler outlines plans for products into 1990s

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Chrysler Motors executives met with officers of the Chrysler-Plymouth and Dodge dealer councils last week and outlined tentative product plans through the 1990 model year.

In an unusual showing of cooperation between a manufacturer and dealers, Chrysler Motors Chairman Gerald Greenwald and Chrysler Motors President for Product and Marketing Bennett E. Bidwell reviewed the tentative future product lineup that dealers will now evaluate.

Representatives of Chrysler's Jeep-Eagle network did not attend the meeting. However, they will get a new product to sell this summer: A four-door sedan version of the all-new Mitsubishi Mirage will be unveiled at the Chicago auto show Feb. 12.

Chrysler's product plans are being formulated against a background of internal flux and personnel changes. The acquisition of American Motors and the executive reshuffling resulting from the retirement of President Harold K. Sperlich have added to the turmoil.

Sperlich's retirement is blamed in part by company insiders on the controversy over future products.

The shifting product plans are being formulated during a period of financial belt tightening at Chrysler and increasing pressure by dealers for a strong product commitment.

The tentative product plans through the 1990 model year include several changes in the Chrysler-Plymouth and Dodge lineups. The schedule indicates that models will benefit from increased engine power when Chrysler begins building a new V-6 in late 1989 at its Trenton, Mich., engine plant. Specifically:

● The LeBaron J-coupe, which some dealers have said is faltering in the market because of its four-cylinder engine, will receive a V-6 in the 1990 model year. It is not yet clear if Chrysler will use its own engine or a Mitsubishi-built powerplant.

The LeBaron coupe is also tentatively scheduled in the 1990 model year to get a new suspension and interior.

see CHRYSLER, page 7

Tentative Product Plans for Chrysler Motors

CHRYSLER PLYMOUTH

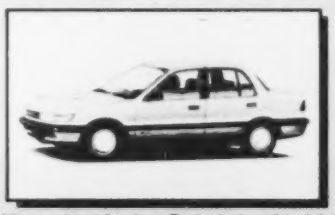
1988 — Launch of Chrysler TC by Maserati.
1988 — Town and Country wagon ends production.
1989 — Caravelle, Reliant, LeBaron K end production.
Spring 1989 — Launch of Diamond-Star Plymouth Laser.
1990 — Launch of Imperial and New Yorker Fifth Avenue; New Yorkers get four-speed electronic transmissions; Plymouth Sundance updated; LeBaron adds V-6, new dash, interior and suspension.

Jeep Eagle

Winter 1988 — Continue push on Eagle Premier, new for this model year.
May 1988 — Relaunch Renault Medallion with Eagle badge.
July 1988 — Launch four-door version of Mitsubishi Mirage as 1989 model.
1989-1990 — Add a version of two-door sporty coupe built by Diamond-Star joint venture of Chrysler and Mitsubishi in Illinois.

CHRYSLER DODGE

1989 — Long-established Aries, 600, Diplomat products will no longer be produced after this model year.
1989 — New A-body is slated to be introduced in this model year.
1990 — Shadow updated this model year.
1990 — Although uncertain, Daytona may be updated and Dynasty ES may be launched during this model year.



Mirage slated for Jeep-Eagle dealers this July

1990 Imperial in current Chrysler commercial

Audi picks another new boss

Mugg takes post as Marcy steps out

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

The head of Audi of America quit last week after four months on the job, while a group of leading dealers raised questions about the leadership at Audi's parent company, Volkswagen of America.

Other troubles echoed throughout the organization. Audi, which has seen its U.S. sales nearly sliced in half in just two years, said it gave layoff notices Friday to about 10 employees at its Troy, Mich., headquarters. And more could follow.

Richard C. Marcy, who took over as VWoA vice president in charge of Audi of America in September, resigned unexpectedly Monday. He called the move a "career growth opportunity." On Tuesday, he began his new job as executive vice president in charge of sales and marketing at C&C (Cars and Concepts), the Brighton, Mich., car conversion and engineering firm.

VWoA promptly named Richard L. Mugg, 57, to fill Marcy's spot. Mugg has worked for VW for three decades, most recently as vice president of VWoA's central marketing staff.

One of his first challenges will be to address the concerns of Audi dealers. Two weeks ago, about a dozen influential Audi dealers gathered in Dallas for what was described as a meeting about the future of the franchise. Although it involved some members of the dealer council, the session was held outside standard company channels.

In the short term, the dealers want the company to adopt programs that will revive sales and ignite some interest in the new Audi 80/90 series, dealers said. They are also pushing for measures that will address the long-term stability of the nameplate. Overall, they hope to help establish a clear sense of direction.

As part of that process, they are seeking a meeting with Volkswagen AG Chairman Carl Hahn. And while dealers portrayed themselves as non-militant "friends of Audi," they pointed to concerns with Audi's senior management. Some conceded that one subject of their frustration is Noel Phillips, president of VWoA.

"We just have to look at where we've been, look at the crises that we've been through, and sooner or later the buck has to stop somewhere," said one dealer. "You can't have musical managers without questioning who is ultimately re-

see AUDI, page 50

Record 25,000 due to attend NADA parley

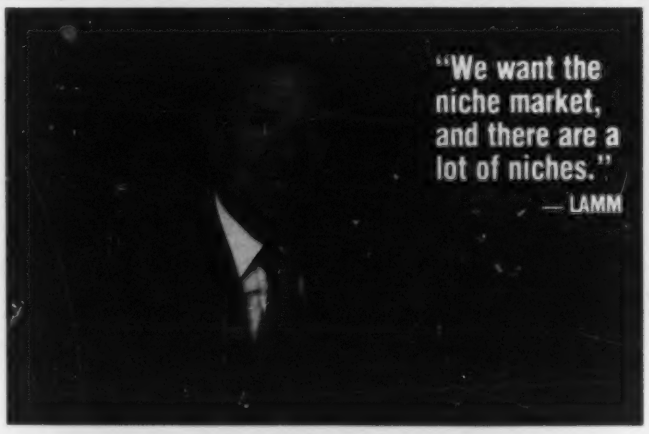
SAN FRANCISCO — A record 25,000 delegates are expected to gather starting Saturday for the 71st Annual Convention and Exposition of the National Automobile Dealers Association.

General Motors Chairman Roger B. Smith and former President Gerald R. Ford will address the dealers during the convention, which runs through midday Tuesday, Feb. 9.

Nearly 300 firms will exhibit equipment, products and services for auto and truck dealerships. For the first time, the show will occupy two sites, Brooks Hall and the Moscone Center, for an exhibit area of more than 170,000 square feet. It opens at 8:30 a.m. on Saturday, Feb. 6.

The opening general session begins at 3 p.m. Saturday in the main arena of Civic Auditorium, adjoining Brooks Hall. Keynoter Smith is expected to address the importance of dealer-manufacturer communications, integration of

see NADA, page 50



Subaru fights back

1987 routed complacency, Lamm says

By John A. Russell
AUTOMOTIVE NEWS STAFF REPORTER

CHERRY HILL, N.J. — Subaru of America has gone back to the street-fighter ways that made it the hit of Wall Street.

The company that was derailed in 1987 after 12 years of consistent growth in sales and profits has set an annual sales goal of 250,000 to 300,000 units within three years, compared with just over 177,000 last year.

Harvey Lamm, chairman of the board and a founder of the company, now admits that the years of soaring stock prices, profits and sales may have made the company soft. "Perhaps a tendency toward some complacency did creep into the organization," he said. Last year "jarred everyone back to reality," he added.

Shock it was. The stock tumbled

see SUBARU, page 7

Isuzu cancels plan to import Bitter models

By Francis J. Gawronski and Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTERS

LOS ANGELES — American Isuzu's plan to import and market 10,000 Austrian-built Bitter cars a year was abruptly canceled last week.

Erich Bitter, president of Bitter Automobile Co., and executives of American Isuzu, including John E. Reilly, senior vice president and general manager, negotiated a settlement that will reimburse Bitter for development and tooling costs. The final meeting last Thursday at Isuzu headquarters, ended two weeks of dickering.

The end of the deal wipes out the sole accomplishment of American Isuzu's ambitious global search for an offshore vehicle supplier. The Bitter deal was announced in June.

American Isuzu has been unable to find another non-U.S. manufacturer at either the upper or lower end of the market to supplement the importer's modest annual quota of passenger cars under the Japanese government's current restraints on car exports to the

see ISUZU, page 7

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Japan keeps lid on car exports to U.S. Page 2
Perot claws GM, tells how he'd run it Page 3
Chrysler, Chevrolet sweeten incentives Page 6

BEST AVAILABLE COPY

Outspoken Perot claws GM, tells how he'd run it

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

Never one to mince words, H. Ross Perot is at it again.

The Texas billionaire who was paid $700 million last year to relinquish his seat on the General Motors board and the helm of Electronic Data Systems, has authored an article in the Feb. 15 issue of Fortune magazine entitled, "How I Would Turn Around GM." His article is part of a scathing cover section on GM's problems.

Perot's basic premise is that GM must build the finest cars in the world and must make its employees understand that their jobs depend upon achieving that goal.

Among the 13 moves Perot says GM must make:

- Replace outside board members, who, Perot notes, own virtually no GM stock. The replacements should be substantial stockholders and should be selected for their demonstrated abilities to design and build excellent products as well as to lead and motivate people.
- Close the 14th floor of the General Motors Building in Detroit where top executives have their offices and move the executives to the plants, forcing GM's leaders to brush up against "real" people building real cars.
- Establish one set of rules for bonuses and financial incentives instead of having two systems whereby management receives million-dollar bonuses and the workers receive nothing in profit sharing. "First feed the troops, then the officers," Perot advises.
- Eliminate waste, including chauffeured limousines, heated garages, executive dining rooms and other "relics from the past." He also recommends closing the 25th floor of GM's building in New York, used once a month by the board. "An entire teak forest must have been decimated" for the 25th floor, Perot says.
- Focus the $4 billion GM spends annually for research and development on projects to build the finest cars in the world. The first priority, Perot writes, should be fixing substandard items on today's cars.
- Eliminate historic power struggles between the financial staff and car builders: "Let people who know how to build the cars make product decisions."
- Focus the battle on outsiders in the marketplace, not on divisional internal struggles "for power and turf."
- Listen to customers, dealers, workers and engineers. Look at customer problems as service problems that need solving immediately, not as legal problems.
- Use the full resources of GM employees as substitutes for money. "If spending money were the answer," Perot writes, "GM would already be first and best at everything it does."

In the same issue, GM Chairman Roger B. Smith is interviewed in an article entitled, "Roger Smith Replies to Ross Perot." However, GM claims it did not know the interview was to be in response to the comments of EDS founder Perot.

In the interview, Smith praises GM's 1984 reorganization into two large car groups as a way to use people more effectively, delegate more decision-making to lower levels and encourage a participative structure. Smith says GM does not ignore customer complaints; on the contrary, he and others often call customers.

Smith also defends GM's bonus structure for managers. GM's philosophy, he says, is to pay a low salary and high performance bonus to executives.

He says that GM has the "best cooperation between management and the union in the corporation's history right today," citing last fall's contract talks as proof.

AUTOMOTIVE NEWS/JOE WILKENS

Tanuma: U.S.-designed, built Nissan will appear by 1992 model year

New thrust at Nissan

Design unit to play major role in U.S.

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Nissan Research & Development said its reorganization, effective today, means it will have complete design and engineering capabilities to develop cars and trucks for the U.S. market.

It also will determine what products will be developed and when they will be introduced.

A similar reorganization aimed at localization of products and long- and mid-range product planning will be announced for Nissan's operations in Europe in six to 10 months.

Nissan Research & Development is a jointly owned subsidiary of Nissan Motor Co. Ltd., Japan, and Nissan Motor Corp. in U.S.A. Takeshi Tanuma is president.

"The reorganization will permit us to respond quickly to changing attitudes and needs of local customers," Tanuma said. A U.S.-designed and built Nissan car will reach showrooms in the 1992 model year at the latest, he said.

The reorganized Nissan Research & Development facility will be responsible for strategy, technical planning, vehicle development and testing, Tanuma said at a press conference here.

He also said the new structure will allow the company to boost customer satisfaction and, largely through increased local content, reduce its costs.

After the reorganization, Tanuma will remain based in Ann Arbor, Mich. The number of Nissan Research & Development employees will climb to 250 from 55 now. New employees will be Americans, chiefly working in Ann Arbor, and most will be engineers.

"The reorganization will permit us to respond quickly to changing attitudes and needs of local customers."
— Tanuma

A vehicle engineering department, directed by Tohru Kanbe, executive vice president, will be located in Ann Arbor and have operations in Arizona and Los Angeles. Kanbe has been vice president for engineering — Nissan U.S.A.

A new-product strategy department will be located in Los Angeles and a computer-aided design center will open in the Detroit area in the fall of 1989.

The European reorganization will not be directly related to a Nissan-Ford plan to jointly produce a minivan for the United States or a sport-utility vehicle in Europe. An announcement of what product will be designed is expected to come in the second quarter, Tanuma said.

Local content of cars and pickups built by Nissan in Smyrna, Tenn., ranges around 50 percent to 55 percent. Tanuma said he expects it to rise to at least 75 percent "as soon as possible" and 90 percent to 95 percent may be a realistic target.

Kenosha dies, so may M-body

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Motors' decision to close its Kenosha, Wis., assembly plant at the end of the 1988 model year may be a signal that the company is preparing to shed some of its older products.

The company announced last week that the Kenosha assembly and stamping operations will be closed because of excess capacity that resulted from the acquisition of American Motors.

Kenosha is producing the subcompact L-body Dodge Omni America and Plymouth Horizon America and the large, rear-wheel-drive M-body Chrysler Fifth Avenue, Dodge Diplomat and Plymouth Gran Fury. The America models will go out of production in July at Kenosha and move to the Jefferson Avenue assembly plant in Detroit. It will be the second move for the America models. The company spent $200 million last summer to move them to Kenosha from Belvidere, Ill.

That six-month interruption cost Chrysler 162,000 units in 1987, the company said, and it contributed heavily to a 22 percent drop in Chrysler's 1987 domestic-car sales. Chrysler said the move to Jefferson Avenue will be accomplished more quickly.

"There will be minimal interruption of production," a spokesperson said. The company said no timetable has been established. However, Aaron Taylor, president of UAW Local 7, which represents workers at the Jefferson Avenue plant, said a tentative schedule calls for a production launch in September.

Chrysler said the M-bodies will continue to be produced in Kenosha until September. The company said the future of the models beyond the 1988 model year will be determined by the market.

Dealers have said Chrysler's new large front-wheel-drive sedans — Chrysler New Yorker, New Yorker Landau and Dodge Dynasty — are being sold to customers who would have purchased the older rwd models. They expect the M-bodies to be retired at the end of the 1988 model year, barring a spectacular performance by the Fifth Avenue.

The closing affects two additional older products — the compact K-cars (Plymouth Reliant, Dodge Aries) and the E-bodies (Dodge 600, Plymouth Caravelle). Both series are built in the Jefferson plant, which will produce the America subcompacts. Chrysler said the future of the K- and E-bodies after the 1988 model year will also be dictated by sales.

The K-cars are also produced in Newark, Del. That plant will be retooled this summer to produce the A-bodies, which are designed to replace the K-cars.

Kenosha's closing means Chrysler will operate 12 plants in North America. Asked about other closings, a Chrysler spokesman said, "We don't have any additional plant closings in mind at this time."

The closing of the Kenosha plant, which was built in 1902, will affect an estimated 5,500 hourly and salaried workers. About 1,000 employees will remain to operate the Kenosha Jeep engine plant.

Wisconsin Gov. Tommy G. Thompson asked the state attorney general to investigate initiating a lawsuit against Chrysler on the grounds that the company had broken a verbal and written agreement with the state assuring production at Kenosha for five years.

"Chrysler never made such a commitment," a Chrysler spokesman said.

Rudy Kuzel, chairman of UAW Local 72 at the Kenosha plant, said, "I guess they (Chrysler) feel they owe the people at Jefferson more than they owe us."

INDEX

Around the world	34, 35
Auction dates	38
Classifieds	39
Coming events	33
Dealing with dealers	32
Extra section	E1
News briefs	8
Obituaries	6
Opinion	10
Personnel	20
Production	52
Sales, car	14
Truck industry	12

63rd year—No. 5218

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AMC was headed for big profit

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

American Motors would have earned about $200 million in 1987 if it had not been acquired by Chrysler Corp.

A recent informal study by Chrysler staffers revealed a pro forma AMC profit of $200 million, according to a former AMC senior executive, although Chrysler write-offs against the profit lowered the number to $125 million.

But don't expect to see either number included in the Chrysler year-end financial statements that are scheduled to be reported later this week.

Officially, Chrysler says it is not possible to conduct that kind of study or separate the AMC results.

"AMC made about $50 million in the first six months," said the former AMC executive, who asked not to be identified. "Even with the write-offs, it made $75 million in the last six months, and that was without any cars."

Chrysler's financial staff wrote off some $75 million against the $200 million profit, according to the former AMC executive, including the launch of the Premier, which debuted the final week of the year; a $20 million settlement with Emerson Electric; and development costs for the D59 coupe, which was killed by Chrysler after the acquisition.

It is unlikely that the accomplishment — going from a $125.6 million loss in 1985 and a $91.3 million loss in 1986 to a $200 million profit in 1987 — will ever be officially recorded, even as a footnote in the Chrysler Corp. annual report.

"It's a tender subject with Chrysler," the executive said.

Automotive News Staff Reporter Mary Connelly contributed to this report.

AutoWeek names new publisher

DETROIT — Leon Mandel has been appointed publisher of AutoWeek, the only consumer automotive newsweekly in the United States and the largest-circulation publication in the 24-magazine Crain group, which includes Automotive News.

Mandel

Mandel was editor-in-chief of AutoWeek from 1983 until 1986 and has been editor-at-large for the last year, in New York on a special writing assignment. Mandel is a veteran automotive writer, broadcaster and the author of six books including a biography of the late William Fisk Harrah and a history of the American auto industry, "American Cars." He was chief editor of Car and Driver and senior editor of Motor Trend.

Keith E. Crain, Crain Communications vice chairman, becomes AutoWeek editorial director. "The appointment of Mandel as publisher completes a long-term plan to give the American auto enthusiast a weekly publication of the same kind and stature that exists in virtually every other country in the world," Crain said.

SALES

Tempo picks up in mid-January

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

Sales of United States-made new cars in mid-January soared almost 50 percent above those of 1987.

Retail sales in the Jan. 11-20 period climbed to 186,385 units, up 48.19 percent from 125,774 a year earlier.

Some of the gain reflects action taken in Washington that produced a temporary run-up in sales more than a year ago.

Sales in the closing periods of 1986 were very strong as buyers bought cars to beat a federal personal income tax change that ended a special auto sales tax deduction. As a result, sales in January last year were depressed, industry observers agreed.

Also last year, low-interest financing was being offered on only a few lines of cars. This year, incentives in the form of cash rebates or reduced interest rates were prevalent in the period.

Too, there were 10 selling days in mid-January this year and nine a year ago.

L.R. Windecker, research and analysis manager at Ford Motor Co., cited the sales tax and incentives background and said he was not surprised by the mid-January sales increase.

"There is nothing particularly unusual about it. It fits in the normal, long-term sales pattern. Remember, we are comparing a very good period this year with a very poor period last year," he said.

At General Motors, Claude N. Moore, vice president in charge of the customer sales and service staff, reported a hefty gain for his company and referred to "last year's relatively slow pace."

Even with those factors dominating the statistical picture, however, deliveries of some car lines were exceptionally strong.

The new Lincoln Continental and Ford Taurus and Escort and Mercury Sable were among the hot sellers at Ford Motor Co.

At Chrysler Motors, sales of the Chrysler LeBaron and Fifth Avenue and Dodge Daytona were outstanding.

At GM, the standard Cadillac was a a strong seller, as were the Oldsmobile 88 and the new Buick Regal.

Pontiac General Manager J. Michael Losh called the mid-month period the best since August.

Nissan, with a sales dip of 15.59 percent, was the sole domestic car builder reporting a decline.

A sales gain of 79.87 percent was reported by Ford Motor and a gain of 76.56 percent was reported by Toyota. Honda noted an increase of 60.43 percent.

Chrysler reported a rise of 43.89 percent; GM, a gain of 34.11 percent; and Volkswagen, an increase of 31.35 percent.

Mazda, which began making cars in this country last fall, sold 362 U.S.-built autos in mid-January.

The daily selling rate in the period averaged 20,709 units this year vs. 15,722 a year ago.

DOMESTIC SALES

	Jan. 11-20, 1988	Jan. 11-20, 1987
Eagle	861	810
Chrysler	6,893	3,206
Plymouth	6,733	6,094
Dodge	10,141	7,006
Chrysler Motors	24,628	17,116
Ford	42,459	24,170
Mercury	13,660	6,957
Lincoln	4,745	2,711
Ford Motor Co.	60,864	33,838
Buick	15,899	11,192
Cadillac	6,879	5,407
Chevrolet	32,828	24,280
Oldsmobile	16,403	13,733
Pontiac	18,581	12,937
General Motors	90,590	67,549
Volkswagen	1,106	842
Honda	6,446	4,018
Nissan	1,711	2,027
Toyota	678	384
Mazda	362	—
U.S. Industry Total	186,385	125,774

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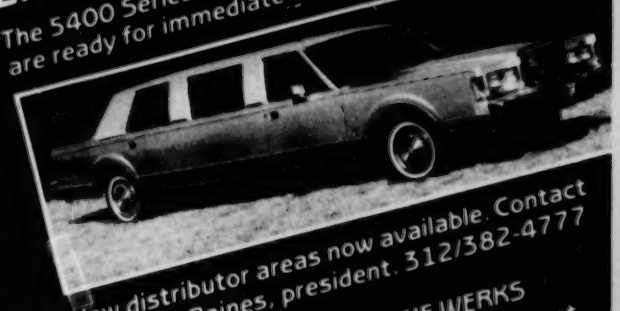

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AUCTION DATES

Chrysler Motors

Feb. 2 — American Auto Auction, Walpole, Mass.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Feb. 3 — Southwest Auto Auction, Phoenix, Ari.; Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; Minneapolis Auto Auction, Plymouth, Minn.; and Denver Auto Auction, Aurora, Colo.

Feb. 4 — Clanton's Auto Auction, Darlington, S.C., and Northway Exchange, Clifton Park, N.Y.

Feb. 5 — Manheim Auto Auction, Manheim, Pa.

Feb. 9 — Florida Auto Auction of Orlando, Ocoee, Fla.; Aptco Auto Auction, Taylor, Mich.; Arena Auto Auction, Chicago; Dallas Auto Auction, Grand Prairie, Texas; Riverside Auto Auction, Riverside, Calif.; and South Seattle Auto Auction, Kent, Wash.

Ford Motor Co.

Feb. 2 — Harrisonburg Auto Auction, Harrisonburg, Va.

Feb. 3 — Northway Auto Auction, Clifton Park, N.Y.; Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.; and Southern California Auto Auction, Fontana, Calif.

Feb. 4 — Minneapolis Auto Auction, Plymouth, Minn.; Nashville Auto Auction, Nashville, Tenn.; Brasher's Sacramento Auto Auction, Rio Linda, Calif.; and Skyline Auto Exchange, Fairfield, N.J.

Used Car Sales
Auction Averages

January, 1988	$4,841
Month ago	$5,898
Year ago	$5,494

Model Breakdown
Auction Averages

	JAN 1988	DEC 1987	NOV 1987
1988	$8,839		
1987	$8,435	$10,140	$10,220
1986	$6,516	$8,322	$8,454
1985	$5,501	$7,127	$7,199
1984	$4,349	$5,574	$5,640
1983	$3,362	$4,791	$4,844
1982	$2,303	$3,441	$3,504
1981	$1,926	$2,516	$2,542
Overall Average	$4,841	$5,898	$5,951

General Motors

Feb. 2 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

Feb. 3 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; Southern California Auto Auction, Fontana, Calif.; and Omaha Auto Auction, Omaha, Neb.

Feb. 4 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; and St. Louis Auto Auction, Bridgeton, Mo.

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PRODUCTION

Auto output 27% below 1987 week

By Karen Detkowski
SPECIAL CORRESPONDENT

U.S. auto production last week totaled 126,388, 1.08 percent less than the 127,768 built in the prior week. The total was 27.33 percent below the 173,911 cars assembled in the same week last year.

Companies shared last week's estimated output as follows: General Motors, 42.91 percent; Ford Motor Co., 31.47 percent; Chrysler Motors, 14.16 percent; Honda of America Manufacturing Inc., 5.41 percent; New United Motor Manufacturing Inc., 2.57 percent; Volkswagen of America, 1.58 percent; Nissan Motor Manufacturing Inc., U.S.A., 1.06 percent; and Mazda Motor Manufacturing U.S.A. Corp., 0.84 percent.

Chrysler will close its Kenosha, Wis., assembly plant at the end of the 1988 model year. The plant builds Horizon America, Omni America, Gran Fury, Fifth Avenue and Diplomat. Horizon and Omni production will be transferred to the Jefferson Avenue plant in Detroit.

Volkswagen of America announced it will end operations at its Westmoreland, Pa., assembly plant on July 21.

Jetta production will cease March 31. The plant then will go down for five weeks and will return to build Golfs until July 21. About 2,500 workers will lose their jobs when the plant closes.

Domestic truck production was steady last week at 84,750 units, 0.32 percent above the previous week's 84,478 and 9.90 percent above the year-ago week's 77,117.

Chrysler's Dodge City truck assembly plant in Warren, Mich., will close today for inventory adjustment. Production will resume Feb. 15.

Chrysler scheduled overtime at its St. Louis (No. 2) truck plant and its Toledo Jeep plant last Saturday.

Ford slated overtime last Saturday at its Twin Cities truck plant. Daily overtime is scheduled this week for all Ford car and truck plants except the Edison, N.J., car plant.

GM scheduled overtime at its Baltimore; Flint, Mich.; and Moraine, Ohio, plants last Saturday.

Cars, trucks rise in Canada

Canadian makers continue to increase output with 19,525 trucks produced last week, 1.29 percent above the prior week's 19,277 and 24.78 percent above the year-ago week's 15,647.

So far this year, 73,080 trucks have been built, 16.10 percent above the 62,948 units completed last year at this time.

Last week's scheduled auto production of 24,096 was 23.92 percent above the previous week's 19,445 and 15.07 percent above the year-ago week's 20,941.

Year-to-date, 88,759 cars have been produced, 18.25 percent above the 75,062 assembled last year at this point.

Honda of Canada Manufacturing Inc. is expanding its Alliston, Ontario, assembly plant and will add the Civic hatchback in April.

U.S. CAR	Week Ended Jan. 30, 1988	Week Ended Jan. 31, 1987	Week Ended Jan. 23, 1988	Jan. Est.	Jan. 1 to Jan. 30, 1988	Jan. 1 to Jan. 31, 1987
Alliance	0	754	0	0	0	3,137
Total Eagle	0	754	0	0	0	3,137
Horizon	1,600	4,029	1,705	6,296	6,296	14,229
Sundance	2,150	2,499	2,058	8,225	8,225	8,125
Reliant	1,900	2,678	1,842	4,425	4,425	9,326
Caravelle	400	1,349	437	1,275	1,275	4,282
Gran Fury	200	0	114	757	757	0
Total Plymouth	6,250	10,555	6,156	20,978	20,978	35,962
LeBaron K	400	1,593	316	716	716	6,077
LeBaron J	0	1,571	0	0	0	5,496
LeBaron GTS	200	717	169	677	677	2,657
N. Yorker E-Class	0	1,963	0	0	0	6,186
N. Yorker C-Class	1,600	0	1,871	6,030	6,030	0
Fifth Avenue	1,200	0	1,321	5,115	5,115	0
Total Chrysler	3,400	5,844	3,677	12,538	12,538	20,418
Omni	1,600	3,551	1,636	6,126	6,126	12,309
Daytona	0	782	0	0	0	2,769
Shadow	2,150	2,284	2,359	8,583	8,583	7,417
Aries	1,900	2,575	1,626	4,480	4,480	9,133
Dodge 600	400	1,318	460	1,072	1,072	4,340
Dynasty	1,700	0	2,027	6,713	6,713	0
Lancer	200	795	254	889	889	2,343
Diplomat	300	0	418	1,341	1,341	0
Total Dodge	8,250	11,305	8,780	29,204	29,204	38,311
CHRYSLER MOTORS	17,900	28,458	18,613	62,720	62,720	97,828
Escort	9,200	7,485	9,660	36,178	36,178	29,586
Mustang	4,623	4,532	4,638	18,253	18,253	18,249
Tempo	4,026	4,113	4,650	17,205	17,205	16,286
Taurus	8,446	10,107	8,384	32,144	32,144	39,942
Thunderbird	3,459	3,041	3,360	12,578	12,578	10,415
Total Ford Div.	29,754	29,278	30,692	116,358	116,358	114,578
Lynx	0	1,255	0	0	0	5,015
Topaz	1,474	1,389	1,748	6,373	6,373	5,409
Cougar	2,308	4,588	2,410	10,499	10,499	15,566
Sable	2,126	3,255	2,143	8,138	8,138	11,815
Total Mercury	5,908	10,487	6,301	25,010	25,010	37,805
Continental	732	406	867	2,984	2,984	1,578
Mark VII	641	612	518	2,273	2,273	2,350
Lincoln	2,745	3,052	3,463	12,461	12,461	11,782
Total Lincoln	4,118	4,070	4,848	17,718	17,718	15,710
Total L-M Division	10,026	14,557	11,149	42,728	42,728	53,515
FORD MOTOR CO.	39,780	43,835	41,841	159,086	159,086	168,093
Skyhawk	1,035	0	1,017	3,109	3,109	4,094
Skylark/Somerset	575	2,267	655	2,987	2,987	8,855
Century	0	4,372	0	2,871	2,871	16,660
Regal (rwd)	0	1,830	0	0	0	3,690
Riviera	183	807	0	183	183	3,242
Electra	1,258	2,729	1,283	5,968	5,968	7,825
LeSabre (fwd)	2,400	1,820	2,373	9,485	9,485	9,020
LeSabre (rwd)	86	429	138	428	428	2,536
Reatta	160	0	59	219	219	0
Total Buick	5,697	14,254	5,525	25,250	25,250	55,922
Cimmaron	296	533	290	1,152	1,152	2,182
Eldorado	538	377	0	538	538	1,822
Seville	489	1,203	0	489	489	4,445
Brougham (rwd)	0	1,753	0	0	0	6,464
Deville (fwd)	4,000	3,978	4,034	14,810	14,810	13,955
Allante	30	50	0	30	30	167
Total Cadillac	5,353	7,894	4,324	17,019	17,019	29,035
Cavalier	6,989	7,052	6,654	27,038	27,038	28,645
Camaro	1,914	3,037	1,909	3,823	3,823	6,176
Celebrity	0	8,496	0	6,535	6,535	32,561
Corsica/Beretta	7,600	4,732	7,510	23,856	23,856	17,087
Monte Carlo	0	1,910	0	0	0	3,624
Caprice	4,441	5,256	5,333	17,212	17,212	12,956
Corvette	440	649	451	1,599	1,599	2,576
Total Chevrolet	21,384	31,132	21,857	80,063	80,063	103,625
Calais	1,825	2,631	1,763	8,327	8,327	10,241
Firenza	525	0	502	1,557	1,557	2,335
Cutlass Ciera	0	4,265	0	0	0	15,936
Cutlass Supreme	2,084	355	2,163	5,986	5,986	700
Toronado	363	606	0	363	363	2,341
88 (fwd)	3,253	5,183	3,259	13,440	13,440	16,6
88 (rwd)	344	359	358	1,278	1,278	1,733
Olds 98	1,822	1,826	1,809	6,599	6,599	6,606
Total Oldsmobile	10,216	15,225	9,854	37,550	37,550	56,698
Sunbird	2,275	2,812	2,039	8,597	8,597	8,492
Grand Am	4,800	5,595	4,854	19,183	19,183	20,620
Firebird	2,126	2,353	1,953	4,079	4,079	4,684
Pontiac 6000	0	1,786	0	86	86	7,080
Bonneville	1,927	3,159	1,916	7,899	7,699	12,902
Safari/Parisienne	199	310	130	353	353	678
Fiero	240	830	0	240	240	1,616
Total Pontiac	11,567	16,845	10,892	40,237	40,237	56,072
GENERAL MOTORS	54,217	85,350	52,452	200,119	200,119	301,352
HONDA	6,840	7,360	7,423	27,758	27,758	28,306
Civic	1,663	2,981	1,864	6,670	6,670	12,809
Accord	5,177	4,379	5,559	21,088	21,088	15,497
MAZDA	1,061	0	899	3,248	3,248	0
NISSAN	1,340	2,922	1,339	5,354	5,354	11,714
NUMMI*	3,250	4,039	3,175	12,801	12,801	16,249
Corolla	1,200	809	1,175	4,717	4,717	3,335
Nova	2,050	3,230	2,000	8,084	8,084	12,914
VOLKSWAGEN	2,000	1,947	2,026	4,026	4,026	5,981
Golf/GTI	1,500	1,697	1,526	3,026	3,026	5,231
Jetta	500	250	500	1,000	1,000	750
Total Cars, U.S.	126,388	173,911	127,768	475,112	475,112	629,523
Total Cars, Canada	24,096	20,941	19,445	88,759	88,759	75,062
U.S., Canada Cars	150,484	194,852	147,213	563,871	563,871	704,585
U.S., Canada Cars and Trucks	254,759	287,616	250,968	966,089	966,089	1,073,961

Monthly estimates may contain error of one or two units due to rounding.

CANADIAN CAR	Week Ended Jan. 30, 1988	Week Ended Jan. 21, 1987	Week Ended Jan. 23, 1988	Jan. Est.	Jan. 1 to Jan. 30, 1988	Jan. 1 to Jan. 31, 1987
Eagle	0	—	0	0	0	—
Premier	1,650	—	1,572	6,236	6,236	—
CHRYSLER MOTORS	1,650	152	1,572	6,236	6,236	603
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,037	—	4,122	16,823	16,823	—
Topaz	1,723	—	1,496	6,558	6,558	—
Crown Victoria	2,899	—	2,849	11,430	11,430	—
Grand Marquis	2,861	—	2,673	10,870	10,870	—
FORD MOTOR CO.	11,520	11,256	11,140	45,681	45,681	44,438
Celebrity	676	—	4	1,865	1,865	—
Cutlass Ciera	4,264	—	1,584	14,418	14,418	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,220	—	1,254	4,838	4,838	—
Regal	3,936	—	3,098	12,883	12,883	—
GENERAL MOTORS	10,096	9,183	5,940	34,004	34,004	28,744
HONDA	730	125	695	2,428	2,428	354
VOLVO	100	225	98	410	410	923
Total Cars, Canada	24,096	20,941	19,445	88,759	88,759	75,062

U.S. TRUCK☆	Week Ended Jan. 30, 1988	Week Ended Jan. 31, 1987	Week Ended Jan. 23, 1988	Jan. Est.	Jan. 1 to Jan. 30, 1988	Jan. 1 to Jan. 31, 1987
Caravan	1,900	—	2,035	7,297	7,297	—
Dakota	3,100	—	3,162	12,542	12,542	—
Mini-Ram Van	300	—	317	1,144	1,144	—
Pickups	1,500	—	1,585	6,212	6,212	—
Total Dodge	6,800	4,666	7,099	27,195	27,195	17,723
Cherokee	3,100	—	3,166	13,872	13,872	—
Commanche	800	—	892	3,697	3,697	—
Grand Wagoneer	300	—	350	994	994	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	227	1,068	1,068	—
Total Jeep	4,400	4,619	4,635	19,651	19,651	17,687
Voyager	1,800	—	1,872	6,715	6,715	—
Total Plymouth	1,800	—	1,872	6,715	6,715	—
CHRYSLER MOTORS	13,000	9,285	13,606	53,561	53,561	35,390
Aerostar	4,400	—	5,113	17,827	17,827	—
Bronco	1,285	—	1,260	5,076	5,076	—
Bronco II	3,015	—	3,102	12,659	12,659	—
Econoline	5,149	—	5,164	20,141	20,141	—
Heavy trucks	1,311	—	1,314	5,285	5,285	—
Light trucks	10,078	—	9,615	38,350	38,350	—
Ranger	7,738	—	6,918	26,867	26,867	—
Total Ford Div.	32,976	32,116	32,486	128,205	128,205	129,382
FORD MOTOR CO.	32,976	32,116	32,486	128,205	128,205	129,382
Astro	3,441	—	3,595	13,703	13,703	—
Blazer	563	—	442	2,162	2,162	—
Mediums/Heavies	40	—	325	1,339	1,339	—
P-Model	905	—	965	3,901	3,901	—
Pickups	6,068	—	5,900	23,395	23,395	—
S-10	5,473	—	5,166	20,555	20,555	—
S-10 Blazer	3,365	—	3,320	9,464	9,464	—
Sportsvan/Van	1,237	—	1,277	5,516	5,516	—
Suburban	1,550	—	1,268	5,447	5,447	—
Total Chevrolet	22,662	22,429	22,258	85,482	85,482	88,974
Jimmy	253	—	245	785	785	—
Mediums/Heavies	767	—	1,007	3,222	3,222	—
P-Model	115	—	51	265	265	—
Pickups	1,956	—	2,263	8,411	8,411	—
S-15	1,489	—	1,358	5,402	5,402	—
S-15 Jimmy	835	—	609	1,927	1,927	—
Safari	860	—	1,090	3,604	3,604	—
Suburban	893	—	792	3,444	3,444	—
Vandura/Rally Vans	1,143	—	983	3,720	3,720	—
Total GMC	8,311	7,700	8,398	30,780	30,780	30,218
GENERAL MOTORS	30,973	30,129	30,656	116,262	116,262	119,192
NAVISTAR	1,801	1,595	1,795	7,177	7,177	6,222
NISSAN	3,250	1,642	3,185	12,933	12,933	6,842
AM GENERAL*	450	50	450	1,800	1,800	200
MISCELLANEOUS*	2,300	2,300	2,300	9,200	9,200	9,200
Total Trucks, U.S.	84,750	77,117	84,478	329,138	329,138	306,428

CANADIAN TRUCK	Week Ended Jan. 30, 1988	Week Ended Jan. 31, 1987	Week Ended Jan. 23, 1988	to Est.	Jan. 1 to Jan. 30, 1988	Jan. 1 to Jan. 31, 1987
Caravan	3,062	—	3,165	12,038	12,038	—
Mini-Ram Van	232	—	220	884	884	—
Ram Wagon	594	—	541	1,703	1,703	—
Ram Van	1,296	—	1,394	4,073	4,073	—
Total Dodge	5,184	8,163	5,320	18,698	18,698	34,427
Voyager	2,850	—	2,967	11,204	11,204	—
Total Plymouth	2,850	—	2,967	11,204	11,204	—
Wrangler	1,018	—	954	3,644	3,644	—
Total Jeep	1,018	635	954	3,644	3,644	2,458
CHRYSLER MOTORS	9,052	8,798	9,241	33,546	33,546	36,885
FORD MTR. (lt. trks.)	3,648	3,370	3,682	14,268	14,268	13,206
Light trucks	3,336	—	3,208	12,187	12,187	—
Vans	1,386	—	1,183	4,886	4,886	—
Total Chevrolet	4,722	—	4,391	17,073	17,073	—
Light trucks	1,314	—	1,133	5,063	5,063	—
Vans	564	—	604	2,228	2,228	—
Total GMC	1,878	—	1,737	7,291	7,291	—
GENERAL MOTORS	6,600	3,279	6,128	24,364	24,364	12,056
NAVISTAR	225	200	226	902	902	801
Total Trks., Canada	19,525	15,647	19,277	73,080	73,080	62,948
U.S., Canada Trks.	104,275	92,764	103,755	402,218	402,218	369,376

☆—Includes window van production. *—Estimated
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News

February 8, 1988

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NISSAN WOES

Execs admit mistakes, start long road back

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

CARSON, Calif. — The set of crystal glasses was a holiday present a touch too generous. Its value was just above the official, but usually unenforced, corporate limit on gifts from vendors to Nissan Motor Corp. in U.S.A.

"I wasn't quite sure what to do with it," said a mid-level manager. "Then we all got a carbon of the letter (Senior Vice President Thomas) Mignanelli sent to Chiat/Day (Nissan's new advertising agency) explaining why he was returning his gift."

The manager followed suit and returned his the next day.

Mignanelli's message was clear: It is not business as usual at Nissan.

Mignanelli, the latest in a long line of former Ford Motor Co. executives to leave Dearborn for Nissan's Southern California offices, has been a take-charge top American official since he unexpectedly inherited the reins from C.P. "Chuck" King, who retired abruptly last summer, only weeks after recruiting Mignanelli.

Nissan's U.S. operations have undergone a massive reorganization in the past year, reflecting similar changes in the Japanese parent company.

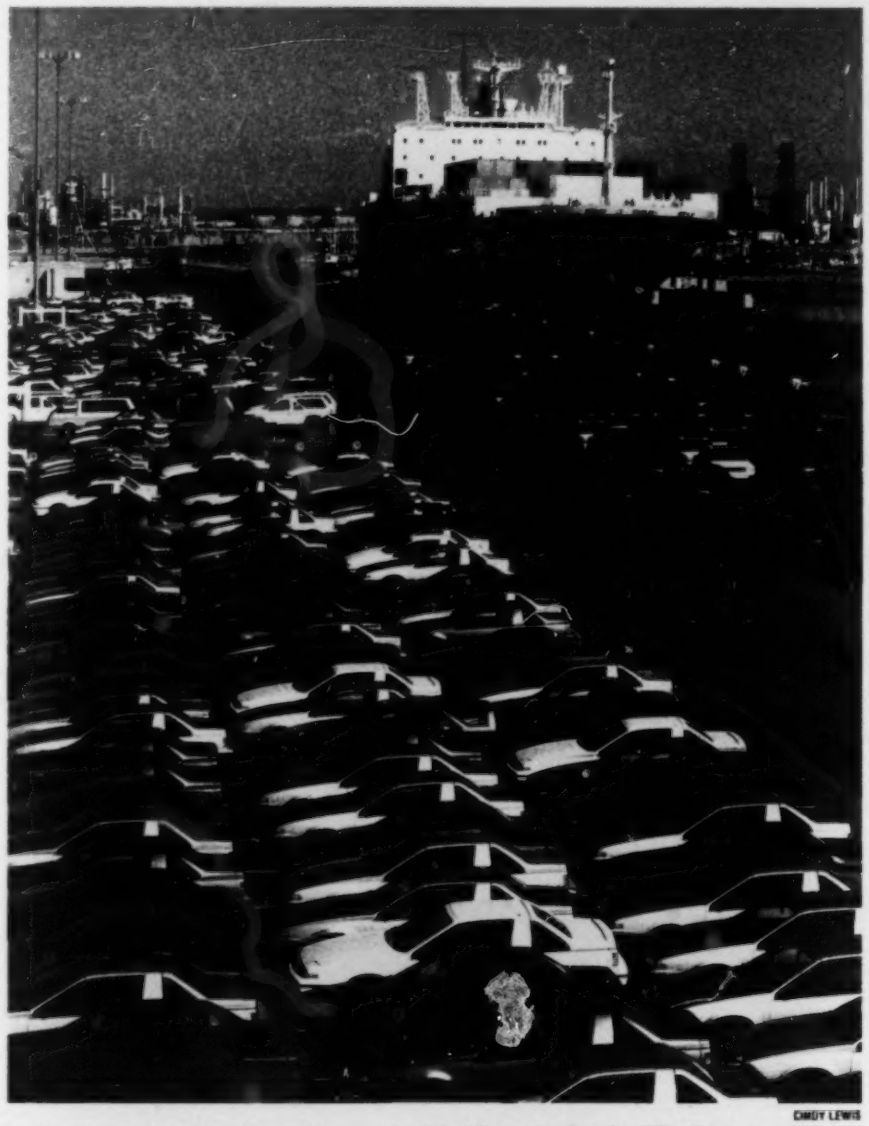
The goal of Nissan U.S.A. is expressed by President Kazutoshi Hagiwara: "We want to gain the No. 1 import position."

That is no easy task. Nissan fell 150,000 units short of projected sales in 1987 and is in danger of not making its share of Japan's 2.3 million export quota for the year ending in eight weeks. "They may make it if they rent enough dock space and barges," said one competitor.

At the same time, Nissan has only carryover products for 1988 and is just beginning to address structural problems masked for years by the easy-sales ways of Japanese car export restraints.

But Nissan U.S.A.'s efforts to reach Ha-

see NISSAN, page 242



CINDY LEWIS

No slowdown in shipments of Japanese cars to the United States despite sales difficulties for some makes

Japanese to import full quota

Incentives expected as stocks pile up

By Jesse Snyder
and Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTERS

LOS ANGELES — Fighting to retain their shares of Japan's 2.3 million car exports to the United States, auto importers say they will take delivery of their entire 1987-88 allocation of passenger cars by the March 31 deadline — regardless of sales.

Analysts say the resulting heavy inventories will prompt sales incentives for many Japanese importers for much of this year.

Some, like Nissan Motor Corp. in U.S.A., are having trouble finding port storage facilities. Dealer and in-port inventories are swollen above normal for Nissan, Mitsubishi Motor Sales, Subaru of America, American Isuzu, Chevrolet (supplied by Isuzu and Suzuki) and Chrysler (Mitsubishi).

Political concerns are overriding ordinary prudent business practices as companies scramble to import 2.3 million Japanese-built cars between April 1, 1987, and March 31, 1988. Importers fear that not accepting their full share of the total would invite Japan's Ministry of International Trade and Industry to reduce their allocation for the year beginning April 1, company executives say privately.

see QUOTA, page 242

Smith, Caplinger spell out 2 views on dealer relations

SAN FRANCISCO — Speakers at the opening session of the 71st annual National Automobile Dealers Association convention called for stronger relationships between dealers and manufacturers. However, they offered different suggestions for achieving improved relations.

General Motors Chairman Roger B. Smith, in remarks prepared to be delivered at NADA's opening session, said he is disturbed to see surveys, including the latest one from NADA, that show dealers believe manufacturers have too much control over them and do not understand and respond to dealer concerns.

"That doesn't sound like the attitude of one party united with another party 'til death do us part,' " Smith said. "In fact, it sounds like someone who ought to see a marriage counselor."

His solution: Each should gain a better understanding of each other's culture.

"We represent two different cultures, two different sets of operating principles," he said. "They should be able to complement each other to strengthen the franchise system. But all too often, they put

see NADA, page 241

TIME: *Pack, Texas Ford retailer, named Quality Dealer of Year*

SAN FRANCISCO — Sam Pack has been named the 1988 Time Magazine Quality Dealer of the Year. He is president and general manager of Lee Jarmon Ford Inc., Carrollton, Texas.

Pack will serve as the 1988 official spokesman for all 67 recipients of the Time Magazine Quality Dealer Award.

He was selected as Dealer of the Year by a panel of judges from the University of Michigan Graduate School of Business Administration. He was among 17 finalists.

The Time Magazine Quality Dealer Award is sponsored by Time in cooperation with the National Automobile Dealers Association. The award honors outstanding new-car dealers in the United States for "exceptional performance in their dealership combined with distinguished community service."

After 18 years with Ford Motor Credit

see TIME, page 241

SKELTON PHOTOGRAPHY

Incoming president Jimmy Payton drives predecessor James Caplinger across Golden Gate Bridge

Air bags slated for 5 Chrysler models in May

By Al Fleming
AUTOMOTIVE NEWS STAFF REPORTER

This spring, Chrysler Motors will become the first domestic automaker to provide air bags as standard equipment in its cars.

Beginning in May, driver-side air bags will be installed in five models: Chrysler Fifth Avenue, Dodge Diplomat, Plymouth Gran Fury, Chrysler LeBaron coupe and Dodge Daytona.

Fifth Avenue, Diplomat and Gran Fury — designated as M-bodies — are full-sized, six-passenger, rear-wheel-drive sedans currently built in Kenosha, Wis.

The J-body LeBaron coupe is a five-passenger, front-wheel-drive luxury sport coupe built at Chrysler's St. Louis Assembly Plant No. 1 in Fenton, Mo.

The G-body Daytona, a four-passenger, fwd sport coupe, is also made at the Missouri facility.

Introduction of air bags on the M-body implies that the large cars will continue to be built in 1989

Chrysler Corp. Chairman Lee Iacocca said last Thursday that M-body production would end in September unless demand for the cars justified a brief extension. He said

see AIR BAGS, page 247

Big 3 chop output 12% for 1st half

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

In a push to cut inventories and reduce the need for incentives, domestic automakers have slashed production plans for the first six months of 1988 by 12 percent.

According to the automakers' schedules, 3,510,846 cars will be built in the first and second quarters, off 12.42 percent from the 4,008,748 in last year's first half, with the bulk of the loss coming from General Motors.

GM will cut its car output by about 20 percent. Ford Motor Co.'s first-half production is slated to drop about 7 percent, and Chrysler Motors will end up almost 11 percent below the first half of 1987.

Updated first-quarter auto output — revised for the third time at GM and Chrysler — is scheduled at 1,703,909 cars, down 18.02 percent from last year's 2,078,359.

Second-quarter production is projected at 1,806,937 cars, down 6.40 percent from last year's 1,930,389, according to manufacturer's production schedules.

Tom O'Grady, analyst at Integrated Automotive Resources, said he believes the second-quarter car forecast is one of the more realistic projections issued by manufacturers in several quarters.

Keeping inventory levels down is the key, O'Grady said. That means automakers can reduce the high cost of incentives needed to spur buying in an overcrowded market.

Joseph Philippi, analyst at Shearson Lehman Brothers, said that the second-quarter forecast is more in line with current sales.

Philippi said that despite new incentive programs, automakers are trying to move away from incentives by cutting production and temporarily closing plants.

In each of the last two years, domestic makers had an inventory of nearly 1.7 million cars in August, requiring expensive incentive programs to clear the decks for the new model year. This year, Philippi said, makers hope to go into August with smaller inventories.

GM expects to build 831,347 cars during the second quarter, 13.93 percent fewer than the year-ago quarter's 965,890. The second-quarter plan is 330,000 fewer units than GM built in the second quarter of 1986.

Ford Motor Co. plans to assemble about 474,000 cars in the April-June span, 3.03 percent below the 488,803 built last year.

Chrysler Motors projects second-quarter output of 286,000 cars, down slightly (0.66 percent) from the 287,903 built during the same period last year.

Honda of America Manufacturing Inc. is the only automaker planning substantial production increases in both quarters. Honda plans to build 95,740 units during the second quarter, 14.49 percent more than last year's 83,623.

Nissan Motor Manufacturing Co. U.S.A. estimated second-quarter production at 32,890, 1.11 percent short of last year.

U.S. CAR PRODUCTION FORECAST

	FIRST QUARTER			SECOND QUARTER		
	Scheduled 1988	Actual 1987	% change	Scheduled 1988	Actual 1987	% change
GM	773,756	1,024,666	−24.49	831,347	965,890	−13.93
FORD	479,000	534,209	−10.33	474,000	488,803	− 3.03
CHRYSLER	260,000	324,282	−19.82	286,000	287,903	− 0.66
HONDA	92,050	87,398	+ 5.32	95,740	83,623	+14.49
NUMMI	41,600	50,707	−17.96	40,300	50,088	−19.54
VW	21,284	20,773	+ 2.46	15,200	20,824	−27.01
NISSAN	19,419	36,324	−46.54	32,890	33,258	− 1.11
MAZDA	16,800	—	—	31,460	—	—
INDUSTRY	1,703,909	2,078,359	−18.02	1,806,937	1,930,389	− 6.40

Lawsuit claims GM ignored brake fault

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

KANSAS CITY, Kan. — Two former General Motors supervisors are suing the automaker for $23 million, claiming they were forced to resign when they refused to ignore faulty brakes on cars built at the Fairfax, Kan., assembly plant.

The plant, which has since been closed and replaced by a new facility, had built Chevrolet Caprice, Buick LeSabre and Pontiac Parisienne.

GM Chairman Roger B. Smith, who visited the new Fairfax plant last Thursday, refused to comment on the details of the suit, saying it would be settled in court.

"But let me say this," Smith said. "We don't believe any cars were shipped with faulty brakes. One of the reasons I feel very confident in saying that is that, had that been the case, they would have shown up in the field as having brake problems, and we'd need to fix them.

"From everything we've been able to determine, and searching our files on the cars in the field produced by the plant, it does not indicate any cars came out of here with faulty brakes," Smith said.

Nevertheless, Fred White Jr. of Olathe, Kan., and Benjamin L. Staponski Jr. of Greenwood, Kan., claim that in May and June of 1986, they separately noticed serious brake defects on an unspecified number of cars, which caused fluid to leak out of the brake systems. It was further discovered by production management that brake-testing equipment failed to detect the problems, the suit says.

In both cases, management was notified but nothing was done, even though the Motor Vehicle Safety Specifications and GM specifications prohibit any brake fluid leakage. If there is any leakage, the car is supposed to be written up for repairs, the suit says.

Despite repeated repair write-ups for brake-fluid leaks, the plant's management refused to solve the problem, the suit alleges. The men were ordered not to discuss the problem with anyone outside the plant or with hourly employees, "as it would cause a plant shutdown and a recall," the suit says.

Eventually, GM brake experts were brought in from Detroit. One engineer said similar brake problems had been discovered at other GM plants building the same models, the court documents say.

The brake experts laid out a procedure for inspectors to visually check for brake-fluid leaks. However, the manpower was not provided to allow the procedure to be followed, the suit claims.

The suit further claims that when White and Staponski were able to force Fairfax production management to provide the inspectors, the "heavy repair (department) was saturated with brake repairs for visible brake leaks."

The suit says the two men turned over to production management more than 100 bolts, 40 brake hoses and 80 washers that were "exhibiting obvious stress, some even cracking." Shortly after, the men were told that the definition of a brake leak was being changed, so that cars could be shipped to the public despite leaks, the suit says.

However, the men refused to deviate from motor vehicle standards and GM specifications without written verification. At that point, they claim, they were verbally harassed and threatened with the loss of their jobs if they continued to write up brake leaks.

Ultimately, both men were told in May 1987 that because of their activities, they would not be given jobs at the new assembly plant in Fairfax, Kan. Both men said they reluctantly agreed to buyouts.

Since they left GM in May 1987, the men said they have searched for jobs but believe they are being blackballed by GM. They claim GM is giving them bad references, despite favorable evaluations throughout their GM careers.

White is 40 and had been with GM for 11 years. Staponski is 39 and had been with GM for 21 years.

"Both Ben and I were loyal to GM," said White. "Both our fathers were supervisors at GM. We always assumed that GM would take care of problems if we did our jobs."

White said, "They preached every day on both shifts about quality. We were told to preach quality to the hourly workers. And then, we were told to tell them that they check the brakes by how wet their finger was."

JOB CUTS: *VW sales slide means reduction in U.S. white-collar workforce*

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

TROY, Mich. — Volkswagen of America will make "moderate" cuts in its salaried workforce during the next 11 months as the company adjusts to sales declines for its Audi and Volkswagen lines.

The company would not reveal the size of the reductions. But they will come in addition to layoffs stemming from this summer's closing of VWoA's Westmoreland, Pa., assembly plant.

That shutdown will eliminate about 400 white-collar positions at the plant and about 300 in Michigan, a spokesman said. At the beginning of the year, the company employed about 3,100 salaried workers in the United States.

Positions will be eliminated through a combination of layoffs, attrition and early retirements, the spokesman said. It's expected that about 60 percent will come from layoffs.

The Volkswagen United States regional office in Valley Forge, Pa., will be closed as part of the streamlining process. The company also expects to close a second regional office.

"We will be making adjustments to reflect the condition that we are in and what we expect it to be in the future," the spokesman said. "Over the course of the year, there will be a series of consolidations."

Sales of the company's VW-badged vehicles fell nearly 12 percent in 1987, to 191,705 units. On the Audi side, sales have plunged from a record 74,061 in 1985 to 41,322 last year. The decline has continued during the last six months, when Audis have been selling at an annual rate of 26,000 units.

The spokesman said the changes won't weaken any of the company's contacts with dealers.

INDEX

Around the world	208-222
Auction dates	226
Classifieds	230
Coming events	152
Dealing with dealers	22, 24
Legal	103
Marketing and media	202
News briefs	8
Obituaries	247
Opinion	10
Personnel	121, 124
Production	248
Recreation on wheels	19
Sales, car	246
Sales, import car	247
Sales, truck	246

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Yugo acts to correct mistakes, move ahead

By John A. Russell
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — Yugo America is undertaking "an important mid-course correction."

It is confronted with slumping monthly sales and a need to re-group before new models are introduced, said William Prior, president. The changes are to define the image of the subcompact and to reinforce the dealer network.

The first action was the recent announcement of an expanded four-year/40,000-mile warranty as well as free maintenance for one year. Other programs going into effect include:

- A new advertising campaign that will play down price and concentrate more on the features of the car.
- A series of customer satisfaction programs to be grouped under the title of SECURE — an acronym for Servicing Customers Responsibly. Those actions include a customer aid program, a mechanics' recognition program and port inspection services.
- Changes in dealer operating standards.
- More formal training programs.
- Establishment of a national fleet program.

Various indicators during the past year prompted those actions, Prior said. While monthly sales have been slipping since September, he said that was not his primary concern. Dealers were saying that the company was not as responsive as it could be, he said.

The Yugo image has not changed. The car's image is based on price, not features, although value will be given greater emphasis in a new advertising program. Yugo executives spent several months last year analyzing every element of the business, including dealer development, advertising, marketing and service. Prior called it "soul-searching."

Yugo-mania swept the country two years ago with a simple concept — basic transportation at a low ($3,990) price tag. Despite criticism from various quarters, including the enthusiast press, Yugo America sold 35,959 cars the first year and 48,812 last year.

Both figures were below projections, but the monthly sales reports showed increases — until September of last year, when sales began slipping.

The company has expanded rapidly during its short existence. The dealer network has grown from 86 in August 1985 to 324 today. To service the larger dealer network, the company divided the country into four regions and hired sales and service managers to staff those regions.

At the same time, Prior became increasingly involved in the expanding activities of the parent company, Global Motors, of which he is also president, and its drive to find and import other vehicles from various parts of the world. The largest of those projects is the Malaysian-built Proton Saga.

Yugo appeared to be rolling along nicely during that period of increased activity. But as Prior told Automotive News, the company was "falsely saying this was going OK."

Several signs indicated that there might be problems in the future if there were no corrections.

Last year was a time of "benign press" — without the criticism that the product received in 1986, Prior said. Yet Yugo was doing nothing to improve its image. The paradox, he said, was that Yugo made 225 product improvements during that period.

Prior added, "Even as we were improving the car, the image of the car wasn't getting any bet-

see YUGO, page 204

Honda model rated highest in repair cost

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The Honda Civic CRX was the most costly to repair of 31 small cars included in low-speed crash tests conducted by the Insurance Institute for Highway Safety. A Ford Escort EXP had the lowest damage estimate of the models tested.

The test results, released last week, ranked small two-door models according to the cost of repairs needed after each car was crashed into fixed barriers at 5 mph.

Each of the four tests — front-into-barrier, rear-into-barrier, front-into-angle-barrier and rear-into-pole — was followed by damage appraisals. The four appraisals were then added together so the total cost of the damage could be used to rank the vehicles.

The insurance institute calculated that the repair cost for a Honda Civic CRX was $3,140, after damage estimates from all four tests were totaled. That was the highest total damage of all cars in the test. The CRX, however, did score lower than some other models in the front-end tests.

A spokesperson for American Honda Motor Co. said, "We don't believe the tests are realistic. Giving equal weight to the pole test greatly magnifies the significance of an accident that will happen only very rarely."

The Civic CRX scored the highest damage estimate of all models tested in the rear-into-pole test, sustaining $1,366 in damage. It also had the highest repair cost following the rear-end-into-barrier test: $922.

At the other end of the scale, the Ford Escort EXP sustained only $382 worth of damage from all four tests, making it the least costly vehicle to repair in this test.

The Ford Escort Pony was the second least costly vehicle to repair, with $407 in total damage.

The import with the lowest damage estimate was the Chevrolet Spectrum, at $412, which was the third-lowest repair bill.

The most-expensive-to-repair domestic vehicle was the Pontiac Fiero. According to the insurance institute, the four crash tests caused $1,935 in damage.

Vehicles that had total damage estimates higher than the Fiero's were the Honda Civic, $1,960; Volkswagen Jetta, $1,966; Pontiac LeMans, $2,121; Yugo GV, $2,756; and Honda Civic CRX.

Commenting on the test results, Institute President Brian O'Neill said, "Damage like this is unnecessary. The bumpers on any car ought to prevent all damage in impacts as slow as 5 mph.

"All the cars tested this year could have, and should have, been designed to perform as well as the best," he said.

O'Neill said the tests were conducted in part because "automakers don't disclose how their cars perform in low-speed impacts, so it is hard for consumers to try to avoid the cost and aggravation that can result from fender-benders by choosing cars that won't crumple up in 5-mph impacts."

WHAT SMALL-CAR CRASH REPAIRS COST

Make and model	Front into barrier	Rear into barrier	Front into angle barrier	Rear into pole	Total damage, all tests
Ford Escort EXP	$ 0	$ 10	$ 53	$ 319	$ 382
Ford Escort Pony	0	0	216	191	407
Chevrolet Spectrum	0	100	312	0	412
Toyota Corolla	0	0	227	214	441
Toyota Celica ST	0	0	213	357	570
Toyota Corolla FX	0	0	234	479	713
Hyundai Excel GL	0	36	372	359	767
Toyota Tercel EZ	0	0	493	384	877
Mazda 323	0	0	504	374	878
Subaru DL 3-dr	0	0	411	518	929
Chevrolet Sprint	0	147	465	415	1,027
Subaru XT GL 2wd	0	39	605	466	1,110
Nissan Pulsar NX XE	44	167	558	421	1,190
Mitsubishi Cordia	155	0	654	384	1,193
Dodge Daytona	327	524	246	192	1,289
Nissan Sentra E	0	0	447	871	1,318
Mazda MX-6 DX	0	29	205	1,168	1,402
Subaru Justy DL	154	113	579	589	1,435
Plymouth Sundance	86	131	614	622	1,453
Mercury Tracer	0	0	685	829	1,514
Volkswagen Golf	160	283	308	846	1,597
Acura Integra LS	83	0	766	808	1,657
Volkswagen Fox	118	548	315	724	1,705
Ford Festiva L Plus	328	132	657	635	1,752
Subaru GL hatchback 2wd	0	0	646	1,154	1,800
Pontiac Fiero	0	138	659	1,138	1,935
Honda Civic	0	591	547	822	1,960
Volkswagen Jetta	220	395	571	780	1,966
Pontiac LeMans	277	45	777	1,022	2,121
Yugo GV	312	537	863	1,044	2,756
Honda Civic CRX	176	922	676	1,366	3,140

SOURCE: Institute for Highway Safety.

NOTE: Chart shows low-speed crash repair costs (to nearest dollars) for 1988 models. Ford Escort Pony, Toyota Celica, Mitsubishi Cordia and Yugo are 1986 results updated to reflect 1988 parts and labor prices.

Chrysler's profits decline; sales rise

By Edward Lapham and Laura Clark
AUTOMOTIVE NEWS STAFF REPORTERS

NEW YORK — Chrysler Corp. last week reported 1987 net earnings of $1.29 billion, or $5.90 per share, on sales of $26.63 billion. That compares with net earnings of $1.39 billion, or $6.25 per share, on sales of $22.98 billion in 1986.

Chairman Lee Iacocca said the company has had a "number of discussions, even a number of offers" from worldwide suppliers for all or parts of its Acustar parts-making subsidiary. He said suitors have been interested in buying Acustar's "plums" such as its transmission maker, New Process Gear.

The 1986 financial results included a one-time net profit of $131.9 million from the sale of Chrysler's interest in Peugeot.

Chrysler's 1987 figures include those of American Motors, which it acquired last year, commencing with the Aug. 5 acquisition date. The 1986 corporate results were restated due to a change in required financial reporting standards.

In the fourth quarter, Chrysler said it posted net earnings of $350.2 million, or $1.57 per share, on sales of $7.75 billion compared with net income of $324.2 million, or $1.48 per share, on sales of $6.05 billion in the same period of 1986.

The company disclosed that its board had adopted a Share Purchase Rights Plan designed to thwart hostile takeover attempts.

"We believe Chrysler is an unlikely candidate for a hostile takeover," the company said. "But in today's volatile market, you have to plan for the unlikely as well as the likely."

The board declared a dividend of one Preferred Share Purchase Right on each share of the company's 220 million outstanding shares. The distribution will be made Feb. 22.

Essentially, the rights become effective in different situations involving takeover attempts. Each right allows the purchase at that time of one one-hundredth of a share of Junior Participating Non-Cumulative Preferred Stock at $120.

The plan, a fairly common corporate takeover defense strategy, is designed to make any hostile takeover attempt too expensive to pursue, thereby forcing a would-be raider to negotiate with Chrysler's board and protecting the equity investment of shareholders, according to Holly Leese, Chrysler staff counsel.

Chrysler's year-end financial statement showed the impact of its 1987 acquisition of AMC and Electrospace Systems Inc. Chrysler's current ratio, that is the ratio of current assets to current liabilities, slipped below break-even at Dec. 31, 1987, when the ratio was 0.93-to-1, compared with a current ratio of 1.05-to-1 12 months earlier.

Chrysler's debt-to-equity ratio also reflected the assumption of long-term AMC debt and other long-term commitments that increased leverage.

The year-end debt-to-equity ratio was 2.07-to-1 compared with 1.73-to-1 the previous year.

However, Chrysler did acquire a $480 million net operating loss and $40 million in tax credit carryforwards that can be used in varying amounts until the year 2001.

Chrysler also reported that year-end inventories rose to $2.55 billion from $1.70 billion 12 months earlier.

Iacocca told the press conference that Chrysler took a "huge bite" when it bought AMC, acquiring $1.4 billion in fixed costs it is now trying to eliminate without raising prices.

"If we increased our prices in line with what General Motors did, we could have increased our revenues and finished the year even better than we did — at least financially," Iacocca said. "That's not what we chose to do. We ate some of our profits to increase market share."

Iacocca said delayed launches for the C-body cars and the Eagle Premier were costly, as was the 7/70 powertrain warranty.

Chrysler's Jefferson Avenue Plant in Detroit will open in late 1991 or early 1992 as a new plant, Iacocca said. Chrysler will spend $75 million to transfer the Omni-Horizon tooling from its Kenosha, Wis., plant to Jefferson.

He also said he would like to stop making television commercials for Chrysler next year.

Worldwide factory sales of cars and trucks in 1987, including Jeep/Eagle vehicles sold after Aug. 5, totaled 2,260,290, compared with total 1986 worldwide factory sales of 2,198,415 cars and trucks.

Chrysler Financial Corp. reported record 1987 earnings of $225.8 million, up 22 percent from the previous record of $185.6 million in 1986.

Fourth-quarter net earnings for CFC were $59.8 million, second only to the $66.7 million earned in the fourth quarter of 1986.

FTC hits Calif. move to curb broker ads

By Matt DeLorenzo
AUTOMOTIVE NEWS STAFF REPORTER

The Federal Trade Commission has said that the California proposal to prevent auto brokers from advertising vehicles they do not have in stock should not be used as a means of driving those operations out of business (Automotive News, Dec. 7).

"We recognize that controversy exists about the competitive effects of automobile brokerage," said Marcy Tiffany, the FTC's Los Angeles regional director, in a letter to a state Assembly committee considering the rule.

"We take no position on what those effects might be. However, it is our view that restrictions on advertising should not be utilized as an indirect method of eliminating automobile brokers from the market."

The Assembly's Transportation Committee, headed by Democrat Richard Katz, is considering an amendment that would prohibit dealers from advertising a specific vehicle or a class of vehicles unless they are in the dealer's possession or available to the dealer "pursuant to a franchise agreement with the manufacturer or distributor of the vehicles."

Meanwhile, the state's Administrative Law Office is continuing its review of a 1971 law that prohibits dealers or brokers from advertising cars that are not on their premises and a subsequent regulation at odds with the code that allows such advertising if the dealer can contractually obtain advertised vehicles from another dealer.

Big 3 boost exports in 1987, plan further gains this year

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

Aided by the falling dollar and a renewed commitment to exporting, the Big 3 automakers made strides in boosting shipments of North American-built products overseas last year.

General Motors increased exports by a third to a total of 51,122, compared with 38,417 in 1986. The company more than doubled its shipments to Europe and the Far East.

Chrysler Motors, meanwhile, exported 33,000 vehicles. About half of them were Chrysler products and the others were Jeeps.

Included in those numbers were the first 3,000 Chrysler-badged units headed for Europe, the focus of the company's export ambitions. It expects that number to jump to 10,000 units in 1988. Chrysler also expects to boost its Jeep shipments well beyond the 9,000 recorded in Europe last year.

Ford Motor Co. doubled its export volume to 22,000 units in 1987. Highlights of its effort included an expansion into Europe and stepped-up shipments to Japan and the Middle East.

While the exports represent a tiny portion of each company's overall business, they have taken on symbolic importance. The automakers view the increase as evidence that U.S. products can compete on a global scale, especially as they make their way into the back yards of the European and Japanese competitors.

The spirit generated by that development was evident at GM's Linden, N.J., assembly plant last week. The company took time out to mark the production of the first Chevrolet Corsica/Beretta models headed for Japan.

"I say beginning right now, let the battle cry ring out," Chairman Roger Smith told workers. "Look out, world: Here comes General Motors."

Smith called the exports a small but significant step in showing that the United States is on equal footing when it comes to building world-class cars. The first shipment will contain 41 Corsicas and Berettas and is part of an initial order of 1,125 cars. Last November, GM announced an agreement to sell Corsica/Beretta and the Pontiac Grand Am at Suzuki dealerships in Japan.

Each Corsica/Beretta will include a note, written in Japanese, that says, "We hope you will share your new GM Chevy experience with your family, friends and neighbors."

Ford also made export news last week as it began selling U.S.-built cars in Switzerland, the second European country on the automaker's list of new export markets.

Last year, Ford began shipping cars to Sweden, where it expects to sell 500 imported cars in 1988. The company anticipates similar volume in Switzerland.

The Taurus wagon and the Bronco II will be marketed through Ford of Switzerland and sold in the country's 70 Ford dealerships. About 200 vehicles have already reached showrooms. The company is also looking at exports to other European countries. Ford has exported North American products to the Netherlands since the 1950s.

Ford's 22,000 export shipments last year included 6,800 to the Middle East and 6,600 to Puerto Rico. In 1988, Ford expects to deliver 30,000 vehicles exported from North America.

The Associated Press contributed to this story.

Vixen gets financing; dealers upbeat about sales

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

PONTIAC, Mich. — Vixen Motor Co. has received the additional working capital necessary to resume production in the spring, but it still needs the backing of its 50 dealers and consumers to become successful.

The Michigan Retirement System and the Detroit Policemen and Firemen's Fund have approved the additional $2.4 million Vixen needed to resume production in March of its motor home, according to Vixen President Allen J. Dryer.

The first gasoline-engine/automatic-transmission pilot model was begun on the company's chassis line the day after new funding was approved. (Automotive News, Jan. 25). Vixen is now using General Motors' 3.8-liter V-6 engine.

Vixen anticipates it will get suppliers to go along with the debt conversion portion of its refinancing package and expects to begin calling employees back to work by the end of this month.

It needs strong dealer support thereafter.

Generally, past and present Vixen dealers contacted by Automotive News still have a fairly optimistic view of the company's potential to succeed despite its past problems.

At S&K Chevrolet, Peoria, Ill., dealership co-owner Tom Smith said he would probably order some of the new models but would like to "get a good look at it and see it's a real product" before doing so.

"We have the (Vixen) franchise, but haven't done a whole lot with it," Smith said. "I think the Vixen is a good line, if they get all the wrinkles out of it and get it right.

"There's a lot of people who would buy it for retirement, and they would want good fuel economy and to be able to park it where code restrictions" prevent larger motor homes from being parked.

With regard to the company's planned price cut — from $49,895 for its discontinued model to $42,645 for its new base model and $46,995 for the new unit, fully equipped with all options — Smith said, "The lower they can keep it (price), the better."

He said his dealership "probably sold seven or eight" Vixens in the past. He said, "It's been a little bit of a headache because of product quality, but I think they are upgrading that just a whole bunch."

Jim Lupient, owner of Lupient Oldsmobile, Minneapolis, gave Vixen a surprising endorsement, in view of the fact that he was contemplating litigation against the company on a matter he declined to discuss.

"We'd still be interested in selling it, if the quality was there," said Lupient, He has two other Vixen franchises — at his Rochester, Minn., and Eau Claire, Wis., dealerships — in addition to the Vixen franchise held by his Minneapolis dealership.

"The concept is really right," he said. "A lot of people don't like to park a Winnebago outside all winter, and these things fit in the garage. They had a little niche to themselves. The concept is good, and the niche is still there. All they have to do is make a quality product."

Lupient did note that Vixen had backed its products, buying back from him some units whose quality wasn't right.

Kempthorn Motors, Canton, Ohio, dropped Vixen. Dealer Richard Kempthorn said he would not pick up the franchise, on principle.

"You don't buy in and bow out and buy back in again," Kempthorn said.

He recited a now-familiar litany of past problems that began when he was unable to convince customers they had to shift the gears of the $30,000-$40,000 manual-transmission motor home. He said the problems escalated as the price of the unit kept climbing.

Initially, Vixen planned to sell its motor home for less than $30,000. Within a year and a half of its debut, the price climbed to just under $50,000, which Kempthorn called a "tough sell" for its diesel engine-manual transmission configuration.

He said, "I wish them the best. It's a tough road after what's happened."

Stan Grueninger, who sold his Grueninger Oldsmobile dealership in Cincinnati last August, was the earliest and strongest Vixen booster and his enthusiasm about the company's potential continues. Grueninger just bought a Vixen "for my own personal use, and I'm enjoying it very much."

"I think they've got the correct chemistry there now, managementwise," he added, crediting Vixen Sales Manager Richard Wills with being "very market-oriented" and a "person of high integrity."

Recreational Vehicle Wholesale Deliveries

	November 1987	November 1986	% change	11 months 1987	11 months 1986	% change
Travel trailers	2,700	2,900	– 6.9	56,100	52,200	+ 7.5
Park Trailers	500	600	– 16.7	6,100	7,100	– 14.1
Travel trailers—fifth wheel	1,900	1,500	+ 26.7	25,100	21,400	+ 17.3
Folding camping trailers	2,600	3,000	– 13.3	37,800	33,100	+ 14.2
Truck campers	600	500	+ 20.0	9,600	6,900	+ 39.1
Towable RV total	8,300	8,500	– 2.4	134,700	120,700	+ 11.6
Conventional (type A)	3,400	2,700	+ 25.9	38,100	30,700	+ 24.1
Van Campers (type B)	500	500	+ 00.0	6,300	5,500	+ 14.6
Chopped vans (all)	1,700	1,900	– 10.5	25,000	26,200	– 4.6
Motor home total	5,600	5,100	+ 9.8	69,400	62,400	+ 11.2
Van conversions	11,900	11,200	– 6.3	169,100	169,800	– 0.4
TOTAL ALL RVs	25,800	24,800	+ 4.0	373,200	352,900	+ 5.8

Source: Recreation Vehicle Industry Association.

Wholesale shipments rise for month, year

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

RV manufacturers wholesaled 25,800 units in November, up 4.03 percent from a year earlier.

Aided largely by strong shipments in the previous three months, the 11-month shipment total of 373,200 was up 5.57 percent from the corresponding 1986 period, according to the Recreation Vehicle Industry Association.

Recent developments in the stock market made consumers more cautious in their spending plans, even though few expect those events to reduce their own income or employment prospects, RVIA reported.

The Index of Consumer sentiment, as measured by the University of Michigan, was down 6 points to 83.1 in the November survey, largely reflecting consumer concerns for the overall economy as opposed to any perceived personal changes.

Consumer intentions to purchase an RV rose slightly over October. Some 10.50 percent of families surveyed in November said "chances are better than even" that they would buy an RV in the next 12 months, RVIA reported. That was up from 9.10 percent in October and more than double the rate reported five years earlier, RVIA said.

Some 20.2 percent of consumers surveyed also said they would consider renting an RV in the next 12 months. That percentage was unchanged from October.

Van conversion wholesale shipments continued to improve in November. Manufacturers shipped 11,900 converted vans to dealers, up 6.25 percent from the year-earlier's 11,200 shipments.

It was the fourth consecutive month of higher conversion shipments, pulling the 11-month total to within 700 units of a year earlier: 169,100 versus 169,800.

In November, shipments of unfinished vans by Detroit manufacturers to converters also increased. General Motors, Ford and Dodge shipped 19,500 van chassis without seats to converters in November, up 8.33 percent from 18,000 in November 1986.

For the 11-month period, Detroit manufacturers shipped 200,500 vans to converters, up 23.16 percent over the 162,800 shipped last year in the same period.

Compact vans accounted for all of November's gain.

In November, Detroit manufacturers shipped 4,600 compact vans without seats to converters, more than double the 1,700 shipped in like 1986. For 11 months of 1987, manufacturers shipped 38,800 compact vans to converters, up 28.48 percent over 30,200 in the 1986 period.

By comparison, Detroit manufacturers shipped 14,900 full-sized vans to converters in November, 8.59 percent fewer than in 1986, and 161,700 for the 11-month period, up 29.95 percent from 132,600 a year earlier.

Sales booming for van converters

Major players report strong upturn; Ford supply strained

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Major van converters, such as Starcraft, Glaval, Kentron, Aviator and Sherrod, are seeing a strong upturn in sales as a result of the pickup in auto showroom traffic, buying by dealers who had earlier deferred purchases and aggressive marketing.

Ford, in fact, has been turning down some converters' requests for additional chassis for the spring.

Because of the strength of its chopped van business, Ford is funneling more Econolines into the high cube/parcel delivery van market and also is continuing chopped van shipments to the RV side of the market.

The fact that commercial van manufacturers like Utilimaster and Supreme are stepping up orders for chopped vans is a further indication of a strengthening market.

Among van converters, Starcraft Corp., Goshen, Ind., wholesaled 696 units in January, its second highest January on record, said Ron Chevalier, vice president — sales and marketing for the automotive division.

Starcraft had been discounting vans at the end of last year to help clear out carryover 1987s, but its January shipments — 12 units shy of the record 708 it delivered in January 1984 — did not include any discounting, Chevalier said.

Starcraft, like other GM van converters, has been helped by GM's $500 consumer rebate on full-sized 1987 and 1988 vans from Jan. 12 to Feb. 29.

Separately, at the National Automobile Dealers Association convention, Starcraft is kicking off its new GM-approved ship-through program on full-sized Chevrolet C/K and GMC Sierra trucks, which it is equipping with caps and special interior and exterior dress-up packages.

Meanwhile, Glaval, Elkhart, Ind., whose Gladiator Division displaced Tray Tech as Chevrolet's No. 1 bailment company in December, had record shipments of nearly 1,200 units in December and again in January, according to William Becker, vice president of sales, marketing and advertising.

That includes combined sales for Gladiator, which converts Chevrolet vans; Universal, which handles Ford; and Auto Form, which converts GMC vans.

Becker attributed the performance to a "combination of a lot of things. We feel good. We're not arrogant, but some of the blood, sweat, tears and planning is paying off."

He added that retail sales of the company's products have been inching up 3 to 4 percent on a weekly basis over the last seven to eight weeks.

Glaval recently leased an extra 8,000 square feet to house its growing sales department as well as marketing, advertising, consumer relations, transportation and administrative services people.

Kentron's U.S. Conversions division, Elkhart, Ind., which converts GM vans, shipped 62 percent more units in the first four months of the 1988 model year than it did a year ago.

That represented a 300-plus unit increase, according to Gary R. Soos, Kentron vice president and general manager.

The company's Premier Editions division, which converts Ford vans, shipped 18 percent more units during the same time frame, equal to a 100-plus unit increase, Soos added.

He said January shipments were also ran substantially ahead of last year's, but he did not have final figures at press time.

Soos attributed most of Kentron's gains to an increased market share rather than to a general improvement in the market.

Aviator's retail registrations have also been picking up, according to Larry LaGuardia, vice president and general manager. They showed a 25 percent increase in December and an 18 percent increase in January.

Aviator, Wakarusa, Ind., uses retail registrations sent by its dealers as soon as they sell a unit to fix the timing for its warranties.

LaGuardia said that the pickup in auto showroom traffic, as exemplified by a record crowd at the recent Detroit Auto Show and the record number of dealerships that participated in it, is a good sign for the market.

Aviator has a number of Detroit dealerships whose traffic is improving.

As a supplement to its van business, the company also branched out into pickup truck conversions which have made a "big difference" in its sales, LaGuardia added.

Aviator was approved for ship-through by GMC for a special pickup truck it is doing with the Winchester gun and ammunition company.

"It has proven extremely successful and has helped move a lot of trucks for GMC. We're also putting together nice, sizable programs" for upcoming promotions by different GMC ad groups such as one in Atlanta and another in Wyoming, LaGuardia said.

Separately, the company recently filled a record 400-unit van order for the Ford Michigan Truck Club and Ford Motor.

The specially designed "Team USA" vans feature a red, white and blue color scheme to coincide with the year of the Olympics and the presidential election.

Jack Sherrod, president of Sherrod Vans, Jacksonville, Fla., is also looking for "great things" in 1988.

The company recently delivered its 10,000th van to Gary Fronrath, president of Fronrath Chevrolet, Fort Lauderdale, Fla. Fronrath also bought the very first Sherrod conversion in 1979.

After ignoring the increasing competition and seeing his sales fall off the past few years, "We finally got our attitude right. We're butting heads with these guys (competitors)," Sherrod said.

Sherrod now introduces new or modified van interiors every six months to stay ahead of smaller companies who copy them.

His company also is spending "four to five times as much time with dealerships than we used to," providing such things as presentations on how to sell customized vans.

Sherrod's goal is to return the company to the 1,800- to 1,900-unit sales level it had in the mid-1980s.

AROUND THE WORLD

Japanese dealers laden with debt; problems may grow

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Approximately 60 percent of Japanese dealerships are carrying enormous accumulated debt burdens. Their financial situation could worsen this year, with all makers focusing attention on the domestic market in lieu of expanded exports.

Analysts forecast a 2-3 percent increase in the Japanese auto market this year, on the heels of 6 percent growth last year. But individual companies are setting sales targets calling for increases of 2 percent to 13.3 percent.

The pressure to meet those targets falls on dealers already bowed down by efforts to raise sales in the fiercely competitive Japanese market.

The dealers are in debt, in part because of large debts incurred during the 1960s, when the Japanese market expanded rapidly in what was described as the "motorization of Japan." Dealers had to borrow at high interest rates to meet the need for expansion.

But heavy debt is also attributed to the ever-constant need to use incentives in one form or another. Analyst Koji Endo of Nomura Securities said, "Dealers have resorted to increasingly deep discounts to meet their quotas and to help makers expand market share."

Since most makers — Toyota excepted — have heavy investments in their dealerships, the final costs eventually fall on the makers themselves. With exports to the United States going flat and the domestic market appearing to show the only promise, companies have little choice but to pay the price in the effort to at least hold on to market share.

The goal for every company this year is to strengthen dealerships. In the recent past, as analysts note, the companies could use excess profits from exports to carry their dealers. With profits declining, that effort is becoming more costly.

Now, Toyota may well be upping the ante for everyone. According to press reports, Toyota is about to pour 300 billion yen ($2.4 billion) either directly or indirectly into its dealership network. Toyota says that is not so and that the report in the Nihon Keizai Shimbum was a case of "misunderstanding."

Toyota does acknowledge a general interest in encouraging its dealers to expand, but puts no figure on its support. However, any move by Toyota increases the pressure on every other maker.

James Abegglen, consultant at Asia Advisory Service Inc., pointed out that with its dominance in the market (43.2 percent share) and vast financial reserves, Toyota can raise the ante at any time in the domestic sweepstakes. It can put a financial squeeze on everyone else, forcing them to match it.

Toyota is in the enviable position of having the most independent, most profitable dealer network — indeed, the only independent, profitable network. Toyota has 76 of the top 100 dealerships in Japan. The Toyota group, including Daihatsu and Hino, contribute another six.

Toyota relies on five distribution channels — Toyota, Toyopet, Corolla, Auto and Vista. The network includes 314 dealership companies, operating a total of 4,200 outlets that are manned by a sales force of 45,000. Of the total, Toyota owns all or part of 27 companies. The rest are independent.

Fewer than 10 percent of Nissan's 250 dealerships (operating 3,000 outlets) are free of big debts, according to analysts' estimates. Nissan owns, or owns a share in, half of them. The profit figures for the dealers of other makers are not a great deal better.

The solid structure of the Toyota sales network is attributed to Shotaro Kamiya, the legendary president of Toyota Motor Sales. He set the independent course for sales policy in the early 1950s when Toyota was established as two separate entities, Toyota Motor Co. and Toyota Motor Sales.

According to Hiromichi Ohsuga, general manager of Toyota's research department, Kamiya insisted from the beginning that the company had to be responsible for stable production and that excess inventory in slack times should not be foisted on the dealers.

Ohsuga said the company does not use incentives to increase sales. But, he said, Toyota does at times have "sales campaigns" or "contests" for salespeople, offering prizes such as vacation trips.

Toyota's current sales goal is to reach 2 million units in the domestic market "as soon as possible." The company sold 1.87 million in 1987. Ohsuga said the dealers are aware of that goal and are also working for it.

Despite Toyota's reticence on the subject of incentives, its competitors, as well as analysts and industry observers, say Toyota is no different than other makers. In other words, money can buy sales.

The most common method used by most dealers, reportedly, is to increase the trade-in allowance. Strictly speaking, this is not a discount, but nevertheless it is an extra expense.

Toyota's apparent goal last year was to attain a market share of 50 percent in honor of the company's 50th anniversary year. Toyota did reach 50 percent for several months and upped its overall share for the year by a few points.

Nissan President Yutaka Kume noted at the time, "I presume they are spending a lot of money to keep that market share ideal."

Nissan, under Kume's leadership, may have taken the first step toward easing the constant pressure that all the makers exert to hold on to market share, according to some analysts. Last year, the profitability of Nissan's hard-pressed dealers started to improve.

When Kume assumed the presidency in 1985, one of his first moves was to visit the dealers, to emphasize his intention to make a strong dealership network his top priority.

Last year, Nissan launched a major effort to reorganize its five channels — Nissan, Motor, Prince, Sunny and Cherry — on a regional basis to eliminate what had been a self-destructive competition between Nissan dealers whose regions overlapped. The company is now working to complete that process.

Masayuki Saito, Nissan director for domestic sales, said the reorganization has already led to greater cooperation among dealers. There have been mergers in some cases between dealers of three or all five channels to set up one showroom. There are now 56 joint stores.

The subject of direct financial assistance to dealers apparently comes under corporate secrets. But Saito said Nissan does offer help. It may be preferable in the United States to drop a dealer, he said, but in Japan, "We take care of dealers, even when their performance is not good and they are suffering losses. We help them."

Nissan's investment in half of its dealer network stems, reportedly, from low growth periods when dealers deeply in debt turned to Nissan for support.

Nissan acknowledges indirect assistance. Saito said the company guarantees bank loans or offers dealers low-interest mortgages on land and housing sold by a construction firm that is a Nissan subsidiary. The company also helps with promotional material, and one department at Nissan headquarters is in charge of helping dealerships computerize their information services.

Of the 25,000 salespeople working in Nissan dealerships, 4,500 — including engineers and mechanics — are on loan temporarily from headquarters.

Having made large increases in its sales force last year, Nissan plans no additions this year. But just about every other maker does.

The number of outlets and the size of the sales force in Japan is directly related to the number of sales. As much as 80 percent of the average dealer's sales costs are listed as labor. Some analysts suggest that perhaps 50 percent of sales can be attributed to the size of the sales force, with the quality of the product accounting for the rest.

Honda needed only 1,000 outlets to sell 738,300 units in the United States last year. It took 2,400 outlets in Japan to sell 546,979 units. This year, in order to raise domestic sales by a projected 13.3 percent, Honda will add another 200 domestic outlets and will increase the sales force by 1,400 to a total of 10,000.

The reason for the labor-intensive sales effort is the tradition of selling cars door-to-door. All makers seem to agree that that the door-to-door method will soon be a thing of the past, but Takashi Matsuda, Honda's director in charge of domestic sales, said, "It is impossible to do business without it."

Matsuda, however, said it is important to try to make the system more efficient so that people are not knocking on doors without reason. He said the process is often costly in terms of time for the sales staff, but he said it is necessary, and it is important for Honda to encourage them to do more.

Matsuda said it is also important for Honda to develop an administrative system to make sure customers are visited regularly.

Honda, like Nissan, is also engaged in a major reorganization of its dealership network. Unlike Nissan, Honda is saddled with hundreds of mom'n'pop shops, originally set up as motorcycle dealerships. Many of them are clustered in the same districts.

Honda has spent the last three years trying to organize on a regional basis and eliminate shops that could not upgrade to meet car dealership standards. The smallest shops were given two years to show they could handle only Honda models and could sell a minimum of five units a month. Two hundred were dropped by the end of 1986 when they could not meet those standards.

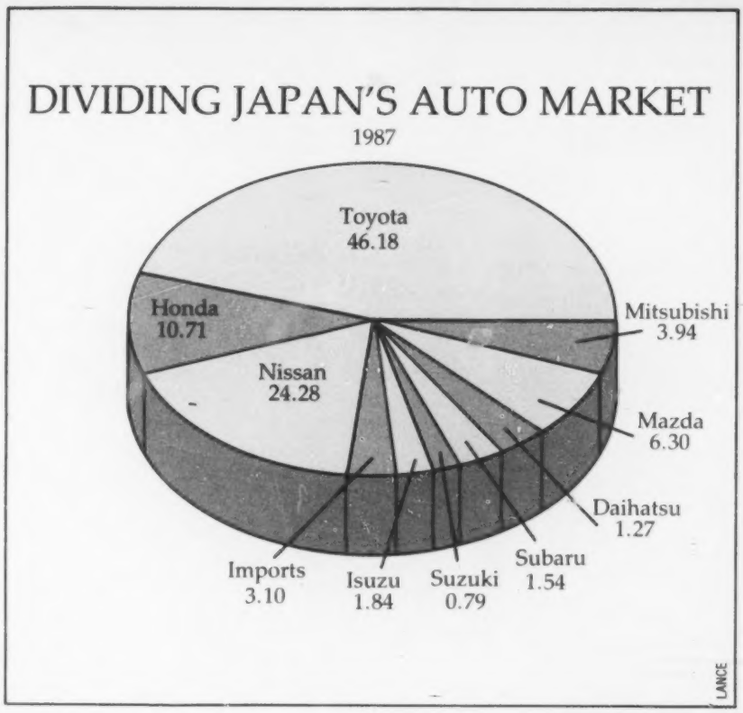
Last year, Honda was able to launch its three channels (Clio, Verno and Primo) on a full-scale exclusive basis. The Clio dealers, most of them owned wholly or partly by Honda, handle the Legend exclusively. Verno dealers sell the Integra and Prelude, and Primo dealers handle the Civic. For now, both Clio and Primo handle the Accord.

Besides adding outlets and increasing the sales force this year, Matsuda said Honda will concentrate on after-sale service. "Compared with Toyota," he said, "we are not at an ideal level."

Toyota can count on brand loyalty by more than 65 percent of its customers; some estimates put it at more than 70 percent.

Honda, meanwhile, has a customer loyalty figure in Japan of 40 percent, according to

see PROBLEMS, page 210



5 Japanese deals are public; makers own part of 4

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Unlike the United States, public ownership of auto dealerships is a well-established aspect of the automotive scene in Japan. Indeed, Japan's automakers are investors in some of those public dealerships.

The country has five publicly owned dealerships, all listed in the late 1950s or early 1960s as the market was expanding rapidly and dealers urgently needed capital.

Tokyo Nissan was the first, listed in 1957, and four others — Aichi Toyota, Tokyo Toyota, Chuo Subaru and Tokyo Isuzu — followed in the fall of 1961. But since then, there has been little interest in going public.

Aichi Toyota listed operating income for the fiscal year ended last March at 5.4 billion yen ($43.2 million). Operating income for the same period was 857 million yen ($6.9 million) for Tokyo Toyota, 464 million yen ($3.7 million) for Tokyo Isuzu, 321 million yen ($2.6 million) for Chuo Subaru and 295 million yen ($2.4 million) for Toyota Nissan.

But none is the top dealership in Japan. That honor goes to a Toyota outlet, Tokyo Toyopet, which listed on reports for tax purposes an annual income of about 8 billion yen ($64 million).

Some securities houses would like to see it go public, but apparently the company declines to do so. Most dealerships in Japan remain family operations.

Of the public dealerships, Toyota has a 61.9 percent share of Tokyo Toyota. At Aichi Toyota, on the other hand, there is no listing for a Toyota share. At Chuo Subaru, Fuji holds 48.7 percent. Nissan has a 25 percent share in Tokyo Nissan, and Isuzu has a 19.3 percent share in Tokyo Isuzu.

The makers profess no concern or opposition to any dealership going public. That is best expressed by Toyota General Manager Hiromichi Ohsuga, who said the company has no fear of dealerships being listed but sees little benefit either.

The only benefit most makers could suggest was one of image. The conclusion was that there are enough low-interest bank loans to go around in cash-rich Japan these days to satisfy any need.

AROUND THE WORLD

Japan alters door-to-door sales system

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Kiyoshi Abe, 32, has been a Nissan salesman since he was 19. He is considered one of the best at the Nissan Prince dealership in the Kiyosumi district of Tokyo.

The facility has a service area and enough space for a one-car display and a few chairs and tables. It is not intended to attract customers and looks it. Ninety percent of the firm's sales are made door to door.

Abe hits the streets every day, armed with a briefcase packed with brochures. He knocks on 20 doors a day. Even after making a sale, he stops by once a month to see if the customer is satisfied. When it is time for a customer to buy a new car, he may visit every day.

One of his best customers is Toshitake Honda, who manages a neighborhood Buddhist temple. Honda has bought six cars from Abe in 12 years. He bought the last one six months ago. Abe paid a visit in December and stopped by in January to offer New Year's greetings.

Honda said that such a close person-to-person relationship is an important factor in his decision to buy a car. That kind of constant rapport with customers is expected in Japan, at least by older generations. But times are changing rapidly — more rapidly than most dealerships are able to handle.

Masato Suzuki is president of Nissan Autopia Plaza, which manages the Aprite showroom, one of the newer ideas in marketing. Suzuki said a poll taken in 1984 indicated that the attitudes of customers were changing drastically. Far from the passive qualities that might have led some customers to feel they ought to buy when a salesman came calling, the poll indicated the new Japanese customers were becoming far more aggressive.

Suzuki said that in recent years, as many as 90 percent of the buyers have been initiating sales. Nissan decided door-to-door sales would not work any more, Suzuki said, but the problem was what to do next, since land prices made a move to an American-style showroom prohibitively expensive.

There has been no showroom as such in Japan. The average dealer had space to show three models at most. Autorama, the Mazda channel that sells Mazda-made Ford models, was the first to introduce the showroom idea to Japan — five years ago.

Suzuki said Nissan did not imitate Autorama, but was influenced by it. Three years ago, when he was working at Nissan's headquarters, he helped initiate the new dealership concept.

The result was a series of tieups with educational and information networks and with restaurant chains such as McDonald's, Royal Host and Victoria Station.

People came in to browse at a communications center that featured computers and other high-tech equipment, and then presumably stopped to look at the cars on display.

Or they stopped to have a meal and had their car checked at the same time. Suzuki said customers can have any car checked, Nissan or not, at his Aprite shop. The result, as he put it, is good will for Nissan.

The Aprite shop features three restaurants in a complex resembling a shopping center. The idea, apparently, is to attract young customers, who may not be brand-oriented.

Toyota may well be entrenched with its well-established dealership system, fattened on door-to-door sales building high brand loyalty. Other makers can either try to imitate that system, decades too late, or break away with their own adaptations.

Suzuki's Aprite store is in the forefront of a breakaway. The showroom opened last December in the Ogikubo district of Tokyo on 10,000 square feet of land owned by Nissan's aerospace subsidiary.

Dealerships from Nissan's five channels rent space in the showroom. A salesperson from one channel can sell a model from another channel at the customer's request, and the difference is worked out at headquarters. Meanwhile, the salesman gets points for selling within his own company.

In the first month of operation, Suzuki said, the group sold 160 units and attracted 41,000 visitors. That compares, he said, with 70 units a month sold previously by a Nissan dealer in the same area.

The Aprite showroom idea is in part a reaction to the early success of Mazda's Autorama outlets. But it is also a reaction to Nissan's own marketing breakthrough with the Be-1, introduced last year.

The ultimate yuppie car, the Be-1 was a 1950s nostalgia compact car with production limited to 11,000 units.

Simultaneously, Nissan opened Be-1 boutiques to create an entire production sideline. It involved 17 different companies offering Be-1-related products, including beverages, watches, glass frames, audio speakers, sporting goods, stationery and clothing.

It created great snob appeal for many consumers, particularly the young who had not formed an attachment to any brand name.

At the end of November 1987, sales of boutique products were reported at 1.3 billion yen ($10.4 million). The car itself was sold at prices starting at 1.2 million yen ($9,600). Six months later, the asking price of the car on the used-car market was twice that.

The whole concept was a breakthrough in marketing, promotion and showroom techniques.

As Suzuki noted, the Aprite store, connected as it is to restaurants and with the intention of adding a video shop, bookstore and gymnasium, is linked to people's daily lives.

The need to find outlets for the new style showrooms is affecting every maker. Fuji Heavy Industries recently signed an agreement with Jusco, a major supermarket chain in Japan. The first outlet opened in November in Osaka, a market that Fuji says attracts 8,000 visitors daily and 15,000 every Sunday. Fifteen units were sold in the first three days, 32 in the first month.

Fuji President Toshihiro Tajima said the project uncovered new potential customers, notably housewives attracted to the display of minicars (under 550 cc).

Some Fuji dealerships have also made ties with gas stations in rural areas to entice customers.

Fuji set up a promotional display at the end of last year, allowing customers to choose products from American catalogues, mostly hunting and outdoor catalogues, with a sprinkling of household goods from Marshall Field.

Tajima said the project is intended to encourage customers to buy imports and help reverse the trade imbalance.

It is also intended to attract customers, particularly young customers, who regard hunting gear as fashionable. The guns pictured in the catalogues are not available in Japan.

Since sales began in November, Fuji has sold 9 million yen ($72,000) worth of products and 6 million yen worth of catalogues. There is no report yet on any affect on car sales.

But the trend, definitely, is to showrooms that attract customers, as every maker seems to agree. The problem is getting land for such projects, since land prices have ballooned beyond reach.

However, some of the makers themselves are sitting on valuable land assets. The question is whether they are ready to hand them over, or to lease or loan them to dealers in an effort to raise domestic sales.

Nissan salesman Abe hits the streets

17 different companies offer Be-1-related products in Be-1 boutiques

The Aprite shop features three restaurants in a complex resembling a shopping center

Nissan Autopia Plaza president Suzuki

PROBLEMS

FROM PAGE 208

Matsuda. The aim is to raise that to 60 percent by improving after-sale service.

One of the primary reasons for relying on multiple channels, according to the makers, is that is an administrative device to bolster service capacity so mechanics can specialize in fewer models. For the same reason, fewer models enable door-to-door salesmen to develop greater expertise.

Mazda, like Honda, relies on three channels: Mazda, which sells primarily commercial vehicles; Auto, which handles passenger cars; and Autorama, established five years ago to sell Ford-badged cars made by Mazda.

In order to increase domestic sales this year by a projected 2.8 percent, Mazda plans to increase its sales force by 1,000 and either build or refurbish 280 outlets for a total of 1,900.

Autorama may get a new look. Previously only for Mazda-built Fords, it will now handle imports, in particular the Taurus that will be introduced this year. Mazda planned to sell 500 Taurus cars in 1988, but Michimasa Ohara, director in charge of domestic sales, said the company has already received orders for 490, and the first shipment will be gone by the end of April.

Autorama introduced the American-style showroom to Japan five years ago, setting the standard that others are now following. The trend now is to attract customers to the showroom and reduce the emphasis on door-to-door sales.

Most dealerships now are not big enough to show more than three models at a time. Some show only one. Traditionally, the dealerships have been used for a service area and as a base for salespersons making the neighborhood rounds. Little effort was put into making them attractive.

The pressure to change comes at a time when land prices have skyrocketed and dealerships simultaneously face heavy accumulated debt and the need to increase sales regardless. That is necessary just to stay afloat in what will undoubtedly become an even more fiercely competitive environment this year.

Korean dealers turn to Western showrooms, sales ideas

By Irwin Schrader
SPECIAL CORRESPONDENT

SEOUL, South Korea — Auto manufacturers in South Korea don't just make the product. They also sell it.

Practically all 6,400 car salesmen in the country are employed directly by one of the local automakers: Hyundai Motor, Daewoo Motor or Kia Motors. There are only a handful of independent dealers, and company-set prices prevail.

Car salesmen at the three companies earn a fixed salary. A commission on sales, however, usually makes up the bulk of their pay, according to Hong Tu-Pyo, Hyundai's managing director for domestic sales.

Selling cars in South Korea typically involves a lot of legwork. To get at the prime customers — the white-collar employees — salesmen visit company offices in Seoul and other major cities to distribute business cards and brochures.

However, the past year has seen a proliferation of Western-style showrooms in Seoul — with cars on display, desks and chairs. They are beginning to draw potential customers off the street.

The emergence of bona-fide showrooms, said one auto dealer, stems in part from the internationalization of Korean automakers because of their recent success in exporting. Another possible prod has been the arrival in Korea of foreign automakers and their showrooms.

The local market was opened to larger models (2 liters or more) in mid-1987. Across-the-board access is due this July.

The fundamental reason for the higher sales profile, however, lies in the market's explosive growth. In 1987, Koreans bought 245,416 passenger cars, which was 59 percent more than they bought the previous year and roughly three times the 1982 figure.

A steady rise in family incomes, together with the wider selection of domestic and imported models available, have fueled the boom.

Last year, in particular, saw the re-entry of Kia into passenger-car manufacturing, with its Pride subcompact (sold overseas as the Ford Festiva). Since 1981, the company had been confined to van and truck manufacturing under a government industry plan.

In addition, 1987 was the first full year for sales of Daewoo's LeMans model. According to Daewoo statistics, the Opel-designed car captured more than a third of the local subcompact market in 1987 on sales of 47,441 units.

The more crowded and lucrative market generally has made local manufacturers more attentive to consumers' needs, said Hyundai's Hong. "Before, when customers asked for quick delivery, our salesmen could pick and choose who would get delivery first," he said. "But now, that method of selling can't happen."

Improved financing and after-sales service are evidence of changing attitudes on the part of manufacturers and a more sophisticated clientele. Down payments are a fairly liberal 20-25 percent of the sales price, with Kia allowing as long as 60 months for full payment.

Under government policy, however, bank loans are not available for private car purchases. Neither are trade-ins allowed.

One-year/20,000-kilometer warranties offered by local carmakers are backed by fast-growing service networks, including company-run and designated repair centers. In addition, company mechanics circulate in apartment complexes in Seoul to perform minor repairs. Hyundai also has a fleet of repair trucks on 24-hour call in the Seoul area.

To boost sales and market share, the three automakers are beefing up their sales forces and advertising budgets. Daewoo, for example, plans to have 117 sales office and 2,400 salesmen by the end of 1988. In 1986, it had 72 offices and 1,100 salespersons.

Hyundai this year plans to increase its spending on advertising and sales promotion to an industry-high 13 billion won ($16.35 million). Last year, Hyundai spent 10 billion won ($12.58 million) on those activities out of total domestic sales of 1.28 trillion won ($1.61 billion).

Part of that money, Hong said, will go for outdoor billboards to draw the attention of foreign visitors to the 1988 Olympic Games in Seoul, of which Hyundai is an official sponsor.

To help sales overall, local car manufacturers are petitioning the government to reduce the special excise tax on auto purchases. That levy, plus a variety of other charges, can raise the price of a car 25 percent more. A tax reduction may come this summer.

Also reportedly in the works is a lower tariff on car imports — down from 40 percent to 30 percent. The customs duty, plus a heavy acquisition tax, results in a customer price more than double the value of a car entering the Korean market.

Four foreign automakers have entered the local market, Mercedes-Benz, Volvo, BMW and General Motors. None has invested in distributorships. All have local sales agents who undertake the importing.

"Companies were lining up. We didn't have to go searching for a partner," said Peter Lindback, Volvo's representative in Seoul.

He and the local BMW representative said they each hope to sell 200 units this year. But Lindback said it is much too early to gauge the response of local consumers, as the four companies have begun to sell in earnest only this year.

Important variables, said one foreign-car dealer, include nationalistic sentiment and labor unrest, both much in evidence in South Korea last year.

"Foreign cars are considered conspicuous consumption," he said. "People are sensitive to this and may feel that in a certain climate it's not appropriate to travel around in a foreign car."

1987 VEHICLE SALES IN KOREA

	Units	Market Share	Change on year
Hyundai ...	188,135	45.4	+55.7
Kia	135,031	32.6	+27.4
Daewoo ...	89,083	21.5	+66.3
Dong-A	1,78	0.4	+ 9.3
TOTAL ..	414,032	100.0	+46.9

1987 PASSENGER CAR SALES IN KOREA

	Units	Market Share	Change on year
Hyundai ...	138,108	56.3	27.1
Daewoo ...	77,016	31.4	58.7
Kia	30,292	12.3	—
TOTAL ..	245,416	100.0	59.0

SOURCE: Company figures

Brazilian dealer law a boon and a curb

By Rik Turner
STAFF CORRESPONDENT

SAO PAULO — Brazil could almost be said to have outlawed the competition inherent in the free enterprise system in passing what became known as the Renato Ferrari Law in 1979. The law regulates the relationship between car manufacturers and dealers.

Its nickname derives from the then president of ABRAVE, the Brazilian dealer association, who lobbied hard for the change.

The Ferrari law undoubtedly affords a degree of protection to dealers that is unthinkable to their colleagues in other countries. It stipulates, for example, that dealers can sell cars of only one manufacturer, though they may sell other companies' products, such as trucks or motorcycles.

Each of Brazil's automakers — Volkswagen, General Motors, Ford and Fiat — was obliged by the law to negotiate an agreement with its dealers on major issues such as dealer margins.

Once signed, the terms of the agreement can be altered only by accord between both parties.

That aspect led Luiz Antonio Gregnanin, executive director of the ASSOBRAV VW dealer network — the country's largest — to suggest that the law balanced the forces between the two sides. It established rules for their relationship "where previously the manufacturer had laid down the law in autocratic fashion."

Dealers whose livelihood had been put at risk by the then recent pullout of Chrysler from Brazil made a point of building clauses into the law to impede decisions by automakers to withdraw from the market. Chrysler withdrew in 1978, a year before the law was passed, and VW purchased the assets.

Thus the law imposes hefty indemnity payments to the network proportional to the manufacturer's stay in Brazil — in most cases, over 30 years. Only Fiat has been in Brazil for about a decade.

The Ferrari law has been much discussed during the past 18 months amid suggestions that Autolatina, the VW-Ford marriage, would pull out due to huge losses.

ABRAVE estimates it would cost the two companies $2.2 billion in indemnities if they decide to withdraw from Brazil.

If the law cossets dealers in some ways, it is heavy-handed with them in others.

It limits a dealer to selling autos only in a specific, allotted area. In practice, this means that a buyer from out of town cannot just walk in and pick up a car. A dealer who is discovered making such a sale can be accused of invading another dealer's territory and be dragged before the network's Ethics Commission where, if found guilty, he is subject to a hefty fine.

The law prohibits what it defines as "predatory competition." In other words, a dealer cannot offer discounts unless the network has made a collective decision to do so.

But Joseph O'Neill, a former Ford Brasil president and now a consultant for Chrysler in the country, points out there are ways around the ruling.

"There are no freebies on wheels or radios as in the States, but they can give hidden discounts by overvaluing your old car," he said.

In Brazil's highly inflationary economy — 365 percent last year — dealers seldom have the clout to finance car sales. That is normally done by banks or by the finance companies run by the automakers themselves.

With the emergence of Autolatina, however, that has begun to change. The hard-nosed financial practices of the U.S. parent have prevailed over VW's more paternalistic (and money-losing) approach. That has irked ASSOBRAV so much so that it is seeking a position of greater financial independence from Autolatina, Gregnanin said.

That will include the creation of a separate financial apparatus controlled by the VW dealer network, as well as an entry into other retail markets. Dealers will start to sell TVs, washing machines and even sailboats, the ASSOBRAV director predicted.

Another important aspect of the move to greater autonomy is the creation of what is known in Brazil as a "consorcio," or consortium.

A consortium is a fundamental instrument for selling autos in Brazil, given the high rate of inflation. It is a club, in which a group of buyers pays monthly installments on future vehicles, one of which is awarded each month.

A recipient is chosen each month by lottery, but he or she continues to pay installments until the car has been paid for, the installments actually going to the purchase of other people's vehicles.

ABRAVE estimates that 30-40 percent of all vehicles sold in Brazil are bought by consortia.

Irish dealers buy used cars in Britain

By Aidan O Sullivan
SPECIAL CORRESPONDENT

DUBLIN, Ireland — Auto dealers in Ireland have been flocking to Britain to buy used models for resale in this country.

Now, however, Irish authorities are changing their registration regulations to make sure that the car buyer knows exactly how old the imported model is.

There has been confusion in the registration procedure, and the government said it believes many buyers of used imports did not really know the age of the car they were buying.

Dealers say that one-third of all used cars sold in Ireland are imported from Northern Ireland or Britain, where prices of new vehicles are 40 percent lower due to Ireland's high taxes on cars.

Many of the imported cars have failed Britain's annual roadworthiness test, but Ireland does not have such a test.

The Irish market was opened to used imports only a year ago. Prior to that, cars had to be assembled within the country — the only way to import a used car was to take it apart and have it rebuilt in Ireland.

All imported cars and tractors now will have special registration plates that spell out the car's age and country of origin.

Dealers report that big cars in good condition are in demand. With new-car sales at a 10-year low because of Ireland's severe recession, dealers see the importation of used vehicles as their bread and butter in the shorter term.

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VW wears European sales crown for 3rd straight year

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Volkswagen Group was Europe's new-car sales leader in 1987 for the third straight year, while the overall market grew by nearly 700,000 units to establish a record.

The year was marked by slower growth for Japanese manufacturers, whose combined European market share fell in 1987.

According to industry estimates, sales in the 17 Western European markets rose to 12,370,000 in 1987, up 6 percent from 11,673,900 in 1986, the former record.

New-car demand in Europe's five largest national markets hit record levels in 1987. West Germany, which recovered from a first-quarter slump to reach 2.9 million, was once again Europe's sales leader.

The United Kingdom went over 2 million for the first time, France topped 2 million for the first time since 1983; Italy edged close to the 2 million mark; and Spanish sales rose by a third to exceed 900,000. Those five countries accounted for 80 percent of European sales.

Volkswagen Group, which includes VW, Audi and Seat, finished with 15 percent of the market. The West German group's unit volume increased 7.8 percent to 1,849,800, mostly on gains by Audi and Seat.

Fiat Auto, including Alfa Romeo and Lancia, ranked first through most of the year but forfeited sales leadership in the fourth quarter. Its new Tipo subcompact is expected to help it mount an even stronger challenge to VW in 1988.

EUROPEAN CAR SALES

VW-Audi-Seat	1,849,800	15.0	1,716,000	+ 7.8
Fiat Group**	1,758,000	14.2	1,634,400	+ 7.6
PSA***	1,497,800	12.1	1,327,200	+12.9
Ford	1,480,000	12.0	1,366,000	+ 8.3
Japanese (all)	1,393,400	11.3	1,359,900	+ 2.5
Nissan	361,300	2.9	349,800	+ 3.4
Toyota	346,200	2.8	337,100	+ 2.7
Mazda	232,600	1.9	239,200	− 2.8
Mitsubishi	151,100	1.2	141,500	+ 6.8
Honda	128,000	1.0	136,900	− 6.5
Others	174,200	1.4	156,600	+11.2
GM****	1,328,800	10.7	1,286,500	+ 3.3
Renault	1,311,600	10.6	1,242,300	+ 5.6
Mercedes-Benz	436,700	3.5	437,400	− 0.1
Austin Rover	415,600	3.4	409,400	+ 1.5
BMW	294,800	2.4	298,700	− 1.3
Volvo	286,600	2.2	287,900	− 0.5
Others	336,900	2.7	328,200	+ 2.6
Total	12,370,000	100.0	11,673,900	+ 6.0

* Total does not add up to 100 percent because of rounding
** Includes Alfa Romeo
*** Peugeot, Citroen, Talbot
**** Opel, Vauxhall, Saab, GM-U.S. Canada

All of Europe's Big Six volume manufacturers managed sales gains last year. The three largest prestige-class manufacturers — Daimler-Benz, BMW and Volvo — suffered marginal declines.

Peugeot SA, including Peugeot and Citroen, achieved the largest single gain among European automakers. The French group recorded a 12.9 percent increase to top Ford for third place.

The Japanese had been advancing steadily in recent years, boosting European sales by nearly 20 percent in 1986 alone. But under increasing political pressure here, Japanese makers slowed shipments to Europe and improved volume by only 2.5 percent last year. Market share slipped from 11.6 percent to 11.3 percent in 1987 as the Japanese combined for 1,393,400 sales.

Nissan once again finished ahead of Toyota in Europe. Nissan sales increased 3.4 percent to 361,300, or 2.9 percent of the market, down from 3 percent in 1986. Toyota was up 2.7 percent to 346,200 and a 2.8 percent share. Mazda and Honda lost market share in Europe last year, while Mitsubishi gained.

VW Group was buoyed by Audi and its successful new 80/90 range and by Seat's sales gains in Spain and elsewhere.

Audi sales climbed nearly 28 percent in Europe to 352,800, moving it ahead of BMW as a European marketing unit. Seat improved almost 28 percent to 244,900. The VW brand was up 0.3 percent. VW's best-selling Golf/Jetta accounted for 6.7 percent of European volume with sales of 824,800.

With Alfa Romeo as part of the group since Jan. 1, 1987, Fiat Auto boosted its share of the European market to 14.2 percent. Group sales were 1,758,000, up 7.6 percent. Fiat Auto's share of the Italian market was 59.8 percent.

Peugeot SA was boosted by both its car divisions as it moved into third place with a 12.1 percent share. Group sales rose to 1,497,800, up from 1,327,200 in 1986. Automobiles Peugeot's volume climbed 14.2 percent in Europe to 916,700, while Automobiles Citroen rose 15.7 percent to 578,900.

Peugeot SA improved its share in a French market that increased nearly 10 percent. It also sold almost 150,000 cars in both the United Kingdom and Italy and nearly 125,000 in West Germany. Ford sales rose 8.3 percent to 1,480,000 last year and its market share climbed to 12 percent from 11.7 percent in 1986. It continued to dominate in the United Kingdom, increasing its first-place sales by 12.6 percent and carving out nearly 29 percent of the market.

General Motors' sales edged upward 3.3 percent to 1,328,800, but GM's overall share slipped to 10.7 percent from 11 percent. Renault was up 5.6 percent to 1,311,600 for 10.6 percent of the market.

Mercedes was steady, declining 0.1 percent to 436,700, while BMW was down 1.3 percent to 294,800 and Volvo declined 0.5 percent to 266,600. Rover Group improved 1.4 percent to 415,600.

NEW CAR SALES BY COUNTRY IN EUROPE

France	2,095,200	+ 9.6
United Kingdom	2,013,700	+ 7.0
Italy	1,970,500	+ 7.9
Spain	916,100	+33.3
Netherlands	552,100	− 1.4
Belgium-Luxembourg	459,800	+ 2.2
Sweden	314,000	+16.9
Switzerland	303,800	− 1.0
Austria	242,800	− 7.4
Finland	189,400	+ 5.6
Denmark	122,400	−27.3
Portugal	122,000	+13.6
Norway	112,900	−32.4
Ireland	68,300	− 7.5
Greece	49,000	−24.8
Total	12,370,600	+ 6.0

Note: Figures preliminary

Sales in West Germany rose 2.9 percent to 2,910,800. It was the most cars sold in a year in a national market in Europe, though most observers here expect a slight decline in 1988. France grew 9.6 percent to 2,095,200 new-car sales, and the United Kingdom was up 7 percent to 2,013,700. Italy, at 1,970,500, was up 7.9 percent.

For the second consecutive year, Spain registered the biggest national sales gain. The Spanish market grew 33 percent to 916,100, following a 20 percent improvement in 1986. The largest European market to show a decline was the Netherlands, where new-car sales fell 1.4 percent to 552,100.

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Terex, China approve truckmaking plan

By Ying Chenxiao
SPECIAL CORRESPONDENT

BEIJING, China — North Hauler Limited Liability Co. will be China's first joint-venture company manufacturing dump trucks.

The company was formed following an agreement signed in Beijing late last year by China's Second Inner Mongolia Machinery Co., Northwest Engineering Co. of the United States and its subsidiary, Terex Equipment of the United Kingdom.

Terex off-highway dump trucks with load capacities of 30 to 77 tons will be manufactured in Baotou by the Chinese firm and Terex, using Northwest Engineering equipment and technology. Second Inner Mongolia Machinery Co. is part of the giant China North Industries Corp., one of China's largest weapons manufacturers.

Total investment will be 166 million yuan (about $45 million). SIMMACO will provide two-thirds and Terex one-third. SIMMACO will provide the land, fixed assets and working capital, and Terex will supply equipment and technology to produce trucks. The term of the joint venture is 20 years. The company may produce and develop other Terex products such as scrapers, loaders and crawler dozers for earthmoving and mining operations.

North Hauler is to market the trucks, which will be used in China's booming heavy construction and mining industry.

"Most of our products will be put on the domestic market to meet the urgent needs of mining and construction," said Wang Hongjie, director of the project. "Some products will also be sold on the international market through Terex sales channels."

40-ton Terex dump truck assembled by Second Inner Mongolia Machinery Co.

Production of dump trucks is scheduled to begin in late 1989.

SIMMACO was set up in the 1950s as one of 156 major engineering projects in the first five-year plan (1953-1957). For many years, it produced cannons.

In recent years, it has produced civilian products, mainly medium- and heavy-duty precision machinery, hydraulic engineering machinery and vehicles. It has 20,000 employees.

Since 1980, SIMMACO has assembled Terex dump trucks with components imported from Terex, and 44 dump trucks have been given trial runs in some mining sites. In 1986, the central government gave the company permission to expand operations by allowing a joint venture to be set up.

"We are excited about future prospects, and we expect an increasing presence of Terex products in all regions in China," said Randolph Lenz, chairman of Northwest Engineering.

According to a recent survey, China has 5,119 heavy-duty dump trucks in use, 80 percent of which are imported. With demand increasing, the country will need at least 730-830 new dump trucks with a load capacity of 15-50 tons every year in the next 10 years.

There are currently two major heavy-duty dump-truck manufacturers, producing about 300 units a year. The Beijing Heavy-Duty Truck Plant will expand its capacity to 500 dump trucks with a 15- to 27-ton load capability by 1990. The other, Shanghai Heavy-Duty Truck Plant, is aiming for annual production of 220 32-to 45-ton dump trucks.

Ying Chenxiao is a writer for China Features, a service of the official Xinhua News Agency.

GM defends power-steering fix

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — General Motors' decision to offer a special policy covering $500 million in repairs for power steering systems in 4.5 million front-wheel-drive cars has drawn a harsh response from the Center for Auto Safety. GM, meanwhile, defended its action.

In a strongly worded letter to GM Chairman Roger Smith, the center said the company's special policy covering power steering loss does not go far enough in remedying the problem. The center said that is because owners will not be notified in writing of the policy and because the policy does not cover all GM vehicles that have experienced power steering loss. The center said that GM's 5-year/50,000-mile limitation on the special fix should be expanded.

Clarence Ditlow III, director of the center, complained that GM has indicated the power steering defect was primarily a cold-weather problem. He said the center has received 3,000 complaints of power steering loss in GM cars and that 25 percent of them were from warm-weather states.

Ditlow said NHTSA is currently investigating the steering problem. He said internal GM memos show the company's own engineers called for an expanded special policy that would have covered 1986-87 models in addition to the 1982-85 A-, J- and X-body cars and 1985 C-body cars that GM has agreed to fix.

The center released a copy of a memo dated July 15, 1986, from engineers with GM's current product engineering staff to back that assertion. The memo cited the need for GM's top management to get the company's steering division to move faster in developing a new cast-iron valve body to replace an aluminum cover on the power steering unit. The memo claims that the power steering failure is not a safety problem.

GM responded to the center's letter by saying the steering problem is an annoyance, but not a safety problem, and occurs primarily in colder climates.

"At no time is steering lost, and once the car's engine warms up — usually in one or two minutes — the power assist for the steering is restored. In addition, contrary to a claim by the Center for Auto Safety, the condition does not occur 'suddenly,' while the vehicle is being driven," GM said.

The automaker added that under the special 5-year/50,000-mile policy, GM will reimburse owners who paid to have the condition fixed and will fix free any cars with the condition, within the limits of the policy. "We think that's fair," GM added.

GM addressed the consumer notification issue by saying, "GM publicly announced the special policy through a news release given to major national news outlets."

AUCTION DATES

Chrysler Motors

Feb. 9 — Florida Auto Auction of Orlando, Ocoee, Fla.; Aptco Auto Auction, Taylor, Mich.; Arena Auto Auction, Chicago; Dallas Auto Auction, Grand Prairie, Texas; Riverside Auto Auction, Riverside, Calif.; and South Seattle Auto Auction, Kent, Wash.

Feb. 10 — Southern Auto Auction, Warehouse Point, Conn., and Columbus Fair Auto Auction, Obetz, Ohio.

Feb. 11 — Utah Auto Auction, West Bountiful, Utah; Omaha Auto Auction, Omaha, Neb.; Indianapolis Auto Auction, Indianapolis; and Fredericksburg Auto Auction, Fredericksburg, Va.

Feb. 12 — St. Louis Auto Auction, Bridgeton, Mo.

Feb. 16 — American Auto Auction, Walpole, Mass.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Feb. 17 — Southwest Auto Auction, Phoenix, Ariz.; Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; Minneapolis Auto Auction, Plymouth, Minn.; and Denver Auto Auction, Aurora, Colo.

Feb. 18 — Clanton's Auto Auction, Darlington, S.C., and Northway Exchange, Clifton Park, N.Y.

Feb. 19 — Manheim Auto Auction, Manheim, Pa.

Feb. 23 — Florida Auto Auction of Orlando, Ocoee, Fla.; Aptco Auto Auction, Taylor, Mich.; Riverside Auto Auction, Riverside, Calif.; Arena Auto Auction, Chicago; Hatfield Auto Auction, Hatfield, Pa.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

Feb. 24 — Southern Auto Auction, Warehouse Point, Conn.; Columbus Fair Auto Auction, Obetz, Ohio; and Nashville Auto Auction, Nashville, Tenn.

Feb. 25 — Omaha Auto Auction, Omaha, Neb.; Utah Auto Auction, West Bountiful, Utah; Indianapolis Auto Auction, Indianapolis; and Fredericksburg Auto Auction, Fredericksburg, Va.

Feb. 26 — St. Louis Auto Auction, Bridgeton, Mo.

Ford Motor Co.

Feb. 10 — Atlanta Auto Auction, Red Oak, Ga.; Columbus Fair Auto Auction, Obetz, Ohio; and Concord Auto Auction, Acton, Mass.

Feb. 11 — Greater Chicago Auto Auction, Chicago; Dallas Auto Auction, Grand Prairie, Texas; Southwest Auto Auction, Phoenix, Ariz.; and Bay Cities Auto Auction, Hayward, Calif.

Feb. 17 — Lakeland Auto Auction, Lakeland, Fla., and Southern California Auto Auction, Fontana, Calif.

Feb. 18 — Albuquerque Auto Auction, Albuquerque, N.M.; Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

Feb. 19 — Interstate Auto Auction, Mercer, Pa.

Feb. 23 — South Seattle Auto Auction, Kent, Wash.

Feb. 24 — Columbus Fair Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Salt Lake Auto Auction, Salt Lake City

General Motors

Feb. 9 — Auto Dealers Exchange of Birmingham, Moody, Ala.; Harrisonburg Auto Auction, Harrisonburg, Va.; and Florida Auto Auction of Orlando, Ocoee, Fla.

Feb. 10 — Hatfield Auto Auction, Hatfield, Pa.; and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Feb. 11 — Butler Auto Auction, Gibsonia, Pa.; Denver Auto Auction, Englewood, Colo.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; and Nashville Auto Auction, Nashville, Tenn.

Feb. 12 — Aptco Auto Auction, Taylor, Mich.

Feb. 16 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

Feb. 17 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; Mississippi Auto Auction, Hattiesburg, Miss.; and Southern California Auto Auction, Fontana, Calif.

Feb. 18 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah

Feb. 19 — Ohio Auto Auction, Grove City, Ohio

Feb. 23 — Florida Auto Auction of Orlando, Ocoee, Fla., and Harrisonburg Auto Auction, Harrisonburg, Va.

Feb. 24 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Used Car Sales
Auction Averages

February 1988	$5,039
Month ago	—
Year ago	$5,587

Model Breakdown
Auction Averages

	FEB 1988	JAN 1988	DEC 1987
1988	$9,091	$8,839	
1987	$8,581	$8,435	$10,140
1986	$6,708	$6,516	$8,322
1985	$5,564	$5,501	$7,127
1984	$4,386	$4,349	$5,640
1983	$3,465	$3,362	$4,791
1982	$2,358	$2,383	$3,441
1981	$1,893	$1,926	$2,516
Overall Average	$5,039	$4,841	$5,898

Nittany auction opens in Pennsylvania

STATE COLLEGE, Pa. — A new auto auction on 18 acres has opened here to serve dealers in the central portion of the state.

The $500,000 Nittany Auto Auction facility includes a 3,000-square-foot auto reconditioning center that opened in late January. About five acres are fenced for storage.

The Tuesday auctions have been averaging registrations of about 100 cars per week from dealers. Sixty percent of the consignments are sold, said California-based consultant Tom Dreibelbis. Nittany owner Robert Stewart hired Dreibelbis, a former auctioneer, to assist in the start-up, marketing and promotion of the auction.

Contact the U-Haul Fleet Rotation Coordinator at the Anglo American auto auction nearest you for inventory information and sale dates for the "Big Deals, Big Wheels" sales.

Aptco Auto Auction Inc. (Detroit)
313 285-7300 Ray Nowacki
Arena Auto Auction Inc. (Chicago)
312 568-0900 Tom Weaver
Baltimore-Washington Auto Exchange Inc.
301 796-8899 Clive Webb
Capital Auto Auction Inc. (Columbia, SC)
803 794-9051 A O Bingenheimer
Colorado Springs Auto Auction Inc.
303 392-3406 Lynn Houtchens
Dallas Auto Auction Inc.
214 264-2344 Bob Peluso
Dealers Auto Auction of Albuquerque Inc.
505 898-1885 Marv Souther
Ft. Wayne Vehicle Auction Inc. (Indiana)
800 331-2150 Chris Walsh
219 422-9577
Golden Gate Auto Auction Inc. (San Francisco)
415 657-5660 Tim Donohue
Lauderdale-Miami Auto Auction Inc.
305 791-3520 Pat Paugh
Metro Auto Auction of Kansas City Inc. (Missouri)
816 525-1100 Ken Heins
Minneapolis Northstar Auto Auction Inc.
612 445-5544 Jerry Aman
Mississippi Auto Auction Inc. (Hattiesburg)
601 268-7550 Jim Lowery
Nashville Auto Auction, Inc.
615 244-2140 Mike Franklin
Omaha Auto Auction Inc.
402 331-9000 Hank Whitehead
Puget Sound Auto Auction Inc. (Washington)
206 735-1600 Jack Barthel
Southern States Vehicle Auction of Atlanta Inc.
800 223-2150 Donna Phillips
404 681-1618
Tri-City Auto Auction Inc. (Washington)
509 547-1701 Randy George
Tri-State Auto Auction Inc. (Amarillo)
806 358-3663 John Hirsch
West Palm Beach Auto Auction Inc.
305 790-1200 Jeff Herring

For more information on how the Auction Managed Fleet Plan can be tailored to your fleet, contact Dennis Thee at Anglo American Auto Auctions, 615 367-0822.

Anglo American Auto Auctions Inc.
Two International Plaza Drive
Suite 600
Nashville Tennessee 37217
615 367-0822

SALES

DOMESTIC CAR SALES

	Jan. 31 to Jan. 31, 1988	Same Period, 1987	Jan. 1988	Same Month 1987	Jan. 1 to Jan. 31, 1988	Same Period, 1987
Alliance	381	063	764	2,063	764	2,063
Eagle	197	138	421	358	421	358
Premier	959	0	1,543	0	1,543	0
Total Eagle	1,537	801	2,728	2,421	2,728	2,421
Horizon	1,540	2,680	3,077	6,082	3,077	6,082
Sundance	2,052	1,970	4,688	4,294	4,688	4,294
Turismo	73	574	167	1,205	167	1,205
Reliant	4,085	2,434	8,824	5,915	8,824	5,915
Caravelle	806	763	2,011	1,702	2,011	1,702
Gran Fury	390	212	756	432	756	432
Total Plymouth	8,946	8,633	19,523	19,630	19,523	19,630
Laser	0	242	0	526	0	526
LeBaron K	901	1,435	2,062	2,807	2,062	2,807
LeBaron J	2,789	767	6,108	1,531	6,108	1,531
LeBaron GTS	889	922	1,558	2,026	1,558	2,026
Fifth Avenue	2,550	1,148	5,092	2,876	5,092	2,876
New Yorker C	1,497	0	3,040	0	3,040	0
New Yorker E	1,079	1,022	2,284	2,038	2,284	2,038
Total Chrysler	9,485	5,536	20,144	11,806	20,144	11,806
Omni	1,251	2,452	2,688	5,074	2,688	5,074
Shadow	2,276	1,875	5,909	4,101	5,909	4,101
Charger	55	662	136	1,364	136	1,364
Daytona	2,422	447	5,320	886	5,320	886
Aries	3,745	2,327	8,108	5,786	8,108	5,786
Lancer	404	848	980	2,000	980	2,000
Diplomat	526	352	1,060	855	1,060	855
Dynasty	1,050	0	2,579	0	2,579	0
Dodge 600	788	830	1,904	1,947	1,904	1,947
Total Dodge	12,498	9,793	28,884	22,017	28,884	22,017
CHRYSLER MOTORS	32,468	24,763	71,079	55,874	71,079	55,874
Escort	11,411	7,572	28,296	15,977	28,296	15,977
Mustang	5,654	4,723	11,959	9,786	11,959	9,786
Tempo	9,145	6,727	22,421	14,126	22,421	14,126
Taurus	12,015	10,178	29,935	22,758	29,935	22,758
Thunderbird	4,509	2,869	10,568	6,971	10,568	6,971
Crown Victoria	3,809	2,584	8,871	6,255	8,871	6,255
Total Ford Div.	46,543	34,653	112,050	75,853	112,050	75,853
Lynx	2,085	1,303	5,203	2,602	5,203	2,602
Topaz	2,350	1,845	6,203	3,874	6,203	3,874
Sable	4,049	2,429	8,935	5,262	8,935	5,262
Cougar	2,908	2,185	7,940	5,017	7,940	5,017
Grand Marquis	3,379	2,585	7,767	5,926	7,767	5,926
Total Mercury	14,771	10,547	36,048	22,881	36,048	22,681
Continental	931	424	2,368	957	2,368	957
Lincoln	3,122	3,588	7,973	7,153	7,973	7,153
Mark VII	686	885	1,593	1,626	1,593	1,626
Total Lincoln	4,739	4,897	11,934	9,736	11,934	9,736
Total L-M Division	19,510	15,444	47,982	32,417	47,982	32,417
FORD MOTOR CO.	66,053	50,097	160,032	108,270	160,032	108,270
Skyhawk	1,134	986	2,758	2,345	2,758	2,345
Somerset Regal	2,041	1,996	4,584	4,472	4,584	4,472
Century	3,585	4,468	9,347	10,416	9,347	10,416
Regal	3,857	1,030	8,714	2,888	8,714	2,888
LeSabre	5,538	3,434	11,943	9,330	11,943	9,330
Riviera	134	0	134	0	134	0
Electra	3,293	2,277	8,899	5,187	8,899	5,187
Riviera	591	1,672	1,033	2,824	1,033	2,824
Total Buick	20,173	15,863	47,192	37,462	47,192	37,462
Cimarron	253	347	534	920	534	920
Allante	96	0	233	0	233	0
Seville	408	1,369	1,275	2,953	1,275	2,953
Cadillac	6,268	4,676	14,150	12,472	14,150	12,472
Eldorado	622	615	1,547	2,512	1,547	2,512
Total Cadillac	7,867	7,007	17,739	18,857	17,739	18,857
Chevette	13	1,805	50	5,878	50	5,878
Nova	3,123	2,083	5,095	5,478	5,095	5,478
Cavalier	7,826	10,459	20,083	22,259	20,083	22,259
Camaro	1,915	3,099	5,230	7,105	5,230	7,105
Celebrity	7,580	10,462	19,762	21,863	19,762	21,663
Corsica/Beretta	11,408	416	23,490	706	23,490	706
Monte Carlo	1,361	1,344	3,477	4,199	3,477	4,199
Chevrolet	4,770	3,861	10,973	11,479	10,973	11,479
Corvette	644	562	1,500	1,559	1,500	1,559
Total Chevrolet	38,642	34,091	89,660	80,326	89,660	80,326
Firenza	708	607	1,363	1,426	1,363	1,426
Calais	3,835	2,767	7,512	6,492	7,512	6,492
Cutlass Ciera	8,760	7,835	18,712	18,076	18,712	18,076
Cutlass Supreme	2,815	2,725	6,728	6,789	6,728	6,789
Olds 88	6,537	4,479	15,176	10,838	15,176	10,838
Olds 98	2,286	1,743	6,985	4,692	6,985	4,692
Toronado	431	337	1,059	1,210	1,059	1,210
Total Oldsmobile	25,192	20,493	57,545	49,503	57,545	49,503
Fiero	941	1,335	2,228	2,803	2,228	2,803
1000	22	410	51	910	51	910
Sunbird	2,566	3,129	5,996	5,819	5,996	5,819
Firebird	1,341	1,578	3,586	3,788	3,586	3,788
Grand Am	7,115	7,853	17,639	15,840	17,639	15,840
6000	3,729	4,571	8,806	9,996	8,806	9,996
Grand Prix	1,149	568	1,774	1,326	1,774	1,326
Bonneville H	4,890	2,498	10,749	5,259	10,749	5,259
Paris./Safari	255	2,753	673	618	673	618
Total Pontiac	22,008	22,195	51,504	46,359	51,504	46,359
GENERAL MOTORS	113,682	99,649	263,640	232,507	263,640	232,507
HONDA	13,592	13,784	22,371	19,898	22,371	19,898
Civic	3,389	5,058	5,540	6,705	5,540	6,705
Accord	10,203	8,706	16,831	13,193	16,831	13,193
MAZDA	897	0	1,342	0	1,342	0
NISSAN	2,525	3,455	5,114	6,469	5,114	6,469
TOYOTA	3,532	946	4,461	1,741	4,461	1,741
VOLKSWAGEN	1,740	1,495	3,186	2,819	3,186	2,819
DOMESTIC TOTAL	234,467	194,169	531,225	427,578	531,225	427,578
IMPORT TOTAL			229,459	195,941	229,459	195,941
INDUSTRY TOTAL			760,684	623,519	760,684	623,519

Light-Duty Truck Sales

January

	1988	1987
Vans	12,199	10,410
Aerostar	12,307	8,488
Club Wagon	1,825	1,830
Ranger	21,347	19,676
Bronco	4,222	3,212
Bronco II	9,552	8,072
Pickups	41,171	28,932
Ford	102,823	80,829
Vans	9,144	6,836
Sportsvan	1,004	778
Astro	10,358	8,839
S-10	18,728	13,520
S-10 Blazer	11,381	10,057
El Camino	175	921
Blazer	2,372	1,906
Suburban	4,036	3,086
Pickups	34,292	20,909
Chevrolet	91,490	66,754
Vans	3,505	4,215
Ram Wagon	1,847	2,273
Voyager	11,758	4,946
Caravan	12,690	5,618
Mini Ram Van	1,108	855
Ram 50	3,748	4,831
Raider	918	939
Ramcharger	1,642	1,349
Dakota	7,358	6,233
Pickups	6,976	9,464
Chrysler	51,548	37,225
Vans	2,318	2,584
Safari	1,922	1,911
S-15	3,060	3,102
S-15 Jimmy	2,471	2,524
Jimmy	564	579
Caballero	33	142
Suburban	1,286	1,144
Pickups	9,015	5,536
P Model	347	602
W-4	89	114
GMC	20,105	18,329
Wrangler/CJ	2,302	1,906
Wagoneer	743	1,147
Cherokee	9,480	9,092
Grand Wagoneer	1,354	1,282
Comanche	2,635	2,898
J-10/J-20	41	166
Jeep	16,555	16,491
Toyota	18,584	18,403
Nissan	15,073	15,894
Mazda	8,319	8,356
Isuzu	7,010	5,848
Mitsubishi	3,957	2,905
Suzuki	5,292	5,662
Subaru	2	264
Range Rover	246	0
Imports	58,483	57,332
Industry Total	348,888	276,356

January vehicle sales up 22% over '87 pace

By Philly Murtha and Joseph J. Bohn
AUTOMOTIVE NEWS STAFF REPORTERS

January's car and truck sales roared ahead of last year's sluggish pace that resulted from a late 1986 race to beat changes in the tax law.

Consumers bought 22.41 percent more imported and domestic cars and light-duty trucks in January than they did in the same month a year ago.

Combined vehicle sales rose to 1,101,490 compared with 899,869 in January 1987. Light-truck sales set another record with a 23.36 percent gain, and car sales moved up 22 percent for the month.

Despite rosier numbers, some dealers cautioned that last year's January sales dropped to near nadir levels because of the previous month's inflated sales.

"We expected an increase because last January was terrible. December 1986 was fantastic and we paid for it a year ago," said Larry Koss, general manager for Avon Lincoln-Mercury, Rochester, Mich.

"A return to normal" is how one Ohio dealer described this year's January sales.

Several dealers had mixed reviews about the month's sales but said incentives and working harder helped.

"We're a little slower than December but better than last January," said David Pirtle, general manager, Leachman Buick GMC Truck, Bowling Green, Ky. "We're going to have to go to sales and incentives to get people through the door. We have fresh inventory — Century, LeSabre and Regal are doing well."

A Pennsylvania Toyota dealer observed, "New-car sales were off 15 percent but our grosses were up 50 percent. We think it's because we're selling more select models and we're working a lot harder."

Where the U.S. market was, Jan. 1988

	Total Sales	Pct. of Total
SUBCOMPACT	80,339	7.93
COMPACT	147,973	19.48
INTERMEDIATE	207,941	27.34
STANDARD	110,877	14.58
SPECIALITY	4,095	0.54
IMPORT	229,459	30.16
TOTAL	760,684	100.00

This January, combined sales of imported and U.S.-built cars rose to 760,684 compared with 623,519 laat year.

Manufacturers retailed a record 340,806 light-duty trucks in January, up from the previous January high of 323,091 in 1986 and 276,350 vehicles retailed in the same month a year ago.

Last month's sales of cars made in the United States jumped to 531,225, an increase of 24.24 percent over last January's 427,578.

Six of the seven U.S. automakers managed to top last January's performance and reported gains of 12 to 156 percent for the month.

Import-car sales captured 30.16 percent of the January market and volume grew 17.11 percent to 229,459, up from 195,941, a year ago.

The month turned out better than dealers and manufacturers expected. The Big 3 U.S. companies shared 65.04 percent of total January car sales.

General Motors had 34.66 percent of total car sales in January; Ford Motor Co., 21.04 percent; and Chrysler Motors, 9.34 percent.

Imports took 30.16 percent of January sales. Transplants captured the remaining 4.8 percent of total car sales. Honda's U.S.-built share was 2.94 percent; Nissan had 0.67 percent; Toyota, 0.59 percent; Volkswagen, 0.42 percent; and newcomer Mazda, 0.18 percent.

Car sales climbed 47.81 percent ahead of last January for Ford. Taurus turned out to be the No. 1 seller in January with 29,935 units delivered.

Chrysler reported an increase of 30 percent in combined car and truck sales in January. Accelerated incentives boosted Chrysler's U.S. car sales 27.21 percent

GM sold 13.02 percent more cars in January than it did last year. Pontiac reported its best sales since last September. Grand Am deliveries topped any other January since it was introduced, according to J. Michael Losh, Pontiac general manager.

The industry selling rate in January averaged 30,427 cars per day this year compared with 23,982 a day in January 1987. There were 25 selling days this year and 26 last January.

January started with a 2.43 percent gain during the first 10 days compared to a year ago. Then, sales soared 48.19 percent ahead in the mid-month period and finished with a 20.76 percent upturn for Jan. 21-31.

For the final 10 days of January, only Nissan and Honda sold fewer cars than they did last year. Chrysler and Ford celebrated 31 percent gains; GM delivered about 14 percent more cars; Volkswagen was up about 16 percent; and

Continued →

U.S. CAR SALES BY MARKETING UNITS

	Jan. 1988	Percent Share	Jan. 1987	Percent Share
Alfa Romeo	241	0.03	511	0.08
American Honda	53,869	7.08	46,047	7.39
BMW	4,596	0.60	5,013	0.80
Buick	47,192	6.20	37,462	6.01
Cadillac	17,739	2.33	18,857	3.02
Chevrolet	99,367	13.06	90,254	14.47
Chrysler	20,693	2.72	12,390	1.99
Daihatsu	1,023	0.13	0	0.00
Dodge	32,177	4.23	26,311	4.22
Eagle	5,383	0.71	2,421	0.39
Ford	117,138	15.40	75,853	12.17
Hyundai	22,324	2.93	18,006	2.89
Isuzu	1,561	0.21	1,950	0.31
Jaguar	1,168	0.15	1,057	0.17
Lincoln	11,934	1.57	9,736	1.56
Maserati	50	0.01	60	0.01
Mazda	19,337	2.54	11,043	1.77
Mercedes	5,809	0.76	6,086	0.98
Mercury	38,777	4.83	23,091	3.70
Mitsubishi	5,280	0.69	2,326	0.37
Nissan	32,915	4.33	42,436	6.81
Oldsmobile	57,545	7.56	49,503	7.94
Peugeot	353	0.05	920	0.15
Plymouth	22,780	2.99	23,455	3.76
Pontiac	55,083	7.24	46,359	7.44
Porsche	1,137	0.15	1,654	0.27
Saab	2,719	0.36	3,680	0.59
Sterling	951	0.13	0	0.00
Subaru	9,959	1.31	8,734	1.40
Toyota	46,590	6.12	31,046	4.98
Volvo	8,669	1.14	12,619	2.02
VWoA	15,711	2.07	10,492	1.68
Yugo	2,614	0.34	4,174	0.67
TOTAL	760,684	100.00	623,519	100.00
TOTAL GM	276,926	36.41	242,435	38.87
TOTAL FORD	165,849	21.80	108,680	17.43
TOTAL CHRYSLER	81,033	10.66	64,577	10.36
TOTAL JAPANESE	170,534	22.42	143,[illegible]	23.03
TOTAL EUROPEAN	44,018	5.79	46,2[illegible]	7.42
TOTAL KOREAN	22,324	2.93	18,006	2.89

*Big 3 totals include their captive imports.
Percent share may contain error of one or two points due to rounding.

Toyota's sales almost tripled. Mazda sold 897 cars from its Flat Rock, Mich., plant.

Light-truck manufacturers kicked off 1988 with a January record and continuing gains in market share for domestic companies.

Domestic manufacturers continued to gain market share at the expense of foreign competitors.

GM, Ford and Chrysler, including Jeep, retailed 282,323 light trucks last month, for an 82.84 percent share of the total market. That was up substantially from their 219,018 retail sales and a 79.25 percent market share in like 1987.

Foreign companies, although they increased their sales volume marginally, lost several percentage points of market share. They retailed 58,483 units, up from 57,332 a year earlier. Their market share fell to 17.16 percent from 20.75 percent a year earlier, continuing a trend that began in the second half of 1987.

All domestic companies had gains for the month; while most importers, with the exception of Isuzu and Mitsubishi, registered declines.

The three largest Japanese competitors, Toyota, Nissan and Mazda, posted declines in the otherwise robust market.

Chevrolet had the largest gain with sales of 91,490 units, up 39.14 percent from the year earlier's 65,754.

Chrysler's sales of 51,550 light trucks were up a sharp 36.29 percent over the 37,825 units sold in like 1987.

And Ford, with 102,6[illegible] retail sales, was up 27.29 percent from 80,620 in 1987.

GMC had a more moderate 9.70 percent increase on sales of 20,105 units. The company retailed 18,328 light trucks in the year-earlier period.

And Jeep, with 16,555 retail deliveries, just barely edged out its 16,491 performance of a year earlier.

While most domestic vehicle lines were up, Ford and GM had their biggest gains in full-sized pickup trucks while Chrysler more than doubled sales of its minivans.

Suzuki, which was the fastest-growing importer just a year ago, continued in the doldrums with 5,292 sales, off from 5,662 in like 1987.

Imported Car Sales

	Jan. 1988	Jan. 1987
Acura	9,037	5,667
Alfa Romeo	241	511
Audi	1,439	2,072
BMW	4,596	5,013
Chevrolet	9,707	9,928
Chrysler	549	584
Daihatsu	1,023	0
Dodge	3,493	4,294
Ford	5,088	0
Eagle	2,655	0
Honda	22,461	20,482
Hyundai	22,324	18,006
Isuzu	1,561	1,950
Jaguar	1,168	1,057
Maserati	50	60
Mazda	17,995	11,043
Mercedes-Benz	5,809	6,066
Mercury	729	410
Mitsubishi	5,280	2,328
Nissan	27,801	35,967
Peugeot	353	920
Plymouth	3,257	3,825
Pontiac	3,579	0
Porsche	1,137	1,654
Saab	2,719	3,060
Sterling	951	0
Subaru	9,950	8,734
Toyota	42,129	29,305
Volkswagen	11,066	5,574
Volvo	8,660	12,619
Yugo	2,614	4,174
TOTAL	229,459	195,941

Sales charts compiled by Karen Dellenski

EUROPE

FROM PAGE 2

Germany, the United Kingdom, France, Italy and Spain — all achieved record volume in 1987 and cumulative sales in those nations have increased more than 20 percent since 1984.

"As this period has also been accompanied by efforts to reduce the break-even point across the industry, the potential for financial improvement is obvious," said a report released last week by Nomura Research Institute in Europe.

"What is also clear, however, is that this benefit is distributed unequally: Volume car manufacturers swing on this uptrend, but the specialist makers have not shared in this market boom and additionally face profit pressure from the dollar decline."

"The most vulnerable are those dealing with the U.S.," said Sanjay Dabysing of DRI-Europe in London. "But most of these companies are well covered for 1988 with regard to currency exchange rates, so they are still going to make decent money. We don't forecast a recession for the U.S."

"There is more uncertainty about 1989," added Steven Reitman of Phillips & Drew in London.

Reitman predicted that the average dollar exchange rate for German manufacturers in 1989 will drop about 17 percent from 1988, during which most importers are believed to be hedged at a rate of about 1.80 marks to the dollar.

That compares with a 10 percent decline in 1988 vs. 1987, as manufacturers operate this year with forward currency contracts purchased before the precipitous decline in the dollar in the last four months of 1987.

Here is a rundown of the profit picture for major European carmakers.

BMW

Specific figures for 1987 have not been disclosed, but earnings should be consistent with 1986, when the parent company, without world results consolidated, showed a net profit of 337.5 million marks ($200.8 million).

"We sell more than two-thirds of our cars and motorcycles in countries where the value of the D-mark has remained relatively constant for years," said Finance chief Volker Doppelfeld.

Daimler-Benz

Given the dollar's fall and the uncertainty in financial markets, Daimler said it achieved a "satisfactory result" for 1987. Earnings are thought to be about even with 1986, when Daimler made a net profit of nearly 1.8 billion marks ($1.07 billion). Analysts generally expect a slight downturn in 1988 after the group's flat performance in 1987.

Though its results are not broken out, the passenger-car operation is widely considered to have been the most profitable in the world in recent years, and it sells a smaller proportion of cars in the United States than competitors. Mercedes will invest heavily in new-car programs during the next five years.

Fiat Auto

Pre-tax operating profits for the group in 1987 increased 31 percent to 3.22 trillion lire ($2.61 billion). For Fiat Auto, which included Alfa Romeo, Chairman Vittorio Ghidella has said that 1987 operating profits are estimated at 10 percent of sales, or about $1.75 billion.

Despite a string of healthy profit gains since the early 1980s, Chairman Giovanni Agnelli said recently, "The short- and medium-term group prospects present us with new and more difficult commitments."

Ford

Net profits for Ford's European operations almost doubled from $326 million in 1985 to $559 million in 1986. There is speculation whether 1987 returned to the heady days of $1 billion European profits last seen in the late 1970s, when Ford of Europe kept the worldwide operation afloat. Ford of Germany has helped by pulling out of the red in 1986.

General Motors

GM said it returned to profitability in Europe last year after suffering net losses of $343 million in 1986 and $371 million in 1985. Exceptional items accounted for almost $360 million in 1986, more than the total deficit. Those items included $100 million to cover the cost of shutting down medium- and heavy-truck production at Bedford in the United Kingdom.

Adam Opel in West Germany has returned to profitability and Vauxhall, GM's passenger-car unit in the United Kingdom, is expected to report an operating profit for 1987 following a record net loss of 61.7 million pounds ($109 million) in 1986.

Jaguar

Analysts expect profits of £90-98 million ($159-$173 million) before taxes in 1987, down from £120.8 million ($213.8) in 1986. Higher-than-expected costs of launching the new XJ-6 sedan and the declining dollar are cited for the drop.

Most observers expect a return to 1986 profit levels or better in the current year if there is no major U.S. economic fallout. However, some see another decline in 1989 as the benefits of favorable currency hedging run out.

Peugeot SA

Figures for 1987 will not be released until May, but analysts estimate that Peugeot — which pulled out of the red in 1985 — nearly doubled its consolidated net income last year to around 7 billion francs ($1.24 billion) from 3.6 billion ($638 million) in 1986.

Opinions vary for 1988, with some anticipating a small decline as past tax write-offs built up during red-ink years run out. Both the Automobiles Peugeot and Automobiles Citroen divisions are now well into the black, and PSA Chairman Jacques Calvet has said he wants the company to be Europe's most profitable automaker by the early 1990s.

Porsche

Battered by the weak dollar and reduced sales of its four-cylinder models, net profits fell to 51.9 million marks ($30.9 million) in the fiscal year ended last July 31. That was down from 75.5 million marks ($44.9 million) in 1985-86 and 120 million marks ($71.4 million) the year before.

New Chairman Heinz Branitzki said recently that the company will not slip into the red for the current fiscal year, but he also said that the profit figure will not be "bombastic."

Renault

Renault is expected to report net profits of 3 billion to 4 billion francs ($531 million-$709 million) for 1987 after accumulating losses of 27 billion francs ($4.79 billion) during the previous three years.

The French government is still eager to change the corporate status of Renault from a state agency to that of a state-owned commercial company. The change would be accompanied by a 12 billion franc ($2.13 billion) debt write-off necessary to restructure the group's balance sheet.

However, even after the debt writeoff, Renault would remain saddled with nearly 40 billion francs ($7.09 billion) in debts.

Rover Group

The British government-owned group that includes Austin Rover has said it expects to report an operating profit for 1987, paving the way for the group's eventual privatization. The pre-tax profit would be the group's first since 1983.

Rover, which last year sold part of Leyland Trucks and other units, had an operating loss of £240.7 million ($426 million) in 1986 and had a net deficit of £892 million ($1.58 billion). Half-year results in 1987 showed an operating loss of £7.3 million ($12.9 million), down from £71.1 million ($125.8) for the same period the year before.

Rover is expected to duplicate its operating profit in 1988, but the outlook for net results is uncertain, what with an accumulated deficit of £2.6 billion ($4.6 billion) and a further £800 million ($1.4 billion) owed to banks.

Saab-Scania

Pre-tax profits dropped 10 percent through the first eight months of 1987, but analysts expect that Saab-Scania will report a 1987 profit of about 3.25 billion kronor ($541 million), nearly even with 1986's 3.29 billion ($547 million).

The late-year surge was based on improvement at Scania truck operations. A slight decline to about 3.2 billion kronor ($532 million) is predicted for 1988.

Volkswagen

Pre-tax profits for 1987 should be much the same as the 2.1 billion marks ($1.25 billion) the group earned in 1986. VW experienced financial setbacks in the United States and Latin America last year, but offset that with a first-place 15 percent market share in Western Europe.

VW will introduce the new Passat in 1988, bolstering itself in the mid-range where it has not performed well.

Conditions in the United States and Latin America remain question marks insofar as 1988 results are concerned, but the general expectation is for another flat year.

Audi's new chairman, Ferdinand Piech, recently termed 1987 profits "unsatisfactory," though figures have not been released. Profits dropped 16 percent in 1986 to 102 million marks ($60.7 million).

Volvo

AB Volvo finished 1987 with record pre-tax profits of 9 billion kronor ($1.5 billion), up 20 percent from the year before and an all-time Volvo record. Despite the lower dollar, profits doubled in the fourth quarter. The outcome took analysts by surprise following expectations of unchanged results in 1987.

Much of the strength was provided by the truck and food divisions, which more than compensated for a decline in cars, Volvo said. Earnings for individual divisions have not yet been released.

AIR BAGS

FROM PAGE 1

the company would consider keeping 1,000 workers at Kenosha for an extended production period if the market held up for the cars.

"We don't say the car is dying, but it keeps on taking new life and I guess it's because some people like heavier, formal, V-8 engine cars," Iacocca said.

Also starting in May, Chrysler will install motorized safety belts in its compact Dodge Shadow and Plymouth Sundance models.

Motorized belts currently are used in the Eagle Medallion, imported by Chrysler Motors from Renault, and the Conquest TSi, imported from Mitsubishi Motors Corp.

A number of air-bag component manufacturers in the United States and abroad will supply the Chrysler system. It consists of two crash sensors located on the vehicle's radiator closure panel, an electronic control module (with another crash sensor) in the front interior area of the car and the air-bag module in the steering wheel.

Said a Chrysler source: "By the time the driver air-bag system is offered to our customers (starting this spring), we will have logged in excess of one-million miles with air bags, in order to assure the reliability of the system.

"We think the componentry has matured to the point where it is now ready to be offered in high volume to the buying public."

Chrysler Motors plans to expand the application of driver-side air bags as standard equipment on several other car lines in the 1990 model year.

The company plans to introduce passenger-side air bags — also as standard equipment — in the 1993-94 model year time frame.

General Motors currently offers driver-side air bags as optional equipment in the Oldsmobile Delta 88.

Ford Motor Co. offers them as options on Ford Tempo and Mercury Topaz models and is expected to make driver- and passenger-side air bags standard on the 1989 Lincoln Continental.

OBITUARIES

Bill Luke

PHOENIX, Ariz. — Bill Luke, 79, retired owner of Bill Luke Chrysler-Plymouth here, died Jan. 26. He founded the dealership in 1927, and it is the oldest C-P outlet in Arizona. The store is now owned by his son, Don. Mr. Luke was the brother of World War I flying ace, Frank Luke Jr., for whom Luke Air Force Base in Glendale, Ariz., was named.

C.V. Nalley Jr.

ATLANTA — C.V. Nalley Jr., 72, retired owner of Nalley Chevrolet and Nalley Honda here, died Dec. 18. He sold the dealerships to his son, C.V. "Jim" Nalley III, in 1977. He had also previously owned dealerships in Jasper and Gainesville.

PRODUCTION

Trucks up, cars down in January

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

U.S. auto production last month dropped to its lowest level for any January since 1983, while truck output climbed to its highest total for any January since 1979.

Car production hit 477,103 units last month, 1.14 percent below December's 482,622 and 25.36 percent below the year-ago month's 639,223. This was the lowest figure since January 1983 when 452,949 were built.

Last week, automakers targeted 137,195 cars to be built, 7.89 percent more than the prior week's 127,166, but 22.74 percent below the year-ago week's 177,573.

Companies split last week's targeted production as follows: General Motors, 42.53 percent; Ford Motor Co., 29.99 percent; Chrysler Motors, 14.80; Honda of America Manufacturing Inc., 5.55 percent; New United Motor Manufacturing Inc., 2.37 percent; Nissan Motor Manufacturing Co. U.S.A., 2.37 percent; Volkswagen of America, 1.46 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 0.93.

Truck production for January totaled 331,392, the highest output for that month since January 1979 when 336,734 were built.

Last month's output was 16.09 percent more than December's 285,458, and 6.31 percent more than the year-ago month's 311,736.

Last week's scheduled truck output of 82,559 dipped 5.11 percent from the previous week's 87,004. It was 5.59 percent above the year-ago week's 78,185.

Volkswagen's plant in Westmoreland, Pa., closed this week due to a shortage of parts supplied by its Mexican plant, which was idled by a strike. The plant is slated to reopen Feb. 15.

GM's Van Nuys, Calif., plant resumed output today. The plant had been idle last week for inventory adjustment.

GM's Tarrytown, N.Y., plant resumed output last week after being idle for installation of equipment.

Chrysler's Warren, Mich., truck plant remains idle for inventory adjustment.

January output rises in Canada

Canadian auto production last month totaled 86,420 units, 18.18 percent more than the December output of 73,127, and 15.83 percent more than the year-ago month's 74,603.

Last week's scheduled auto production of 23,155 was 2.55 percent more than the prior week's 22,579, and 15.86 percent more than the year-ago week's 19,985.

So far this year, 110,397 cars have been assembled, 14.93 percent more than the 96,053 built last year at this point.

Truck output during January totaled 73,674 units, 14.13 percent more than December's 64,554, and 18.30 percent more than the year-ago month's 62,277.

Truckmakers targeted 17,665 units to be built last week, 12.30 percent below the previous week's 20,143, but 9.56 percent more than the year-ago week's 16,123.

U.S. CAR	Week Ended Feb. 6, 1988	Week Ended Feb. 7, 1987	Week Ended Jan. 30, 1988	Jan. Total	Jan. 1 to Feb. 6, 1988	Jan. 1 to Feb. 7, 1987
Alliance	0	687	0	0	0	3,891
Total Eagle	0	687	0	0	0	3,891
Horizon	2,000	4,016	1,887	6,363	8,363	18,256
Sundance	2,309	2,415	2,273	8,348	10,648	10,824
Reliant	2,280	3,197	2,086	4,611	6,811	13,304
Caravelle	600	1,266	493	1,375	1,968	5,931
Gran Fury	400	0	284	841	1,241	0
Total Plymouth	7,500	10,894	6,803	21,536	29,031	48,317
LeBaron K	400	2,095	359	675	1,075	7,970
LeBaron J	0	1,554	0	0	0	7,167
LeBaron GTS	200	994	193	670	870	3,474
N. Yorker E-Class	0	1,641	0	0	0	8,251
N. Yorker C-Class	2,000	0	1,853	6,283	8,283	0
Fifth Avenue	1,200	0	1,242	5,157	6,357	0
Total Chrysler	3,800	6,284	3,647	12,785	16,585	26,862
Omni	1,900	3,412	1,589	6,115	8,015	15,860
Daytona	0	781	0	0	0	3,551
Shadow	2,200	2,213	2,120	8,553	10,753	9,801
Aries	1,800	2,475	2,027	4,607	6,407	12,208
Dodge 600	400	954	390	1,062	1,462	5,456
Dynasty	2,000	0	1,961	6,974	8,974	0
Lancer	300	546	219	908	1,208	3,038
Diplomat	400	0	268	1,309	1,709	0
Total Dodge	9,000	10,381	8,574	29,528	38,528	49,916
CHRYSLER MOTORS	20,300	28,246	19,024	63,851	84,144	128,986
Escort	9,006	7,642	9,200	36,178	45,184	37,190
Mustang	4,591	5,234	4,628	18,258	22,849	23,481
Tempo	4,353	4,033	4,030	17,209	21,562	20,547
Taurus	7,829	10,365	8,458	32,156	39,985	50,753
Thunderbird	3,456	2,733	3,462	12,581	16,037	13,443
Total Ford Div.	29,235	30,007	29,778	116,382	145,617	145,414
Lynx	0	1,505	0	0	0	6,463
Topaz	2,000	1,306	1,486	6,385	8,385	6,719
Cougar	2,311	4,077	2,308	10,499	12,810	20,092
Sable	2,742	3,262	2,150	8,162	10,904	15,382
Total Mercury	7,053	10,150	5,944	25,046	32,099	48,656
Continental	975	370	726	2,978	3,953	1,941
Mark VII	644	557	649	2,281	2,925	2,912
Lincoln	3,241	2,777	2,776	12,492	15,733	14,560
Total Lincoln	4,860	3,704	4,151	17,751	22,611	19,413
Total L-M Division	11,913	13,854	10,095	42,797	54,710	68,069
FORD MOTOR CO.	41,148	43,861	39,873	159,179	200,327	213,483
Skyhawk	0	668	1,044	3,118	3,118	6,321
Skylark/Somerset	315	1,860	572	2,984	3,299	10,672
Century	1,709	4,338	0	2,871	4,580	21,077
Regal (rwd)	0	1,202	0	0	0	4,815
Riviera	247	369	186	186	433	3,520
Electra	1,258	2,625	1,259	5,969	7,227	10,372
LeSabre (fwd)	2,400	1,771	2,370	9,455	11,855	10,815
LeSabre (rwd)	150	465	60	402	552	3,070
Reatta	180	0	43	177	282	0
Total Buick	6,259	13,298	5,534	25,162	31,346	70,662
Cimmaron	296	249	279	1,135	1,431	2,583
Eldorado	804	265	617	617	1,421	2,017
Seville	596	427	461	461	1,057	4,782
Brougham (rwd)	0	1,764	0	0	0	8,357
Deville (fwd)	4,000	3,779	4,033	14,843	18,843	17,933
Allante	50	52	30	65	80	217
Total Cadillac	5,746	6,536	5,420	17,121	22,832	35,889
Cavalier	6,737	7,708	6,632	26,681	33,418	34,552
Camaro	1,195	2,863	1,918	3,826	5,022	8,987
Celebrity	4,135	8,327	0	6,535	10,670	40,792
Corsica/Beretta	7,700	8,692	8,189	24,445	32,145	22,507
Monte Carlo	0	1,705	0	0	0	5,315
Caprice	4,530	5,197	4,425	17,194	21,726	18,302
Corvette	440	650	451	1,610	2,050	3,225
Total Chevrolet	24,737	35,142	21,615	80,291	105,031	133,680
Calais	2,085	2,967	1,794	8,296	10,381	13,322
Firenza	0	349	536	1,568	1,568	3,535
Cutlass Ciera	0	4,737	0	0	0	20,796
Cutlass Supreme	2,207	1,113	2,392	7,388	8,501	1,979
Toronado	493	267	327	327	820	2,559
88 (fwd)	3,205	5,604	3,283	13,470	16,675	22,041
88 (rwd)	284	446	320	1,254	1,538	2,107
Olds 98	1,822	2,032	1,830	6,607	8,429	8,642
Total Oldsmobile	10,096	17,515	10,482	38,910	47,912	74,981
Sunbird	2,527	2,717	2,190	8,512	11,039	11,168
Grand Am	4,800	5,311	4,859	19,242	24,042	27,245
Firebird	825	2,520	2,052	4,005	4,830	7,263
Pontiac 6000	1,083	1,628	0	86	1,169	8,491
Bonneville	1,975	3,088	1,932	7,704	9,679	16,011
Safari/Parisienne	106	465	194	348	454	1,076
Fiero	200	972	0	0	200	2,696
Total Pontiac	11,516	16,701	11,227	39,897	51,413	73,950
GENERAL MOTORS	58,354	89,192	54,278	201,381	258,534	369,162
HONDA	7,618	7,247	6,673	27,591	35,209	35,666
Civic	1,840	2,803	1,665	6,672	8,512	15,880
Accord	5,778	4,444	5,008	20,919	26,697	19,786
MAZDA	1,275	0	865	3,052	4,327	0
NISSAN	3,250	2,889	1,338	5,352	8,602	14,642
NUMMI	3,250	4,135	3,237	12,793	16,038	20,288
Corolla	1,200	838	1,193	4,672	5,910	4,144
Nova	2,050	3,297	2,044	8,121	10,128	16,144
VOLKSWAGEN	2,000	2,003	1,878	3,904	5,904	7,928
Golf/GTI	1,500	1,753	1,378	2,505	4,404	6,928
Jetta	500	250	500	1,399	1,500	1,000
Total Cars, U.S.	137,195	177,573	127,166	477,103	613,065	810,155
Total Cars, Canada	23,155	19,985	22,579	86,420	110,397	96,053
U.S., Canada Cars	160,350	197,558	149,745	563,523	723,462	906,208
U.S., Canada Cars and Trucks	260,574	291,866	256,892	968,589	1,228,796	1,370,976

Monthly estimates may contain error of one or two units due to rounding.

CANADIAN CAR	Week Ended Feb. 6, 1988	Week Ended Feb. 7, 1987	Week Ended Jan. 30, 1988	Jan. Total	Jan. 1 to Feb. 6, 1988	Jan. 1 to Feb. 7, 1987
Eagle	0	—	0	0	0	—
Premier	1,650	—	1,650	6,236	7,886	—
CHRYSLER MOTORS	1,650	151	1,650	6,236	7,886	755
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,037	—	4,127	16,919	20,950	—
Topaz	1,723	—	1,445	5,451	8,003	—
Crown Victoria	2,899	—	2,697	11,224	14,127	—
Grand Marquis	2,861	—	2,508	10,522	13,378	—
FORD MOTOR CO.	11,520	10,959	10,777	44,116	56,458	55,894
Celebrity	0	—	836	2,027	2,027	—
Cutlass Ciera	4,955	—	4,102	14,256	19,211	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	870	—	1,180	4,798	5,668	—
Regal	3,360	—	3,333	12,280	15,640	—
GENERAL MOTORS	9,185	8,502	9,453	33,361	42,546	37,927
HONDA	700	126	589	2,287	2,987	529
VOLVO	100	247	110	420	520	1,148
Total Cars, Canada	23,155	19,985	22,579	86,420	110,397	96,053

U.S. TRUCK☆	Week Ended Feb. 6, 1988	Week Ended Feb. 7, 1987	Week Ended Jan. 30, 1988	Jan. Total	Jan. 1 to Feb. 6, 1988	Jan. 1 to Feb. 7, 1987
Caravan	1,900	—	2,258	7,655	9,555	—
Dakota	0	—	3,180	12,622	12,622	—
Mini-Ram Van	300	—	353	1,197	1,497	—
Pickups	0	—	1,587	6,299	6,299	—
Total Dodge	2,200	5,273	7,378	27,773	29,973	22,889
Cherokee	3,800	—	3,772	14,544	18,344	—
Comanche	1,000	—	1,096	3,993	4,993	—
Grand Wagoneer	400	—	350	1,177	1,444	—
Pickups	0	—	0	0	0	—
Wagoneer	300	—	289	1,044	1,477	—
Total Jeep	5,500	4,517	5,507	20,758	26,258	22,286
Voyager	1,800	—	2,059	6,974	8,774	—
Total Plymouth	1,800	—	2,059	6,974	8,774	—
CHRYSLER MOTORS	9,500	9,790	14,944	55,505	65,005	45,175
Aerostar	5,109	—	4,460	17,887	22,996	—
Bronco	1,275	—	1,252	5,043	6,318	—
Bronco II	3,022	—	3,004	12,648	15,670	—
Econoline	4,908	—	5,238	20,230	25,138	—
Heavy trucks	1,268	—	1,333	5,307	6,575	—
Light trucks	10,424	—	10,047	38,319	48,743	—
Ranger	7,395	—	7,795	28,924	36,319	—
Total Ford Div.	33,401	32,806	33,129	128,358	161,759	162,097
FORD MOTOR CO.	33,401	32,806	33,129	128,358	161,759	162,097
Astro	3,796	—	3,549	13,811	17,607	—
Blazer	535	—	629	2,228	2,763	—
Mediums/Heavies	325	—	264	1,563	1,888	—
P-Model	900	—	948	3,944	4,844	—
Pickups	6,215	—	6,135	23,442	29,657	—
S-10	5,542	—	5,079	20,161	25,703	—
S-10 Blazer	3,340	—	3,239	9,338	12,678	—
Sportsvan/Van	1,428	—	831	5,110	6,538	—
Suburban	1,455	—	1,897	5,594	7,049	—
Total Chevrolet	23,536	22,481	22,371	85,191	108,727	112,197
Jimmy	160	—	212	744	904	—
Mediums/Heavies	925	—	1,010	3,465	4,390	—
P-Model	120	—	67	217	337	—
Pickups	2,245	—	2,000	8,455	10,700	—
S-15	1,483	—	1,568	5,481	6,964	—
S-15 Jimmy	860	—	824	1,916	2,776	—
Safari	951	—	836	3,582	4,533	—
Suburban	625	—	827	3,378	4,003	—
Vandura/Rally Vans	952	—	1,388	3,965	4,917	—
Total GMC	8,321	7,845	8,734	31,203	39,524	37,597
GENERAL MOTORS	31,857	30,326	31,105	116,394	148,251	149,794
NAVISTAR	1,801	1,280	1,807	7,183	8,984	7,486
NISSAN	3,250	1,633	3,269	12,952	16,202	8,546
AM GENERAL*	450	50	450	1,800	2,250	250
MISCELLANEOUS*	2,300	2,300	2,300	9,200	11,500	11,500
Total Trucks, U.S.	82,559	78,185	87,004	331,392	413,951	384,848

CANADIAN TRUCK	Week Ended Feb. 6, 1988	Week Ended Feb. 7, 1987	Week Ended Jan. 30, 1988	Jan. Total	Jan. 1 to Feb. 6, 1988	Jan. 1 to Feb. 7, 1987
Caravan	3,036	—	3,156	12,132	15,168	—
Mini-Ram Van	226	—	250	902	1,130	—
Ram Wagon	0	—	557	1,666	1,666	—
Ram Van	0	—	1,384	4,161	4,161	—
Total Dodge	3,264	9,324	5,347	18,861	22,125	43,572
Voyager	2,880	—	2,963	11,337	14,217	—
Total Plymouth	2,880	—	2,963	11,337	14,217	—
Wrangler	1,018	—	1,087	3,713	4,731	—
Total Jeep	1,018	642	1,087	3,713	4,731	3,093
CHRYSLER MOTORS	7,162	9,966	9,417	33,911	41,073	46,665
FORD MTR. (lt. trks.)	3,648	3,185	3,676	14,272	17,944	16,576
Light trucks	3,301	—	3,323	12,174	15,475	—
Vans	1,375	—	1,388	4,886	6,263	—
Total Chevrolet	4,676	—	4,711	17,062	21,738	—
Light trucks	1,379	—	1,540	5,289	6,668	—
Vans	575	—	575	2,239	2,814	—
Total GMC	1,954	—	2,115	7,528	9,482	—
GENERAL MOTORS	6,630	2,776	6,826	24,590	31,220	15,679
NAVISTAR	225	196	224	901	1,126	1,000
Total Trks., Canada	17,665	16,123	20,143	73,674	91,363	79,920
U.S., Canada Trks.	100,224	94,308	107,147	405,066	505,314	464,768

☆—Includes window van production. *—Estimated
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News®

February 15, 1988

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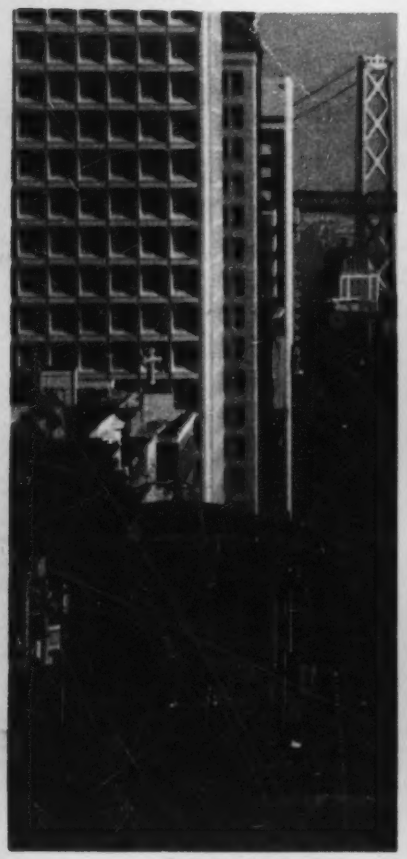

AUTOMOTIVE NEWS/JOE WILSEENS PHOTOS

Unusually warm weather tempted attendees to find the time to do some cable car cruising and Golden Gate Bridge crossing

Payton, right, replaces Caplinger as NADA president for 1988

Miss America Kay Lani Rae Rafko as greeter

Megadealing was a hot topic at workshops

Japan's top public dealer looks to U.S.

By Richard Feast and Kathleen M. Hamilton
AUTOMOTIVE NEWS STAFF REPORTERS

SAN FRANCISCO — Tokyo Nissan, the largest publicly owned auto dealer group in Japan, wants to compete in the U.S. retail market.

Masaru Izumi, the company's president and also chairman of the Japan Automobile Dealers Association, confirmed the plan at last week's National Automobile Dealers Association convention.

The development parallels the declared aim of Britain's Lex Service, another public company, to expand into the U.S. new-car market.

At the same time, the board of directors of NADA adopted a resolution supporting public ownership of new-car dealerships at its Feb. 6 meeting in San Francisco, and the American International Automobile Dealers Association came out in support of public ownership.

And, last Thursday, Wichita, Kan., dealers Edward and Michael Steven began the public sale of shares in their collection of import franchises. They filed to go public last November.

The moves seem likely to increase pressure on the major U.S. automakers to accept public ownership in their dealer networks.

In private meetings with large, influential dealers and NADA officials in San Francisco, for instance, high-ranking General Motors officials indicated they were reconsidering GM's long-held opposition to public ownership. Those officials told the dealers that they were seeking high-quality dealers — first and foremost — and that it was likely GM would allow public ownership of dealerships on a selective, case-by-case basis.

"There should be more information forthcoming from GM in the next several weeks," according to one source attending a meeting with top GM officials. "But they seem to be developing the right attitude."

Tokyo Nissan President Izumi said, "Competition is very tough in America, but I am confident that we

see IZUMI, page 122

Makers get the lowdown from dealers

Complaints, little praise at frank NADA sessions

SAN FRANCISCO — Make meetings at this year's National Automobile Dealers Association convention ran the gamut from boom to bust, largely mirroring the fortunes of dealers based on their mix of franchises.

In the testier meetings, General Motors dealers told of struggles and heard about recovery plans; complaining Chrysler Motors dealers were asked to be patient while the Jeep-Eagle merger shakes out; and Nissan, Subaru and American Isuzu dealers learned of plans to help their franchises bounce back.

Among those suffering or bracing for tough times, German high-liners told of expecting more of a shakeout and needing model mixes that will allow them to compete at lower prices, market-numbed Audi dealers heard of new marketing programs to prop up prices and stabilize Audi's slide and Volkswagen dealers were told that company officials were optimistic they could avoid U.S. government tariffs on the Brazil-built Fox.

see MAKE MEETINGS, page 104

Even if you didn't like raw fish, there was no reason for NADA conventioneers to go hungry

NADA: *Dealers' mood positive despite many problems*

By Richard Feast
AUTOMOTIVE NEWS STAFF REPORTER

SAN FRANCISCO — Auto dealers face tougher times — and not just because 1988 sales have started with a whimper.

They left the National Automobile Dealers Association annual convention here last week with some lofty issues ringing in their ears.

Talk of excess North American manufacturing capacity, more brands entering the market, pending trade legislation in Congress, international politics and budget deficits may all seem a little remote, but sooner or later they will impact everyone in the business, including the "Ma and Pa" country store.

HIGHLIGHTS

Make Meetings 104-108
Computers 108
Exhibits 110-111
Receptions 112-113
Workshops 114-118
Convention 119-121

Being the good salespeople they are, though, the mood among NADA delegates was positive. Jimmy C. Payton, the new NADA president, set the tone with his slogan, "Together we will make it great in '88!"

see NADA, page 121

Captives dumped, McCurry suggests

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

CHICAGO — The Chicago Auto Show, always one of the industry's favorite places in which to unveil new products, this year also became a springboard for controversy.

Toyota Motor Sales U.S.A. Senior Vice President Robert McCurry turned the tables on the domestic makers, which have been accusing Japanese companies of dumping vehicles in the United States, and instead accused the domestics of keeping the prices of their captive imports even lower than those distributed by Japanese import companies.

Meanwhile, workers from the former American Motors assembly plant in Kenosha, Wis., traveled to Chicago Friday during the press preview and picketed to protest Chrysler's decision to close the plant.

But there also were important products unveiled at the show, most notably from Ford Motor Co.

Ford Division introduced the Probe, a new sports coupe built by Mazda in Flat Rock, Mich. The car officially goes on sale May 12 as a 1989 model.

Ford also showed off the 1988½ Escort, also due in dealer showrooms on May 12. The car features subtle changes, notably to the grille and backlight.

see SHOW, page 124

NEWSPAPER

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Mexico to supply VWs for U.S. Page 2

Dingell orders sport-utility probe Page 6

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GM, Chrysler CAFE ratings worsen for 1988 autos

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — General Motors' and Chrysler Motors' estimates for fuel economy of their 1988 cars are up slightly over last year, with GM reporting the larger gain.

Documents filed with the government last week show that GM projects that its domestic passenger car corporate average fuel economy will be 27.3 mpg, up nearly 1 mpg over last year's mid-model-year estimate of 26.4 mpg.

Chrysler remains the domestic car fuel-economy leader with an estimate of 27.8 mpg, up 0.2 mpg from 1987, while Ford is predicting a 0.5-mpg decrease in its domestic-car average for 1988 with a figure of 26.3 mpg, down from 1987's mid-year CAFE figure of 26.8.

Manufacturers must meet a 1988 CAFE of 26.0 mpg for cars and between 20.5 and 21.0 mpg for light trucks.

Total industry fuel economy for 1988 cars and light trucks combined is expected to be 25.9 mpg, down 0.1 mpg from last year. While car fuel economy is up across the board, import-truck fuel economy is down by nearly 1 mpg, contributing to the overall decrease.

GM's expected jump in fuel economy is attributed largely to the introduction of the 2.3-liter fuel-injected Quad 4 engine, which is estimated to deliver 32.3 mpg, according to preliminary data submitted by the company.

However, the unanswered question is whether GM can sell enough Oldsmobile Calais, Buick Somerset and Pontiac Grand Am models with that engine to wipe out CAFE deficits and costly civil penalties pending from the 1985 model year.

While GM recognizes that the Quad 4 will do much to earn three-year carryback credits, company sources believe that it may not totally eliminate GM's liability.

GM is currently petitioning NHTSA for a retroactive rollback of the 1985 fuel-economy standard from 27.5 mpg to 26 mpg.

GM earned $133,905,360 in fuel-economy credits in the 1986 model year when the standard was rolled back to 26 mpg from 27.5 mpg. NHTSA applied those credits to GM's $46,315,695 liability for the 1984 model year and applied the remaining balance of $87,589,665 toward GM's 1985-model-year shortfall. However, GM still faces penalties of $298,208,420, which it hopes to wipe clean with credits generated in the 1987 and 1988 model years, the remaining years of the three-year carryback period.

In his letter outlining fuel-econ-

see CAFE, page 123

PASSENGER CAR CAFE FIGURES

	1987	1988*
Austin Rover	22.8	24.5
BMW	24.9	21.8
Chrysler (domestic)	27.6	27.8
Chrysler (import)	33.9	31.0
Ferrari	16.2	16.2
Ford (domestic)	26.8	26.3
Ford (import)	23.8	36.8
General Mtrs. (dom.)	26.4	27.3
General Mtrs. (imp.)	39.7	38.1
Honda	32.6	32.3
Hyundai	34.0	35.1
Isuzu	37.9	32.7
Jaguar	19.1	21.6
Mazda	29.0	27.0
Mercedes-Benz	22.3	21.3
Mitsubishi	31.2	29.8
Nissan	29.4	29.8
Porsche	25.3	24.8
Shelby	25.3	24.9
Subaru	30.7	30.6
Suzuki	50.4	50.4
Toyota	32.9	32.1
Volkswagen	29.8	30.5

The corporate average fuel economy standard for both years was 26.0 miles per gallon.
*Estimate.

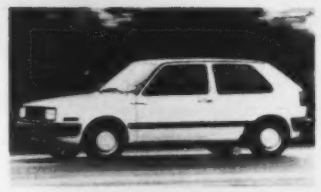
FLEET CAFE FIGURES

	1987	1988*
Cars		
Domestic	26.7	27.1
Import	31.0	31.3
Total	28.2	28.5
Light Trucks		
Domestic	20.4	20.6
Import	25.3	24.2
Total	21.6	21.5
Total Fleet	26.0	25.9

Corporate average fuel economy standards in both years were 26.0 MPG for cars, 20.5-21.0 MPG for trucks and 19.5 MPG for 4x4 vehicles.
*Estimate.

Mexico to supply VWs for U.S.; Ford won't buy plant

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER



Golf: going to Mexico

Jetta: U.S. output ends March 31

Volkswagen of America will transfer production of Golf and GTI models to Mexico after its U.S. assembly plant shuts down this summer.

Separately, Ford Motor Co. announced that it won't buy the VWoA plant, in Westmoreland County, Pa.

Ford had shown mild interest in the facility but last week concluded that it doesn't need any more capacity.

No other company has shown an interest in the plant, a VWoA spokesman said. A group of "low-level" officials from Toyota toured the facility several weeks ago. But the trip was described as a "courtesy" visit that automakers routinely make to each others' plants.

VWoA's production shifts had been expected. The company said when it announced the closing last November that it could eventually export to the United States from Mexico. Later, VW AG Chairman Carl Hahn gave strong hints that the move was likely.

Still, news of the switch has been bitter for the plant's hourly workers. In addition, they were originally told that Golf production would be transferred to West Germany.

"We don't like anyone taking our work from us," said Ron Dinsmore, shop chairman at UAW Local 2055. The local has resigned itself to the transfer, however, and won't fight it, he said.

VWoA plans to end U.S. production of Jetta models March 31. Those cars will then be sourced from Europe. After a five-week shutdown, the Westmoreland plant is scheduled to reopen May 9 and produce 1989 versions of the Golf and GTI through July 14.

That buildup will be expected to meet dealer needs through early 1989, when Mexican-built editions begin making their way into the United States.

The company expects to conclude trial production by the end of the year and begin building Golfs for U.S. export in the first quarter of 1989. A VWoA spokesman cautioned that the schedule could change.

The plant, which is operated by VW de Mexico, currently builds Golfs, Jettas, Beetles and Type 2 vans for the local market and export, the spokesman said. Last year's output was about 60,000 units, well short of the 146,000 capacity.

VW sold about 60,000 Golfs and GTIs in the United States last year. All were built in Westmoreland.

About 160 of the 200 U.S. vendors who currently supply parts for the Golf will continue to do so after production is shifted, the spokesman said.

U.S. dealers have expressed concern about the quality of the Mexican-built cars. James Fuller, VWoA vice president in charge of VW, has said that the transition will be made without impacting the quality or supply. He noted that the company already imports engines and metal stampings from Mexico for U.S.-built models.

In its announcement, Ford said that it has enough capacity to take care of its assembly needs in coming years.

In a letter to Raymond Christman, Pennsylvania's secretary of commerce, Ford wrote: "Within our approved current planning, we have determined that in view of the expected market conditions over the next few years, together with the world's projected overcapacity situation, we will have adequate assembly plants to accommodate our future production requirements."

The letter was written by William E. Scollard, Ford's vice president of manufacturing.

Importers want CAFE cap at 26.0 mpg for 1989, 1990

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The Automobile Importers of America has petitioned NHTSA to apply the current corporate average fuel economy standard of 26.0 miles per gallon to the 1989 and 1990 model years.

George C. Nield, president of the group, said circumstances that required lowering the standard to 26.0 mpg for the 1986, 1987 and 1988 model years still exist.

If NHTSA plans to act on the association's petition, the agency would have to propose a new rule and ask for comments before issuing a decision. The Reagan administration has a similar action pending in Congress, but lawmakers have made no effort to make such a change in the 1975 law.

The association's petition was filed on behalf of its members, which include all the import car companies except Volkswagen of America and Mercedes-Benz of North America. However, a lowering of the fuel-economy average would benefit European luxury-car makers and possibly Japanese automakers producing larger models.

Though the CAFE standard was reduced from the congressional goal of 27.5 mpg for the 1986, 1987 and 1988 model years, the association said the national fleet average has risen in the last three years and will exceed 28.0 mpg for the 1988 model year. Requiring the 27.5-mpg level, the association said, will not only increase civil penalties for some automakers but also will "adversely affect the marketplace viability of larger, more sophisticated cars, particularly those of single-line manufacturers."

That not only limits consumer choices, the group said, but also hurts larger, more expensive cars that typically are the first to use costly innovations such as air bags, anti-lock brakes, four-wheel drive and multi-point fuel injection.

The group said that without those larger and more sophisticated cars, consumers may keep their older, less-fuel-efficient cars or buy a van or truck that has only a 21.5 mpg CAFE standard.

In addition, stricter emissions and safety standards, which are pending, may worsen fuel economy, the petition said, and any saving in national fuel consumption is, at best, less than one-tenth of one percent of annual motor-vehicle fuel consumption.

"Raising CAFE will needlessly hurt new car purchasers and create inflationary incentives by encouraging higher new-car prices," the group said.

INDEX

Around the world	82-88
Auction dates	93
Books of interest	70
Classifieds	94
Coming events	40-42
Dealing with dealers	48-52
Inventories	126
Legal briefs	38
News briefs	8
Opinion	10
Personnel	76-78
Production	127
Service management	26-33
Truck industry	22-24

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Audi guarantees resale, offers dealer rebate

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

SAN FRANCISCO — Audi of America is guaranteeing the resale value of all its 1988 models and has launched dealer incentives worth up to $2,000 on its new 80/90-series cars.

In essence, the guaranteed-value plan promises owners that they will be reimbursed if the average resale value of their car falls below that of Audi's chief European competitors. Owners must trade for another Audi between two to four years after purchase to qualify.

Audi had counted on its 80/90 series to perk up sales but they have foundered during their three months on the market.

The announcements capped a hectic introduction to Audi for Richard Mugg, the new Volkswagen of America vice president in charge of the division. In less than two weeks, Mugg was appointed to the job, he visited West Germany and he returned to the United States — program approval in hand — to face anxious dealers at the National Automobile Dealers Association convention.

The programs themselves apparently have appeased dealers. Yet Mugg, like his predecessors in what has become a revolving-door job, acknowledged that rebuilding the franchise will take time. Since Audi became crippled by controversy over unintended acceleration, sales have blown hot and cold with the coming and going of sales incentives.

So the newest round, while welcome, isn't being viewed as a panacea. Neither is the guaranteed value program. But that plan does mark a step in addressing the long-term stability of the nameplate. Mugg said it was an example of the type of approach he will try to take in restoring health to Audi.

But Mugg will also have to balance the long-term strategy with the need for immediate help. He was told by some dealers in San Francisco that they can't stay afloat much longer.

Audi sales have dropped steadily during the last two years and last month fell to 1,439 — an average of about 3.5 per dealer. Compounding the situation for many dealers is the fact that their stores are dualed with Porsche, which is also enduring difficult times.

Along those lines, Mugg faced questions about how the company will manage an orderly reduction of the dealer base.

"They need to systematically have a way to reduce the the number of dealers by 30 percent," said one franchise holder. He contended that company management is responsible — and perhaps legally liable — for its handling of Audi's crisis and the ensuing troubles that dealers have had.

The meeting in San Francisco appears to have mollified other dealers, some of whom were involved in forming an ad hoc committee of Audi activists last month. In a letter sent to the entire Audi dealer body, they warned of the desperate condition of the franchise. The group also solicited a $200 contribution to help their efforts in getting their concerns heard.

In response, top VWoA officials, including

see AUDI, page 122

Dealers face wide range of decisions in estate planning

WILMINGTON, Del. — Through careful planning, the successful owner of an automobile dealership can pass on to his or her heirs the rewards of years of labor and creativity.

The dealership owner must first decide if keeping the business in the family is the wisest decision from a financial standpoint, according to Gregory S. Lefever, former senior trust officer of Wilmington Trust Co., Wilmington, Del.

If so, the business owner must formulate a plan that ultimately transfers ownership of the business to younger-generation beneficiaries. Both decisions require careful evaluation of alternative tax consequences.

Often, the owner's family is best served by examining the opportunities for selling the automobile dealership, Lefever said. That is especially true when the proceeds of the sale, if invested more diversely, are likely to generate greater income than the dealership itself.

Second, if the real value of the automobile dealership depends on the present owner's talents, expertise and contacts, replacing him may prove difficult. If no one in the family is found to be acceptable, an outside search may be necessary or someone within the firm will have to be groomed and appropriate compensation provided.

Also to be considered, Lefever said, is the possible negative impact of the owner's death or retirement on the dealership's operations. It might mean, for example, a loss of key customers, increased difficulty in obtaining credit and bank financing and reduced productivity due to the inexperience of successor management.

An example, Lefever discussed the case of the hypothetical John Jones, 55, sole owner of Jones Motors, which he founded 25 years ago. After years of marginal profitability, Jones Motors achieved phenomenal success in the last seven or eight years, with enormous growth in sales, income and profits.

Although most of that success can be attributed to Jones himself, the dealership has benefited from a loyal, hard-working management team.

Jones is married and has three adult children, only one of whom works with him and hopes to succeed him.

Jones has an estate worth $3.8 million, of which $2.7 million is Jones Motors stock. If Jones retires or dies, is he or his estate able to make up from other sources the loss of income to himself and his family?

Lefever said that if Jones dies before his wife, available credits and deductions, including the unlimited marital deduction, enable him to eliminate completely federal estate taxes on his estate.

Not so, however, for his spouse's estate. Her gross estate will be $3.8 million, and her federal tax liability will be $1,483,000. Clearly, the business itself will have to provide much of the cash to satisfy that liability, Lefever said, and that prospect could threaten the continued operation of the business.

Lefever said there is a question of timing: Should a business interest be transferred during one's lifetime or at death and, if the former, by gift or by sale?

In tax planning, each decision has its good and bad points, Lefever said.

Lifetime transfers lessen the owner's control of the assets of the business. If the transfer is by gift, the donor may incur substantial gift tax liability, requiring him to devote separate liquid assets to the tax payment.

Furthermore, for income tax purposes, the gift will carry over to the recipient the donor's predictably low tax basis. On the other hand, if the lifetime transfer is by sale, the owner himself might incur a significant income tax liability on the realized gain.

In contrast, Lefever said, by deferring the transfer until death, the owner retains full control during his lifetime. Tax liability is deferred, and a transfer at death enables the beneficiary to take advantage of a stepped-up-basis, equal to the fair market value at death for income tax purposes.

But a transfer at death also has disadvantages. Retaining the business interest until then tends to increase the taxable estate because all appreciation in value will be included in the meantime.

In contrast, a lifetime gift of the business interest removes from the owner's taxable estate the present value of the gift, any appreciation in value occurring between the date of the gift and the date of death and the amount of any gift taxes paid by the donor, assuming he or she lives three years beyond the date of the gift.

Additionally, retaining the entire business interest through one's lifetime is far more abrupt. Family members, employees, creditors, customers and lending institutions can all become uneasy about the outcome, Lefever said.

He said there is ample evidence that a lifetime pattern of gifts and/or sales assures a gradual and, indeed, smoother transition of ownership from one generation to the next.

According to Lefever, the solution is planning — the business owner should consider the future disposition of his business interest as a part of his present business plan. He said the value of the business interest can best be preserved, if not enhanced, by thoughtful responses to these questions:

- What impact will my death have on my business interest?
- What family members and key employees are available to provide adequate management of my business in my absence?
- How can I insure that my estate as a whole is capable of meeting the cash needs necessary to settle my estate and, afterwards, provide for the needs of my family?
- How can I structure the transfer of my business, whether by sale, gift or otherwise, to achieve the optimum tax results?

100% hike in gas-guzzler tax proposed

WASHINGTON — New York Sens. Daniel Patrick Moynihan, Democrat, and Alfonse D'Amato, Republican, have reintroduced a bill that would double federal taxes on gas-guzzling automobiles.

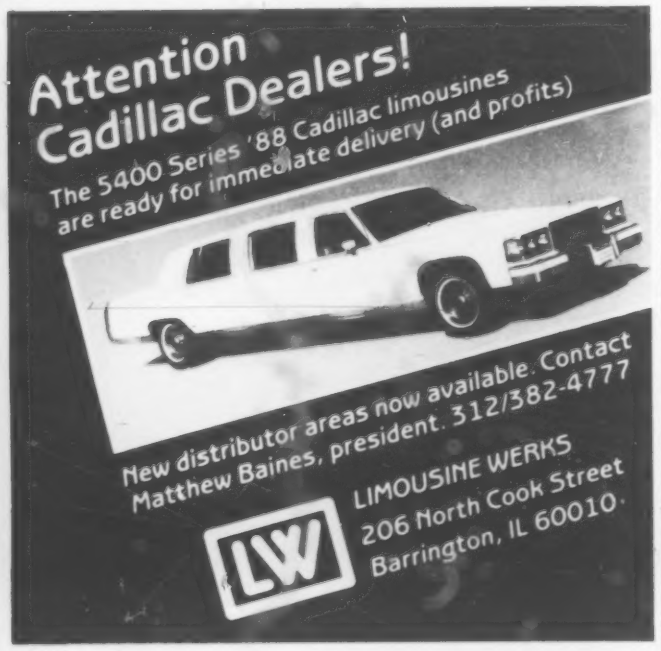
A similar measure was pushed in 1987 by the New York congressional delegation as a way to raise mass-transit funds. This year, D'Amato and Moynihan hope to attach their proposal to a Technical Corrections Bill of the 1986 Tax Reform Act. That measure will be considered later this year.

Automakers currently subject to the gas-guzzler tax include Aston Martin, BMW, Mercedes-Benz, Ferrari, Jaguar, Porsche, Volvo and Lamborghini.

1988 CARS SUBJECT TO GAS GUZZLER TAX

MAKE	MODEL	MPG	COST	CURRENT TAX
Aston Martin	Saloon, Vantage, Volante	11.0	$110,000	$3,850
Aston Martin	Lagonda	11.0	167,000	3,850
BMW	528	21.7	33,000	500
BMW	535	20.1	39,000	850
BMW	735	19.0	55,000	1,050
BMW	750	16.4	70,000	1,500
Mercedes-Benz	300-TE	21.3	46,980	650
Mercedes-Benz	300-SEL	20.8	52,650	650
Mercedes-Benz	420-SEL	18.9	58,150	1,050
Mercedes-Benz	560-SL	17.6	61,130	1,300
Mercedes-Benz	560-SEL	17.1	68,660	1,500
Mercedes-Benz	560-SEC	17.1	75,850	1,500
Ferrari	328-GTS, GTB	17.3	74,961	1,500
Ferrari	3.2 Mondial, Cabriolet	17.3	79,400	1,500
Ferrari	Testarosa	13.5	121,500	2,700
Jaguar	XJ-S	16.7	44,950	1,500
Jaguar	XJ-SC	16.7	58,865	1,500
Porsche	911 Turbo	21.7	64,000	500
Porsche	928 S4	20.8	65,400	650
Volvo	740	21.2	23,000	650
Volvo	760	21.2	32,000	650
Volvo	780	21.2	38,000	650
Lamborghini	Countach	8.8	138,850	3,850

The existing federal excise tax on a new car purchase is currently based on a sliding scale from $500 for those with an EPA rating of less than 22.5 mpg to $3,850 for an EPA rating of less than 11.5 mpg. Emergency vehicles, trucks, and off-road vehicles are excluded.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LeMANS:

New Pontiac coupe has peppier engine

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

PONTIAC, Mich. — Pontiac has introduced a sporty version of the subcompact LeMans with a larger and peppier engine.

The LeMans GSE coupe is based on a concept car that traveled the auto show circuit a year ago.

The car will be priced between $8,000 and $10,000. A firm price is to be announced during this week's Chicago Auto Show. Other LeMans coupes carry stickers of $6,399 and $7,699. Four-door models are $8,149 and $8,999.

The GSE coupe is equipped with a 2-liter, four-cylinder engine with electronic fuel injection and a standard five-speed manual transmission. A three-speed automatic transmission is optional.

The engine is rated at 95 horsepower at 4,800 rpm. It does 0 to 60 mph in about 9.5 seconds, according to Pontiac. Top speed is 114 mph.

The other LeMans models have a 1.6-liter, 74-hp engine. Performance numbers are 0 to 60 mph in just under 13 seconds with the five-speed manual transmission and about 15 seconds with the automatic transmission, Pontiac said.

GSE aero package features front air dam and rocker panel extensions

The LeMans GSE is available in white, red and silver and features an aero package that consists of an integrated front air dam, rocker panel extensions and rear deck spoiler.

The car is designed to compete against the Ford Escort GT, Volkswagen Golf GT, Dodge Colt DL Turbo, Toyota Corolla FX-16, Chevrolet Spectrum Turbo and Chevrolet Sprint Turbo.

Pontiac expects the LeMans GSE to be favored more by men than by women. The division also predicts that buyers will be more affluent and better educated than buyers of other LeMans models.

However, Pontiac said the LeMans GSE buyer probably cannot afford to purchase a larger, more expensive sports car such as the Toyota MR2, Mazda RX-7, Subaru XT or 16-valve Volkswagen GTI.

The LeMans is based on the Opel Kadett and is built for Pontiac in South Korea by Daewoo Motor Co. Pontiac introduced the LeMans late last spring and has sold about 33,000 cars.

Bad news for GM workers: No profit sharing for 1987

DETROIT — In a letter mailed last week, General Motors broke the bad news its hourly employees had been expecting: They will receive no profit-sharing checks.

Profit sharing, under the GM-UAW contract, was to be calculated on a formula based on pretax earnings from the automaker's U.S. operations in 1987. Though GM said those operations produced "a nominal profit," it was not enough to generate a payout under the profit-sharing formula, employees were told.

The letter to workers discussed GM's efforts to cut costs and its investments in plants to make GM more effective.

"In the current competitive climate," the letter said, "we think jobs are more important than profit sharing. Accordingly, short-term alternatives to boost profits have not been pursued at the expense of GM's long-term success. The goal is to provide both jobs and profit sharing in the future."

The letter told workers that GM's financial performance is expected to improve in the future because of investments and cost-cutting actions taken in the past few years.

"GM is a strong competitor, and we look forward to the day when we again can distribute a healthy profit-sharing payout to each of you," the letter concluded.

In addition, the letter noted, the profit-sharing formula was revised in the contract negotiated between GM and the UAW last fall.

However, Donald Ephlin, UAW vice president who directs the GM department, said the new formula still would not have provided a payout if it had been in effect during 1987. The new formula, which is identical to Ford's formula, became effective at the start of 1988 and is based on the ratio of profits to sales in GM's U.S. operations.

Ephlin said GM's continued low earnings from domestic operations in 1987 are "obviously a source of great concern and a signal to everyone that continued effort is needed to turn things around at GM."

"We believe GM will turn the corner in its vehicle business, hopefully starting this year," Ephlin said. "When that happens, our members at GM will receive their fair share of the profits through the enhanced profit-sharing formula negotiated last year."

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AUCTION DATES

Chrysler Motors

Feb. 16 — American Auto Auction, Walpole, Mass.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Feb. 17 — Southwest Auto Auction, Phoenix, Ariz.; Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; Minneapolis Auto Auction, Plymouth, Minn.; and Denver Auto Auction, Aurora, Colo.

Feb. 18 — Clanton's Auto Auction, Darlington, S.C., and Northway Exchange, Clifton Park, N.Y.

Feb. 19 — Manheim Auto Auction, Manheim, Pa.

Feb. 23 — Florida Auto Auction of Orlando, Ocoee, Fla.; Aptco Auto Auction, Taylor, Mich.; Riverside Auto Auction, Riverside, Calif.; Arena Auto Auction, Chicago; Hatfield Auto Auction, Hatfield, Pa.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

Feb. 24 — Southern Auto Auction, Warehouse Point, Conn.; Columbus Fair Auto Auction, Obetz, Ohio; and Nashville Auto Auction, Nashville, Tenn.

General Motors

Feb. 16 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

Feb. 17 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; Mississippi Auto Auction, Hattiesburg, Miss.; and Southern California Auto Auction, Fontana, Calif.

Feb. 18 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah

Feb. 19 — Ohio Auto Auction, Grove City, Ohio

Feb. 23 — Florida Auto Auction of Orlando, Ocoee, Fla., and Harrisonburg Auto Auction, Harrisonburg, Va.

Feb. 24 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Ford Motor Co.

Feb. 17 — Lakeland Auto Auction, Lakeland, Fla., and Southern California Auto Auction, Fontana, Calif.

Feb. 18 — Albuquerque Auto Auction, Albuquerque, N.M.; Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

Feb. 19 — Interstate Auto Auction, Mercer, Pa.

Feb. 23 — South Seattle Auto Auction, Kent, Wash.

Feb. 24 — Columbus Fair Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Salt Lake Auto Auction, Salt Lake City

Used Car Sales
Auction Averages

February 1988	$5,143
Month ago	$4,379
Year ago	$5,742

Model Breakdown
Auction Averages

	FEB 1988	JAN 1988	DEC 1987
1988	$11,054	$8,839	
1987	$8,453	$8,435	$10,146
1986	$6,773	$6,516	$8,322
1985	$5,583	$5,501	$7,127
1984	$4,368	$4,349	$5,640
1983	$3,524	$3,362	$4,791
1982	$2,371	$2,303	$3,441
1981	$1,841	$1,926	$2,516
Overall Average	$5,143	$4,841	$5,898

CAFE

FROM PAGE 3

omy projections, Sam Leonard, GM's director of emissions, environmental activity staff, said that in addition to the Quad 4 engine, the new GM10 cars will contribute to the 27.3 mpg figure.

He said the new models have a drag coefficient 24 percent less than similar-sized GM cars and that all models will be equipped with fuel-efficient four-speed overdrive automatic or five-speed manual transmissions. He also cited fuel-economy improvements in the company's 3.8-liter V-6 engine.

Donald R. Buist, director of Ford's automotive emissions and fuel economy office, pegged that company's 1988 CAFE at 26.3 mpg — only 0.3 mpg higher than the standard and down 0.5 mpg from last year.

Although Ford's explanation for the decrease in fuel economy is for the most part filed in confidentiality with NHTSA, Buist's letter said the "major factors result from the mid-year introduction of the 1988 Town Car and a reduction in sales of domestic compact vehicles." The Town Car was introduced in early 1987 as a 1988 model and therefore counts against the new estimate.

But Buist went on to say that if certain "opportunities and potential risks" materialize (known to NHTSA but not to the public since they are in a confidential attachment), Ford's domestic CAFE projection may improve to somewhere between 26.4 and 26.6 mpg.

Ford's estimates include an EPA test-procedure adjustment that GM is not eligible to use. GM's request to use the adjustment procedure is in litigation. Ford also receives an exemption for its 5.8-liter engine, a V-8 for emergency and police vehicles.

Buist also told NHTSA it is filing Aston Martin Lagonda's pre-model-year report separately.

Ford said it has not provided loaded-vehicle-weight data because it is not readily available in the company's computer system. In 1982, Ford asked NHTSA to delete loaded-vehicle test-weight information from fuel-economy calculations. Although NHTSA has not yet acted, Ford said its understanding is that NHTSA will eventually delete that reporting requirement.

Captive import fuel-economy averages for 1988 are projected at 38.1 mpg for GM, 36.8 mpg for Ford and 31.0 mpg for Chrysler.

Ford's captive-import estimate is up 13 mpg over 1987 as a result of the addition of the Mexican-built Mercury Tracer and Korean-built Ford Festiva.

The high import average, compared with a drop in domestic-model CAFE, gives credence to recent rumors that Ford is considering moving larger cars, like its Crown Victoria, from the domestic to the import fleet. To do so, it would have to either move production abroad or source enough foreign parts to reclassify the vehicle.

GM projects its two-wheel-drive light-truck gas mileage at 21.2 mpg, which is slightly above the 21.0 mpg NHTSA standard. Its 4wd light-truck fuel economy is estimated at 18.4 mpg, well below the NHTSA standard of 19.5 mpg. Its combined light-truck average fuel economy is projected at 20.2 mpg, just below the alternative combined standard of 20.5 mpg.

GM told NHTSA it expects to offset its shortfall in light-truck fuel economy with CAFE credits earned in earlier years.

Leonard said that GM's new trucks — Chevrolet and GMC 2wd C series and 4wd K series — are more fuel efficient than the vehicles they replaced largely because of a reduction in the aerodynamic drag coefficient.

Buist, in the Ford letter to NHTSA, projected the company's combined domestic light-truck fleet average at 20.3 mpg, somewhat below the required 20.5 mpg.

Ford explained that its domestic combined light fleet projection includes a 0.15-mpg decrease associated with recent sales trends, a 0.05-mpg potential gain with additional tests and a 0.27-mpg increase with other recovery programs. If those occur, Ford said, the shortfall can be offset by using some of the 1986 carryforward credits.

Among imports, Mercedes-Benz projects 1988 fuel economy of 21.3 mpg, significantly below the 26-mpg standard. Mercedes-Benz of North America has a petition pending before NHTSA seeking retroactive relief for both the 1984 and 1985 model years.

Mercedes-Benz in 1984 had a shortfall of $3,115,280, which it wiped out by using credits remaining from the 1981 model year. In 1985, Mercedes faced penalties of $17,989,530 and used credits of $12,480,130 from the 1982 and 1983 model years to reduce the amount to $5,509,400. In 1986, Mercedes-Benz posted a shortfall of $20,214,700.

Mercedes' mid-model-year estimate for 1987 was 22.3 mpg; 1986's final figure was 21.3 mpg.

Mercedes isn't the only European manufacturer with estimates below the 26-mpg standard. Also included are Aston Martin, 10.9 mpg; BMW, 21.8; Ferrari, 16.2; Jaguar, 21.6; and Porsche, 24.8.

The impact of Japanese imports moving to bigger luxury cars is also reflected in the projected 1988 fuel-economy figures. Mazda, which has introduced its 929 luxury model, estimates a 1988 CAFE figure of 27 mpg, down 2 mpg from 1987. Likewise, Mitsubishi, which has added a V-6 engine to its Galant, expects its 1988 average to be 29.8 mpg, down from 31.2.

LIGHT TRUCK CAFE FIGURES

	1987	1988*
Chrysler (domestic)	21.0	21.6
Chrysler (import)	22.2	22.8
Ford (domestic)	20.4	20.3
Ford (import)	26.1	25.4
General Motors (4x2)	20.5	21.1
General Motors (4x4)	18.7	18.4
Isuzu (4x2)	30.5	25.9
Isuzu (4x4)	22.3	20.0
Mazda	26.5	24.8
Mitsubishi (4x2)	26.2	26.7
Mitsubishi (4x4)	22.1	21.7
Nissan	23.4	22.8
Range Rover	16.4	16.7
Subaru	27.6	29.9
Suzuki	33.1	33.1
Toyota (4x2)	27.6	26.1
Toyota (4x4)	23.8	23.0
Volkswagen	18.9	20.5

The corporate average fuel economy standard for both years was 20.5-21 MPG for trucks and 19.5 MPG for 4x4 vehicles.
*Estimate.

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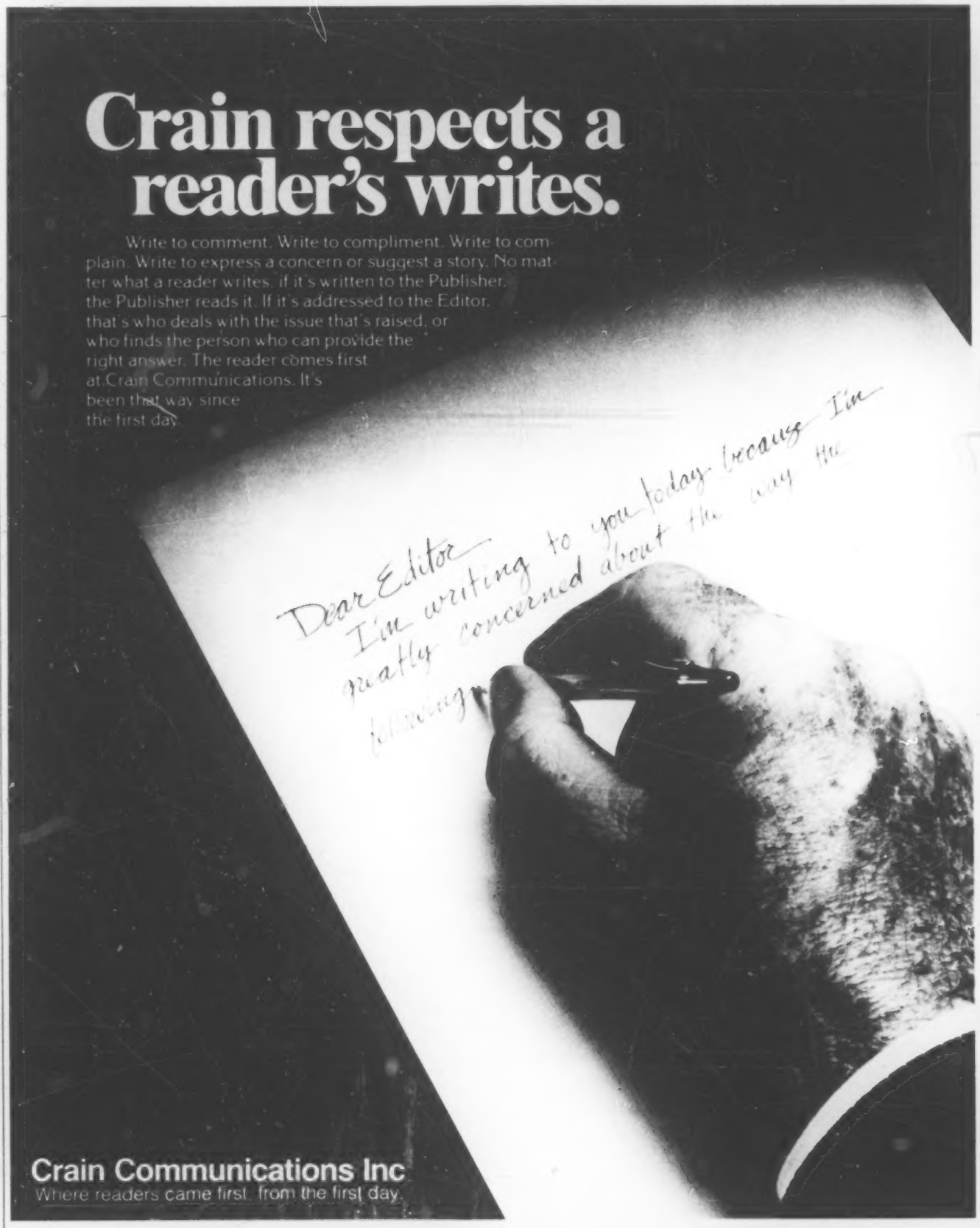

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DOMESTIC DAYS' SUPPLIES

	Feb. 1, 1988	Jan. 1, 1988	Feb. 1, 1987
Alliance	119	102	202
Eagle	58	69	96
Premier	167	—	—
Total Eagle	137	171	198
Horizon	63	49	94
Sundance	98	80	101
Turismo	143	127	295
Reliant	94	90	115
Caravelle	72	80	130
Gran Fury	80	126	154
Total Plymouth	86	80	119
Laser	—	—	186
LeBaron K	159	134	107
LeBaron J	132	119	106
LeBaron GTS	176	144	167
Fifth Avenue	96	92	133
New Yorker C	87	49	—
New Yorker E	140	164	223
Total Chrysler	124	106	147
Omni	76	52	86
Shadow	88	83	92
Charger	164	124	263
Daytona	73	110	192
Aries	99	96	109
Lancer	209	163	149
Diplomat	148	156	123
Dynasty	73	60	—
Dodge 600	70	52	142
Total Dodge	91	91	123
CHRYSLER MTRS.	101	94	127
Escort	86	84	131
Mustang	84	81	78
Tempo	46	44	118
Taurus	64	61	80
Thunderbird	82	69	76
Crown Victoria	59	63	105
Total Ford Div.	69	69	99
Lynx	86	95	153
Topaz	55	58	130
Sable	63	67	120
Cougar	104	112	103
Grand Marquis	52	48	87
Total Mercury	72	74	113
Continental	26	23	71
Lincoln	62	53	62
Mark VII	74	60	80
Total Lincoln	70	50	66
Total L-M Divison	71	66	89
FORD MOTOR CO.	70	68	99
Skyhawk	169	117	247
Somerset Regal	114	150	190
Century	73	97	110
Regal	74	60	159
LeSabre	72	91	114
Reatta	67	—	—
Electra	54	53	106
Riviera	60	110	63
Total Buick	75	84	130
Cimarron	145	132	165
Allante	203	196	—
Seville	66	53	54
Cadillac	83	84	104
Eldorado	61	59	55
Total Cadillac	83	75	93
Chevette	146	83	51
Nova	208	275	188
Cavalier	75	46	100
Camaro	166	136	146
Celebrity	95	96	94
Corsica/Beretta	108	145	—
Monte Carlo	191	179	153
Chevrolet	102	73	103
Corvette	141	96	135
Total Chevrolet	110	100	113
Firenza	92	87	184
Calais	89	107	107
Cutlass Ciera	46	66	81
Cutlass Supreme	89	144	131
Olds 88	67	101	103
Olds 98	60	61	139
Toronado	68	87	120
Total Oldsmobile	66	86	105
Fiero	124	175	200
1000	50	60	116
Sunbird	84	82	122
Firebird	116	103	142
Grand Am	59	60	46
6000	51	77	96
Gr. Prix/Bonn. G	126	45	222
Bonneville H	57	78	—
Paris./Safari	63	85	135
Total Pontiac	67	84	102
GENERAL MTRS.	84	91	110
HONDA	17	9	7
MAZDA	52	51	—
NISSAN	75	62	92
TOYOTA	22	18	136
VOLKSWAGEN	147	145	178
DOM. TOTAL	79	79	105
Subcompact	64	53	—
Compact	66	67	—
Intermediate	67	92	—
Standard	72	74	—
Specialty	133	136	—

IMPORT DAYS' SUPPLIES

	Feb. 1, 1988	Jan. 1, 1988	Feb. 1, 1987
Chevrolet	108	141	134
Chrysler/Mitsubishi	180	174	131
Acura	18	24	54
Daihatsu	45	—	—
Honda	15	13	6
Isuzu	186	71	157
Mazda	57	58	74
Mitsubishi	107	106	127
Nissan	133	125	79
Subaru	63	65	74
Toyota	26	19	38
JAPAN	71	54	65
Audi	133	182	236
BMW	60	67	54
Mercedes-Benz	32	38	32
Merkur	164	172	180
Porsche	139	133	61
VW	75	96	157
GERMANY	79	87	100
Alfa Romeo	77	82	90
Festiva	121	134	—
Hyundai	41	41	29
Jaguar	40	23	419
Peugeot	129	58	66
Pontiac	152	159	—
Eagle/Renault	64	133	—
Saab	60	74	47
Sterling	91	86	—
Volvo	72	104	28
Yugo	140	130	50
Other Countries	73	61	44
Total Import Cars	72	61	65
Isuzu	92	145	115
Mazda	66	67	76
Mitsubishi	65	67	78
Nissan*	89	96	109
Range Rover	34	18	—
Suzuki	63	57	31
Toyota	36	31	67
Chrysler	144	142	126
Total Imp. Trucks	73	76	85
Total Imp. Vehicles	72	73	70

*Includes domestic trucks.

Domestic inventories hold steady

U.S. stocks remain at 79 days; import-car supply rises to 72

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Domestic-car inventories remained stable in January but showed a dramatic decline compared to Feb. 1, 1987.

The number of domestic cars in stock was 1,676,858 on Feb. 1, the equivalent of a 79-day supply. One month earlier, the stockpile was 1,682,600 units, also a 79-day supply. The year-ago unit count was 1,734,299 cars, or a 105-day supply.

Meanwhile, the unit count of imported cars in inventory fell, but the sales rate fell faster during January, resulting in a higher days-supply figure on Feb. 1 than on Jan. 1.

The import-car supply on Feb. 1 was 661,940 units, or a 72-day supply. On Jan. 1, the count was 677,306, or a 61-day supply. On Feb. 1, 1987, the inventory was 471,547, a 62-day supply.

Inventories of imported light trucks held relatively steady during January. On Feb. 1, there were 184,158 trucks, or a 73-day supply, compared to 185,183, or a 70-day supply, on Jan. 1. Truck inventories a year ago were 677,679, or a 68-day supply.

All inventory numbers include vehicles on dealer lots and in transit in this country; import numbers include port inventories, while domestic inventories include factory supplies. The truck figures include Nissans built in the United States.

Each of the Big 3 domestic automakers trimmed its unit count during January.

The domestic inventory was split this way on Feb. 1: General Motors, 52.86 percent; Ford Motor Co., 26.69 percent; Chrysler Motors, 17.15 percent; Volkswagen, 1.12 percent; Nissan, 0.91 percent; Honda, 0.88 percent; Toyota, 0.23 percent; and Mazda, 0.16 percent.

On Jan. 1, the split was: GM, 54.76 percent; Ford, 24.74 percent; Chrysler, 17.54 percent; Volkswagen, 1.16 percent; Nissan, 0.78 percent; Honda, 0.61 percent; Toyota, 0.29 percent; and Mazda, 0.12 percent.

The domestic inventory split by size class this month was: subcompact, 12.60 percent; compact, 24.02 percent; intermediate, 42.92 percent; standard, 19.16 percent; and specialty, 1.30 percent.

One month ago, it was: subcompact, 11.33 percent; compact, 23.87 percent; intermediate, 44.21 percent; standard, 19.18 percent; and specialty, 1.41 percent.

Stocks of import vehicles — both cars and trucks — were reduced to 846,098 units on Feb. 1 from 862,489 a month earlier. However, because of a slower selling rate, the Feb. 1 inventory translated into a 72-day supply, up from a 63-day supply the previous month.

The import-car inventory by country of origin was split like this on Feb. 1: Japan, 65.94 percent; Germany, 11.86 percent; and other countries, 22.20 percent. A month earlier, it was split: Japan, 65.48 percent; Germany, 14.79 percent; and other countries, 19.73 percent.

Daihatsu reported inventory figures for the first time this month, a 45-day supply.

All figures are based on 25 selling days in January and 26 selling days in December.

IMPORT SALES BY MODEL

	Jan. 1988	Jan. 1987	1 Mo., 1988	1 Mo., 1987
ACURA	9,037	5,667	9,037	5,667
Integra	4,112	3,533	4,112	3,533
Legend	4,925	2,134	4,925	2,134
ALFA ROMEO	241	511	241	511
GTV-6	3	9	3	9
Milano	113	217	113	217
Spider	125	285	125	285
AUDI	1,439	2,072	1,439	2,072
4000S	40	351	40	351
4000CS Quattro	20	207	20	207
5000S	281	1,057	281	1,057
5000CS Turbo	89	175	89	175
5000CS Turbo Quattro	239	185	239	185
80	370	0	370	0
90	348	0	348	0
Coupe GT	52	97	52	97
BMW	4,596	5,013	4,596	5,013
318i	0	1	0	1
524 TD	0	5	0	5
325	2,711	3,470	2,711	3,470
528e	544	786	544	786
535i/535iS	321	376	321	376
6-Series	63	142	63	142
7-Series	782	231	782	231
M3	129	0	129	0
M5	25	1	25	1
M6	21	1	21	1
CHEVROLET	9,707	9,928	9,707	9,928
Spectrum	5,536	6,056	5,536	6,056
Sprint	4,171	3,872	4,171	3,872
CHRYSLER/MITSUBISHI	7,299	8,703	7,299	8,703
Colt	5,473	6,019	5,473	6,019
Conquest	549	648	549	648
Vista	1,277	2,036	1,277	2,036
DAIHATSU	1,023	0	1,023	0
EAGLE/RENAULT	2,655	0	2,655	0
Medallion	2,655	0	2,655	0
FORD Festiva	5,088	0	5,088	0
HONDA	22,461	20,482	22,461	20,482
Civic/CRX	10,650	9,734	10,650	9,734
Accord	7,122	6,705	7,122	6,705
Prelude	4,689	4,043	4,689	4,043
HYUNDAI	22,324	18,006	22,324	18,006
ISUZU	1,561	1,950	1,561	1,950
I-Mark	1,034	1,015	1,034	1,015
Impulse	527	935	527	935
JAGUAR	1,168	1,057	1,168	1,057
XJ6	907	820	907	820
XJS	261	237	261	237
MASERATI	50	60	50	60
MAZDA	17,995	11,043	17,995	11,043
323	7,653	3,972	7,653	3,972
626	4,835	4,558	4,835	4,558
MX-6	1,503	0	1,503	0
929	1,783	0	1,783	0
RX-7	2,221	2,513	2,221	2,513
MERCEDES BENZ	5,800	6,086	5,800	5,956
190	904	1,356	904	1,345
260E	454	255	454	249
300	1,629	1,667	1,629	1,632
300SDL Turbo	59	445	59	420
300SEL	532	0	532	0
420SEL	761	906	761	900
560SEL	524	460	524	457
560SL	757	844	757	820
560SEC	165	169	165	95
Tourist	24	38	24	38
MERKUR	729	410	729	410
XR4Ti	415	410	415	410
Scorpio	314	0	314	0

	Jan. 1988	Jan. 1987	1 Mo., 1988	1 Mo., 1987
MITSUBISHI	5,280	2,326	5,280	2,326
Starion	195	234	195	234
Cordia	451	180	451	180
Tredia	92	194	92	194
Mirage	904	728	904	728
Galant	910	710	910	710
Precis	2,257	0	2,257	0
Van/Wagon	381	280	381	280
NISSAN	27,801	35,967	27,801	35,967
Sentra	10,526	10,659	10,526	10,659
Pulsar	3,052	5,499	3,052	5,499
Stanza	4,880	5,343	4,880	5,343
Maxima	5,687	7,225	5,687	7,225
200SX	1,383	3,233	1,383	3,233
300ZX	2,124	3,804	2,124	3,804
Hawaii	175	234	175	234
PEUGEOT	353	920	353	908
PONTIAC LeMans	3,579	0	3,579	0
PORSCHE	1,137	1,854	1,137	1,854
924S	115	131	115	131
944	293	415	293	415
944S	40	216	40	216
944 Turbo	120	196	120	196
911 Coupe	237	294	237	294
911 Turbo	91	75	91	75
911 Cabriolet	121	155	121	155
928S	120	172	120	172
SAAB	2,719	3,680	2,719	3,681
900	525	786	525	786
900S	715	1,195	715	1,195
900 Turbo	573	645	573	645
9000S	280	0	280	0
9000 Turbo	589	1,012	589	1,012
Tourist	37	42	37	43
STERLING	951	0	951	0
SUBARU	9,957	8,734	9,957	8,734
Hatchback	633	717	633	717
3-Door	476	735	476	735
4-Door Sedan	1,380	2,061	1,380	2,061
XT	828	969	828	969
Station Wagon	4,133	3,910	4,133	3,910
Justy	2,507	322	2,507	322
TOYOTA	42,129	29,305	42,129	29,305
Corolla	11,106	5,159	11,106	5,159
Tercel	6,230	4,373	6,230	4,373
Celica	4,425	4,570	4,425	4,570
Supra	1,525	1,942	1,525	1,942
Camry	14,612	9,041	14,612	9,041
Cressida	919	1,491	919	1,491
Land Cruiser	551	328	551	328
Van	501	910	501	910
4Runner SR 5	1,498	102	1,498	102
MR2	761	1,050	761	1,050
Hawaii	0	336	0	336
VOLKSWAGEN	11,086	5,259	11,086	5,574
Cabriolet	704	678	704	678
Jetta	4,399	3,201	4,399	3,516
Vanagon	509	508	509	508
Quantum	255	427	255	427
Scirocco	256	256	256	256
Fox	4,963	0	4,963	0
VOLVO	8,699	12,919	8,699	12,919
240 Series	3,715	6,099	3,715	6,099
740 Series	3,914	5,028	3,914	5,028
760 Series	919	1,425	919	1,425
780	102	1	102	1
Tourist	19	66	19	66
YUGO	2,614	4,174	2,614	4,174
IMPORT TOTAL	229,457	196,838	229,457	196,838

Compiled by Ward's

Car output best of year at 134,314

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

United States automakers scheduled their highest weekly production so far this year.

Last week's estimated build of 134,314 cars was 5.46 percent more than the prior week's 127,356 but 23.71 percent below the year-ago week's 176,062.

So far this year, 737,560 units have been assembled, 25.29 percent below the 987,231 built last year at this point.

Last week's targeted auto output was shared as follows: General Motors, 43.85 percent; Ford Motor Co., 29.28 percent; Chrysler Motors, 16.64 percent; Honda of America Manufacturing Inc., 5.86 percent; New United Motor Manufacturing Inc., 2.42 percent; Nissan Motor Manufacturing Co. U.S.A., 1.00 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 0.95 percent.

Volkswagen of America's plant in Westmoreland, Pa., was idle last week because of a parts shortage. Westmoreland is also down this week for inventory adjustment.

Last week's estimated truck production of 81,994 dipped slightly (0.08 percent) from the previous week's 82,057 but rose 0.55 percent from the year-ago week's 81,544.

Year-to-date, 495,443 units have been built, 7.13 percent more than the 462,463 completed last year at this time.

Chrysler's Newark, Del., plant is idle this week for inventory adjustment. The plant is expected to resume output Feb. 29.

Nissan announced it will scale back production and change the mix at its Smyrna, Tenn., plant, which assembles Sentra and light trucks, beginning next month.

Currently, Nissan is building about 5,600 Sentras per month and approximately 13,000 trucks per month. Next month, that will be changed to about 10,000 Sentras per month and 7,000 light trucks. A spokesman said the change reflects current demand and will be effective through September.

All Ford plants are slated for daily overtime this week except the Edison, N.J., and Wayne, Mich., facilities.

14-month high for Canada cars

Last week's scheduled Canadian auto production of 24,130 was the highest since the week ended Dec. 20, 1986, when 24,896 cars were built.

Estimated car output last week was 5.84 percent more than the previous week's 22,799 and 11.61 percent more than the year-ago week's 21,619.

So far this year, 134,171 cars have been assembled, 15.63 percent more than the 116,039 completed last year at this point.

Truckmakers scheduled 19,241 units to be built last week, 7.30 percent more than the prior week's 17,932 and 14.58 percent more than the year-ago week's 16,792.

Year-to-date, 110,871 trucks have been built, 15.06 percent more than the 96,363 assembled last year at this time.

U.S. CAR	Week Ended Feb. 13, 1988	Week Ended Feb. 14, 1987	Week Ended Feb. 8, 1988	Feb. to Date	Jan. 1 to Feb. 13, 1988	Jan. 1 to Feb. 14, 1987
Alliance	0	800	0	0	0	4,576
Total Eagle	0	800	0	0	0	4,576
Horizon	1,900	3,482	1,686	3,586	9,940	22,374
Sundance	2,100	2,120	2,368	4,488	12,816	13,138
Reliant	2,900	2,736	2,737	5,637	10,248	15,901
Caravelle	450	1,575	534	984	2,352	6,897
Gran Fury	300	0	244	544	1,388	0
Total Plymouth	7,650	9,913	7,569	15,219	36,750	58,311
LeBaron K	450	1,843	471	921	1,596	10,285
LeBaron J	900	2,034	0	900	380	8,621
LeBaron GTS	100	875	145	245	915	4,568
N. Yorker E-Class	0	1,945	0	0	0	9,792
N. Yorker C-Class	2,200	0	2,158	4,358	10,841	0
Fifth Avenue	1,000	0	1,192	2,192	7,340	0
Total Chrysler	4,650	6,697	3,966	8,616	21,401	33,246
Omni	1,900	3,004	1,638	3,538	9,653	19,472
Daytona	600	1,028	0	600	600	4,332
Shadow	2,300	1,950	2,092	4,392	12,935	12,014
Aries	1,750	2,313	1,675	3,425	8,032	14,883
Dodge 600	500	1,080	449	949	2,011	6,412
Dynasty	2,300	0	2,169	4,469	11,443	0
Lancer	250	490	270	520	1,426	3,584
Diplomat	450	0	344	794	2,103	0
Total Dodge	10,050	9,865	8,627	18,677	46,205	80,697
CHRYSLER MOTORS	22,350	27,275	20,162	42,512	106,356	156,832
Escort	8,672	7,821	8,846	17,518	53,696	45,077
Mustang	4,634	4,526	4,538	9,172	27,430	28,015
Tempo	3,960	4,210	3,760	7,720	24,929	24,602
Taurus	7,850	10,469	7,879	15,729	47,885	61,240
Thunderbird	3,474	3,136	3,461	6,935	19,516	16,584
Total Ford Div.	28,590	30,162	28,484	57,074	173,456	175,518
Lynx	0	1,557	0	0	0	8,030
Topaz	1,547	1,316	1,713	3,260	9,645	8,047
Cougar	2,293	4,716	2,309	4,602	15,101	24,771
Sable	2,722	3,236	2,746	5,468	13,630	18,570
Total Mercury	6,562	10,827	6,768	13,330	38,376	59,418
Continental	839	326	954	1,793	4,771	2,230
Mark VII	554	467	646	1,200	3,461	3,333
Lincoln	2,788	2,430	3,201	5,989	18,481	16,685
Total Lincoln	4,181	3,243	4,801	8,982	26,733	22,248
Total L-M Division	10,743	14,070	11,569	22,312	65,109	81,666
FORD MOTOR CO.	39,333	44,232	40,053	79,386	238,565	257,184
Skyhawk	605	1,627	0	605	3,723	6,533
Skylark/Somerset	315	1,705	294	609	3,583	12,532
Century	1,320	4,371	1,448	2,768	5,539	25,416
Regal (rwd)	0	1,006	0	0	0	6,017
Riviera	247	373	213	460	646	3,914
Electra	1,258	2,545	1,255	2,513	8,482	12,997
LeSabre (fwd)	2,400	2,590	2,400	4,800	14,255	12,587
LeSabre (rwd)	60	456	118	178	580	3,530
Reatta	200	0	76	276	378	0
Total Buick	6,405	14,673	5,804	12,209	37,296	83,526
Cimmaron	296	448	294	590	1,725	2,832
Eldorado	804	335	745	1,549	2,166	2,366
Seville	596	358	535	1,131	1,582	5,151
Brougham (rwd)	0	1,706	0	0	0	10,121
Deville (fwd)	4,000	3,877	3,903	7,903	22,746	21,712
Allante	60	55	50	110	140	264
Total Cadillac	5,756	6,779	5,527	11,283	28,369	42,446
Cavalier	3,864	8,190	3,878	7,742	34,423	44,280
Camaro	1,195	2,889	0	1,195	5,022	11,485
Celebrity	4,635	8,285	3,957	8,592	15,127	49,116
Corsica/Beretta	7,085	5,467	7,892	15,567	40,032	31,263
Monte Carlo	0	1,537	0	0	0	7,020
Caprice	4,527	5,589	4,515	9,042	26,239	23,841
Corvette	440	650	451	891	2,501	3,875
Total Chevrolet	22,356	32,607	20,693	43,049	123,343	170,880
Calais	2,085	3,087	2,110	4,195	12,491	16,289
Firenza	580	882	0	500	2,088	3,308
Cutlass Ciera	0	4,884	0	0	0	25,535
Cutlass Supreme*	1,847	1,317	1,847	3,694	9,966	2,092
Toronado	493	285	461	954	1,281	2,833
88 (fwd)	3,205	4,798	3,207	6,412	19,882	27,841
88 (rwd)	320	374	239	559	1,812	2,563
Olds 98	1,822	2,115	1,808	3,630	10,237	10,674
Total Oldsmobile	10,272	17,672	9,671	19,943	57,759	92,125
Sunbird	2,527	2,649	2,329	4,856	13,368	13,889
Grand Am	4,800	6,214	4,838	9,638	28,880	32,556
Firebird	825	2,556	0	825	4,830	9,763
Grand Prix*	1,823	0	1,823	3,646	3,646	0
Pontiac 6000	1,580	1,624	253	1,843	1,929	10,119
Bonneville	1,975	3,185	1,983	3,958	11,662	19,099
Safari/Parisienne	170	418	191	361	709	1,541
Fiero	400	726	283	683	683	3,516
Total Pontiac	14,110	17,372	11,700	25,810	65,707	90,505
GENERAL MOTORS	58,890	80,103	53,395	112,294	312,474	479,482
HONDA	7,865	6,518	7,106	14,971	42,562	41,848
Civic	1,650	2,595	1,675	3,325	9,997	17,927
Accord	6,216	3,923	5,431	11,646	32,565	23,921
MAZDA	1,277	0	1,149	2,426	5,478	0
NISSAN	1,340	2,684	1,349	2,689	8,041	17,531
NUMMI	3,250	4,057	2,264	5,514	18,302	24,423
Corolla	1,200	808	171	1,371	6,081	4,982
Nova	2,050	3,248	2,093	4,143	12,221	19,441
VOLKSWAGEN	0	2,013	1,878	1,878	5,782	9,931
Golf/GTI	0	1,763	1,078	1,078	3,982	8,681
Jetta	0	250	800	800	1,800	1,250
Total Cars, U.S.	134,314	176,062	127,356	261,670	737,560	987,231
Total Cars, Canada	24,130	21,619	22,799	46,929	134,171	116,039
U.S., Canada Cars	158,444	197,681	150,155	308,599	871,731	1,103,270
U.S., Canada Cars and Trucks	259,679	298,017	250,144	509,823	1,478,045	1,692,096

Monthly estimates may contain error of one or two units due to rounding.

CANADIAN CAR	Week Ended Feb. 13, 1988	Week Ended Feb. 14, 1987	Week Ended Feb. 6, 1988	Feb. to Date	Jan. 1 to Feb. 13, 1988	Jan. 1 to Feb. 14, 1987
Eagle	0	—	0	0	0	—
Premier	1,680	—	1,852	3,302	9,536	—
CHRYSLER MOTORS	1,680	154	1,852	3,302	9,536	906
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,037	—	3,983	8,020	24,943	—
Topaz	1,733	—	1,476	3,199	9,479	—
Crown Victoria	2,989	—	2,862	5,761	16,989	—
Grand Marquis	2,861	—	2,866	5,727	16,244	—
FORD MOTOR CO.	11,520	11,405	11,197	22,717	67,655	66,653
Celebrity	335	—	389	724	2,751	—
Cutlass Ciera	4,965	—	4,851	9,816	24,082	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	870	—	867	1,737	6,536	—
Regal	4,000	—	3,122	7,122	19,402	—
GENERAL MOTORS	10,160	9,706	9,229	19,389	52,750	46,430
HONDA	700	129	626	1,326	3,613	655
VOLVO	100	225	95	195	615	1,395
Total Cars, Canada	24,130	21,619	22,799	46,929	134,171	116,039

U.S. TRUCK☆	Week Ended Feb. 13, 1988	Week Ended Feb. 14, 1987	Week Ended Feb. 6, 1988	Feb. to Date	Jan. 1 to Feb. 13, 1988	Jan. 1 to Feb. 14, 1987
Caravan	2,200	—	1,783	3,983	11,638	—
Dakota	0	—	0	0	12,622	—
Mini-Ram Van	350	—	283	633	1,830	—
Pickups	0	—	0	0	6,299	—
Total Dodge	2,550	5,382	2,066	4,616	32,389	28,162
Cherokee	3,800	—	3,812	7,612	22,156	—
Comanche	1,000	—	1,056	2,056	6,049	—
Grand Wagoneer	400	—	350	750	1,794	—
Pickups	0	—	0	0	0	—
Wagoneer	250	—	285	535	1,712	—
Total Jeep	5,450	4,843	5,503	10,953	31,711	26,890
Voyager	2,000	—	1,611	3,611	10,585	—
Total Plymouth	2,000	—	1,611	3,611	10,585	—
CHRYSLER MOTORS	10,000	9,905	9,180	19,180	74,685	55,052
Aerostar	4,421	—	5,097	9,518	27,405	—
Bronco	1,290	—	1,249	2,539	7,582	—
Bronco II	3,032	—	2,960	5,992	18,640	—
Econoline	5,118	—	4,984	10,102	30,332	—
Heavy trucks	1,321	—	1,324	2,645	7,952	—
Light trucks	10,390	—	10,403	20,793	59,112	—
Ranger	7,368	—	7,476	14,844	43,768	—
Total Ford Div.	32,940	33,077	33,493	66,433	194,791	194,692
FORD MOTOR CO.	32,940	33,077	33,493	66,433	194,791	194,692
Astro	3,195	—	3,616	6,811	20,622	—
Blazer	535	—	530	1,065	3,293	—
Mediums/Heavies	324	—	232	556	2,119	—
P-Model	900	—	910	1,810	5,754	—
Pickups	6,215	—	6,576	12,791	36,233	—
S-10	5,608	—	5,200	10,808	30,969	—
S-10 Blazer	3,340	—	3,533	6,873	16,211	—
Sportsvan/Van	1,428	—	1,328	2,756	7,866	—
Suburban	1,455	—	1,508	2,963	8,557	—
Total Chevrolet	23,000	24,896	23,433	46,433	131,624	133,920
Jimmy	160	—	170	330	1,074	—
Mediums/Heavies	1,014	—	1,014	2,028	5,493	—
P-Model	120	—	102	222	438	—
Pickups	2,245	—	1,838	4,083	12,536	—
S-15	1,478	—	1,832	3,310	8,791	—
S-15 Jimmy	980	—	705	1,585	3,461	—
Safari	800	—	908	1,708	5,290	—
Suburban	625	—	583	1,208	4,586	—
Vandura/Rally Vans	952	—	1,020	1,972	5,937	—
Total GMC	8,254	7,942	8,172	16,426	47,629	45,427
GENERAL MOTORS	31,254	32,840	31,805	62,859	179,253	179,347
NAVISTAR	1,800	1,613	1,794	3,594	10,777	9,083
NISSAN	3,250	1,759	3,235	6,485	19,437	10,179
AM GENERAL	450	50	450	900	2,700	300
MISCELLANEOUS	2,300	2,300	2,300	4,600	13,800	13,800
Total Trucks, U.S.	81,994	81,544	82,057	164,051	495,443	462,463

CANADIAN TRUCK	Week Ended Feb. 13, 1988	Week Ended Feb. 14, 1987	Week Ended Feb. 6, 1988	Feb. to Date	Jan. 1 to Feb. 13, 1988	Jan. 1 to Feb. 14, 1987
Caravan	3,036	—	2,985	6,021	18,153	—
Mini-Ram Van	234	—	219	453	1,355	—
Ram Wagon	590	—	0	590	2,256	—
Ram Van	1,300	—	0	1,300	5,461	—
Total Dodge	5,160	9,279	3,204	8,364	27,225	52,896
Voyager	2,874	—	2,804	5,678	17,015	—
Total Plymouth	2,874	—	2,804	5,678	17,015	—
Wrangler	1,018	—	1,044	2,062	5,775	—
Total Jeep	1,018	606	1,844	2,062	5,775	3,735
CHRYSLER MOTORS	9,052	9,914	7,052	16,104	50,015	56,631
FORD MTR (lt. trks)	3,648	3,404	3,625	7,273	21,569	19,761
Light trucks	2,315	—	3,721	7,036	19,210	—
Vans	1,375	—	1,237	2,612	7,500	—
Total Chevrolet	4,690	—	4,958	9,648	26,710	—
Light trucks	1,051	—	1,305	2,436	7,725	—
Vans	575	—	686	1,261	3,500	—
Total GMC	1,626	—	2,071	3,697	11,225	—
GENERAL MOTORS	6,316	9,280	7,029	13,345	37,935	18,775
NAVISTAR	225	194	226	451	1,352	1,198
Total Trks., Canada	19,241	16,792	17,932	37,173	110,871	96,363
U.S., Canada Trks.	101,235	98,336	99,989	201,224	606,314	558,826

— Includes window van production. *—Estimated
Jeep includes commercial only. AM General includes government-contract vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News

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Korea's Kia adds huge capacity, eyes U.S.

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — Kia Motors Corp. has embarked on a bold $1.6 billion plan to produce 600,000 additional vehicles annually — two-thirds destined for export, many to the United States.

The move could provide an opportunity for Ford Motor Co. — which owns 10 percent of Kia and sources the Festiva from South Korea — to import more vehicles from the country. But a Ford spokesman said Kia's expansion plans are unrelated to its links with Ford.

At the same time, there are reports that the South Korean automaker is considering a plan to take a more direct role in selling its cars in the United States.

Construction begins next month and the facility is expected to enter operation in stages. The plant will be built in Asan, an industrial complex 90 minutes outside Seoul on the country's west coast.

By 1991, when all phases are scheduled to be completed, Kia's total production capacity will be 900,000 units.

Kia will invest about 1.3 trillion won (about $1.6 billion) in this project, its second plant. Kia sources said that 850 billion won, including $184 million in foreign exchange, will be poured into the new plant to reach the first stage of production (300,000 units). An estimated 400 billion won will be invested after 1989 to increase production capacity by an additional 300,000 units.

Kia's Sohari plant on the southern outskirts of Seoul has a capacity of 300,000 units. Pride subcompacts, Concord compacts and Besta vans are built there.

In the United States, Ranjan Pal, an economist specializing in Korea for Wharton Econometric Forecasting Associates, of Bala Cynwyd, Pa., said he was not surprised by the plans. Given the phenomenal rate of growth in the Korean auto industry, 600,000 additional units by 1991 is not out of the question, he said.

He estimated that 75 percent of the exports could be targeted for North America, with the balance going to Europe and Japan.

The export ambitions will be coming at a

see KIA, page 34

Chrysler offers perks on used cars

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

New-car incentives can chill the used-car market, so Chrysler Motors has lighted a fire to boost sales of its second-hand vehicles: loan incentives similar to those on new cars.

The automaker announced a raft of cut-rate loans through Chrysler Credit Corp. for factory-owned used vehicles sold to dealers. Loans are as low as 7.7 percent with terms as long as 60 months.

Used-car sales have gained importance for manufacturers since the advent of buyback programs from daily rental companies.

Under the buyback system, blocks of cars are sold to daily rental agencies then repurchased months later at the sale price less depreciation.

Vehicles then are sold to factory dealers at closed auctions. Chrysler is expected to sell 130,000 executive and programmed vehicles in 1988 at factory-controlled sales.

Ford Motor Co. expects to dispose of 150,000 such vehicles at closed auctions this year, and General Motors' programmed and executive vehicle sales will top 240,000.

"This is not a big program and is confined to dealers within the

see USED CARS, page 37

HE'S IN

HE'S OUT

TV LEE: *Iacocca wants to bid goodbye to role as television pitchman*

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

Lee Iacocca's announcement that his most recent television commercials may be his last as Chrysler Corp.'s chief spokesman could mark the end of an era of automotive advertising.

The man who told American car buyers, "If you can find a better car, buy it!" and put public confidence behind a failing Chrysler in the early 1980s said he wants to retire from his seven-year role as pitchman. The Chrysler chairman said the long hours of filming and his feeling that he has become overexposed are contributing factors.

"I think people are tired of me coming into their living rooms," Iacocca told Automotive News during a rare interview at the National Automobile Dealers Association convention in San Francisco two weeks ago.

Earlier, the auto executive joked with reporters gathered in New York for the company's 1987 earnings results: "I'd like to retire while I'm behind."

Iacocca has appeared in 46 television

see TV LEE, page 33

Angry UAW girds to fight Chrysler on Acustar sale

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Motors Chairman Gerald Greenwald will meet with the UAW Tuesday as union locals throughout the company vote on whether to authorize strikes to hamper Chrysler's attempt to sell its Acustar parts-making subsidiary.

While the possible sale of Acustar is not a legally strikeable issue, local unions are allowed to strike on a plant-by-plant basis over health and safety issues. UAW Vice President Marc Stepp warned earlier this month at a union rally that such a tactic might be used to protest the possible Acustar sale.

Such a tactic could affect production throughout the Chrysler manufacturing system within days, union sources said.

Selective strikes could begin in early March if the tactic is implemented, the sources said. However, they said it has not yet been determined if local strikes would be staggered or conducted in unison.

Representatives of all Canadian Auto Workers' locals met Friday to discuss the possible sale. CAW officials were expected to urge the company to keep Acustar within Chrysler.

Chrysler Corp. Chairman Lee Iacocca confirmed Feb. 4 that the company is negotiating to sell all or parts of the $3 billion components subsidiary. Iacocca said at that time an announcement could be made within a month.

The possible sale has angered the UAW at both the international and local level, and workers at several of Chrysler's U.S. plants last week began scheduling strike votes and actually authorizing strikes:

- UAW Local 624, which represents 2,250 workers at Acustar's New Process Gear Division in Syracuse,

see ACUSTAR, page 37

GENEVA

New VW Passat, Toyota Carina II, Fiat Tipo to compete for spotlight

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

GENEVA — The stepped-up battle between Volkswagen AG and Fiat S.p.A. for top position in the record-blazing European market will be the focus of next week's Geneva auto show.

Volkswagen will present an all-new replacement for the Passat (Quantum), a crucial mid-range entry that will go to the United States early next year.

Fiat offers the first international glimpse of its new Tipo subcompact, which was developed at a cost of $1.6 billion.

see GENEVA SHOW, page 34

New VW Passat goes to U.S. early next year

Hyundai Canada guilty of predatory pricing

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

Hyundai Auto Canada has been found guilty of selling the Excel, Pony and Stellar models in Canada at as much as 31.8 percent below their prices in Korea.

The antidumping case, which was filed by Ford Motor Co. of Canada and General Motors of Canada, now awaits a determination of injury by the Canadian Import Tribunal. That decision must be made by March 23.

The Canadian Antidumping Tribunal on Friday found Hyundai has been selling the Excel model in

see HYUNDAI, page 37

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ord Mexico strike could hurt Tempo/Topaz Page 2

Iacocca eyes defense work for Kenosha Page 3

U.S. indicts 5 ex-Pontiac aides in warranty case Page 37

Ford workers in line for $3,700
Ford Motor Co.'s chief financial officer Stanley A. Seneker congratulates line worker Henry Windham after 1987 profit-sharing figures were announced Friday at the Michigan Truck plant, Wayne, Mich. Ford's record $4.6 billion in 1987 earnings will bring profit-sharing checks worth an average of $3,700 to hourly and salaried employees. Last year, workers received about $2,200.

AUTOMOTIVE NEWS-JOE WILSSENS

NEW FOR L-M: *Division to get version of '90 Escort replacement*

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

Lincoln-Mercury will offer a version of the subcompact codenamed CT20 that is scheduled to replace the Ford Escort in 1990.

Sources close to Ford said Mercury's model will take the place of the Tracer. Tracer joined the Mercury lineup last year when the Lynx, a twin of the Escort, was dropped.

Thomas Wagner, who will leave Lincoln-Mercury's top job this month to take over as general manager of Ford Division, confirmed the plans.

He said Ford dealers will get a two-door hatchback while Mercury will carry a four-door sedan. Both divisions will sell station wagons. In addition, there will be a significant variation in sheet metal between the Ford and Mercury cars, Wagner said.

Ford is developing the CT20 with Mazda and will produce the car at its Wayne, Mich., assembly plant. The company has begun work on a new stamping plant next door.

Escort is also built in Edison, N.J. The Tracer sold by U.S. dealers is assembled in Hermosillo, Mexico. Wayne and Edison are among four Ford assembly plants in the United States and Canada not producing on double shifts.

There have been reports that CT20s will be produced in Hermosillo as well as Wayne. Ford has not indicated, however, where the second plant will be. Company officials said recently that production is scheduled to begin in early 1990.

Makers' grades slip

Dealers less satisfied in '87, survey says

AGOURA HILLS, Calif. — Automotive newcomers Hyundai, Daihatsu, Range Rover and Acura top the latest J.D. Power and Associates ranking of auto firms that best satisfied their dealers.

In general, dealers ranked their makers' performances a bit lower than 1986 — probably because dealers' expectations are rising as they acquire more franchises and see how other makers conduct business, said Philip Wade, director of strategic planning for the automotive marketing and consulting firm. More than two-thirds of the dealers surveyed last year held more than one franchise.

New makers generally enjoy a honeymoon with their dealers, so the rosy reports from newcomers Range Rover and Daihatsu — as well as Sterling, which was ranked below the industry average by its dealers — should not be compared with results from other makers, the study said.

Only six of the 28 makes tracked in both 1986 and 1987 improved their dealer satisfaction indices last year.

Asian brands squeaked ahead of European lines, largely because of the Asian makes' high rankings in sales and service support and an improvement in the business terms category, particularly in prompt payment of warranty claims and fairness of sales planning potential, the Power report found. However, dealers gave the Asian makes lower ratings for service representatives' competence, availability and fulfillment of commitments.

Domestic makes' key weakness again last year was in manufacturer service support, with General Motors having the greatest losses.

European makes, too, declined in service support. Dealers gave their makes lower ratings for handling customer complaints, service training and the competence and availability of service representatives.

Although Mitsubishi was not ranked for 1986 because of its low dealer base, it would have been at the top of the heap, with an index of 118. The company hit the 115 mark in 1987.

The precipitous fall in rank by Jaguar was due largely to startup problems with its new model, Wade said. Merkur's index dropped even more than Jaguar's, but its dealers' ratings fell off across the board.

The latest survey was conducted from the last week of August to the first week of October. Results were published in the February issue of The Power Report on Automotive Marketing.

SO-SO SATISFIED
Dealers rank the factories

1987 Pos.	1986 Pos.		1988 DSI	1987 DSI
1	—	Hyundai	—	119
—	—	Daihatsu	—	118
—	—	Range Rover	—	118
2	—	Acura	—	117
3	—	Mitsubishi	—	115
4	2	Mazda	112	112
4	1	Saab	118	112
6	9	Mercedes-Benz	106	111
7	3	Honda	111	110
8	5	Toyota	109	109
9	4	Volvo	110	108
10	6	Audi	108	105
11	12	BMW	102	104
11	8	Isuzu	107	104
11	—	Suzuki	—	104
14	20	Ford	102	103
15	11	Lincoln-Mercury	103	102
15	16	Nissan	101	102
17	16	Dodge	101	100
17	12	Porsche	102	100
19	12	Chrysler-Plymouth	102	99
20	6	Merkur	108	98
20	—	Yugo	—	98
22	19	Cadillac	99	97
—	—	Sterling	—	97
22	12	Volkswagen	102	97
24	23	Buick	97	96
25	18	Oldsmobile	100	95
25	24	Peugeot	96	95
25	20	Pontiac	98	95
28	20	Chevrolet	98	94
29	10	Jaguar	105	92
30	25	GMC	92	89
30	27	Subaru	85	89
31	28	Jeep	86	81
32	29	AMC-Renault	74	79
1	2	Avg. Asian Brands	104	106
2	1	Avg. Euro. Brands	105	103
3	3	Avg. Dom. Brands	98	98
—	—	Avg. All Brands	100	99

SOURCE: J.D. Power and Associates

Three officials quit NADA posts; two will take jobs with Toyota

WASHINGTON — Three veteran staff members of the National Automobile Dealers Association resigned last week.

Two are joining the Washington office of Toyota Motor Sales, U.S.A. Robert Wade, NADA's chief counsel and executive director of the legal group, and Earl Quist, director of industry affairs, will assume new government relations posts on Toyota's Washington staff in March. They will report to Doug Smith, Toyota's manager of government and industry relations.

Wade joined NADA in 1980, while Quist has been with the organization 12 years.

As part of a reorganization of Toyota's Washington office, the pair will take over the duties of Robert Daly, Toyota's manager of industry affairs, who has been promoted to national manager of service operations at the company's Torrance, Calif., headquarters.

In another development, Louis V. Priebe, NADA's director of public relations, resigned over policy differences to pursue other professional interests.

Priebe joined NADA in January 1983 after having worked in public relations positions at the American Automobile Association and the Motor Vehicle Manufacturers Association.

Iacocca sees hope of defense work for Kenosha plant

By Geoff Sundstrom and Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTERS

WASHINGTON — Doing what he does better than anyone else, Chrysler Chairman Lee Iacocca came to Washington last week to work a deal between his company and the government.

In roughly two hours, he raised the possibility of briefly extending M-body production at the Kenosha, Wis., plant; forestalled the threat of a lawsuit against Chrysler by the state of Wisconsin; and took a big step toward winning new defense business for two Chrysler subsidiaries.

Iacocca met here Thursday with Rep. Les Aspin, D-Wis., chairman of the House Armed Services Committee, and Wisconsin Gov. Tommy G. Thompson to try to salvage the future of 5,500 workers at Chrysler Motors' Kenosha assembly and stamping plants. Those workers had been told they will lose their jobs at the end of the 1988 model year when Chrysler closes the former American Motors complex.

The Washington meeting, described by both sides as "vocal" and "testy," produced these results:

- Iacocca said he will review extending briefly production of the M-bodied Chrysler Fifth Avenue, Dodge Diplomat and Plymouth Gran Fury beyond the planned September shutdown. However, he indicated an extension would be unlikely to last beyond the fall.

He said a big factor will be the number of police fleet orders Chrysler receives for the V-8, rear-wheel-drive cars.

The company also said the planned transfer of the Dodge Omni America and Plymouth Horizon America from Kenosha to the Jefferson Avenue assembly plant in Detroit remains scheduled for July.

- Iacocca said Chrysler is attempting to win defense contracts through its Gulfstream Aerospace Corp. and Electrospace Systems Inc. subsidiaries, which may result in defense work for Kenosha.
- Chrysler will try to attract some of its suppliers to Kenosha. Iacocca noted the plant's skilled workforce could be a major lure.
- Thompson announced Wisconsin will hold its lawsuit against Chrysler in abeyance pending the outcome of negotiations with Chrysler.
- Thompson asked UAW Local 72 in Kenosha to "go to the table with Chrysler" to settle the Employee Investment Plan issue and work out a plan for the award of retirement benefits and funds from the union's job bank. The investment plan involves repayment of concessions granted by workers in their 1982 labor agreement with AMC.
- Aspin, whose House committee oversees the Defense Department, said he will look into the possibilities of Chrysler doing defense work in Kenosha. Aspin is better positioned than almost any member of Congress to influence defense contracts.

Aspin said he was willing to explore the possibilities with Chrysler, especially with regard to the stamping and engine plants. Iacocca and Aspin declined to speculate on the kind of defense work Kenosha might qualify for.

Thompson, Iacocca and Aspin said they will look at an "economic development plan for the whole region".

Iacocca said one of the issues of the Thursday meeting was worker pension benefits and health care plans. Iacocca noted that 1,800 employees are eligible for pension benefits and that health care benefits will be extended for several months beyond the plant's closing date. He acknowledged, however, that 3,700 people will remain jobless when the plant closes.

The meeting in Washington followed by two days an announcement by Iacocca that Chrysler will donate all profits from 1988 vehicle sales in Wisconsin to a trust fund for workers left jobless by the Kenosha closing.

The Chrysler-Kenosha Trust, expected to total about $20 million, will be used to pay housing, educational and other expenses for the 5,500 workers potentially displaced.

The program is in addition to Chrysler's contractual obligations such as severance pay and extended benefits.

Iacocca last week said the company was not setting a precedent but was recognizing a "moral obligation" in Kenosha.

Iacocca said Chrysler raised expectations in Kenosha when it decided to build two models in the plant and that the company was "guilty as hell of being cockeyed optimists."

"Blame us for being dumb managers, for spending $200 million to put two old cars in an 86-year-old plant, but please don't call me a liar when I've got to close it sooner than I thought," Iacocca said.

Iacocca described Chrysler as not a "villain" but a "victim" of unfair trade policies.

Iacocca, who described the trust fund as unique, said the $20 million estimate was based on an average $506 net profit on each vehicle sale in 1987. Sales totaled about 40,000 units in Wisconsin last year.

The trust will be administered by a seven-member board to which Chrysler will appoint one member.

Iacocca said Wisconsin dealers are pleased with the program and had sought relief from the company after the closing announcement Jan. 27. Dealers within "a hundred-mile radius of Kenosha were taking a beating," Iacocca said.

The International UAW said it "welcomed" Chrysler's establishment of a trust fund and the company's "accountability" to communities such as Kenosha.

However, Rudy Kuzel, president of UAW Local 72, which represents workers at the plant, termed the program "the mistrust fund" and said the local seeks "jobs, not charity."

"Iacocca breaks a commitment to the state of Wisconsin and the community of Kenosha, throws 5,000 people out of work, causes an estimated $1 billion in damage to the state economy and turns it into a scheme to sell cars," Kuzel said. "He's got to be the greatest car salesman in the world."

Kuzel also criticized Iacocca for blaming the plant closing on foreign competition.

"I'm really bored with this 'slap-a-Jap' campaign Iacocca and the international UAW run every time a plant closes," Kuzel said.

INDEX

Around the world	31-32
Auction dates	20
Classifieds	21
Coming events	14
News briefs	8
Obituaries	37
Opinion	10
Personnel	35-36
Production	39
Sales, car	38
Sales, truck	12
Truck industry	12

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Ford tallies record profits, out-earns GM again

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

Ford Motor Co. finished 1987 with a bang. The automaker posted record profits for the October-December period as well as for the entire year, and in the process out-earned General Motors for the second consecutive year.

Ford's net earnings for 1987 totaled $4.63 billion, an increase of 41 percent over the $3.29 billion it reported for 1986. GM earned $3.55 billion last year and $2.94 billion in 1986.

Earnings per share in 1987, adjusted to reflect the company's 2-for-1 stock split, equaled $9.05 per share compared with $6.16 per share in 1986.

The 41 percent earnings improvement was derived from total 1987 sales that increased just 14 percent, to $71.64 billion from $62.72 billion in 1986.

In the fourth quarter, Ford reported net earnings of $932 million, or $1.87 a share, on sales of $18.76 billion. That compared with 1986 fourth-quarter net earnings of $785 million, or $1.50 a share, on sales of $16.26 billion.

Ford made its money in a very traditional way: on car and truck sales, primarily in the United States, although the company reported improved penetration in most major markets in 1987. Its total worldwide vehicle factory sales reached 6,115,288 last year, 2 percent more than the 5,984,081 reported for 1986.

"The entire Ford team deserves the credit for the company's success," the company said in a statement attributed to Chairman Donald E. Petersen and Vice Chairman Harold A. Poling.

The statement credited "the joint effort by employes, suppliers and dealers" in bringing Ford's products to consumers as "the key to 1987 results."

Some 90 percent of the company's $1 billion earnings improvement came from operations in the United States, where earnings were $3.44 billion in 1987 compared with $2.46 billion in 1986.

Outside the United States, Ford earned $1.18 billion, compared with $825 million in 1986. Ford said higher profits in Europe and Asia-Pacific operations were partially offset by less favorable results in Latin America, where weak economic conditions in Brazil as well as startup costs for the Autolatina joint venture with Volkswagen in Brazil and Argentina hurt profits.

The company said that in the United States, its share of the car market rose to 20.2 percent from 18.2 percent in 1986, while truck-market penetration rose to 29.1 percent from 28.1 percent.

In Canada, Ford said its car-market penetration improved to 18.1 percent from 17.2 percent while its truck market share increased to 30.8 percent from 29.7 percent.

In Europe, Ford said its share of the car market rose to 12.1 percent from 11.8 percent while its truck share increased to 10.7 percent from 9.6 percent.

Although there was no question that Ford's main strength in 1987 was automotive, its non-automotive subsidiaries buoyed earnings, adding net profits of $1.66 per share in 1987 compared with $1.48 per share in 1986.

The company said Ford Credit earned a record $679 million last year, up 11 percent from $611 million in 1986. Elsewhere in the Ford financial services group, there were some difficulties, however.

The company's San Francisco-based thrift institution, First Nationwide, sustained a 38 percent decline in earnings to $63 million from $102 million, which the company attributed to "costs associated with its expansion program and lower net interest margins."

Oddly, the company reported that last year's adoption of FASB (Financial Accounting Standards Board) Standard No. 87, dealing with accounting for pensions, increased net income by $148 million, or 29 cents a share. Most corporations had expected the new standard to hurt their balance sheets.

Last year, Ford reported increased capital spending — $3.61 billion compared with $3.35 billion in 1986.

Ford's year-end balance sheet looked even stronger than it did one year earlier, as the company reduced its debt-to-equity ratio to 1.43 to 1.00 from 1.55 to 1.00 at the end of 1986.

At Dec. 31, 1987, the company had a liquid asset pool that included $10.1 billion in cash and marketable securities. One year earlier, that pool was about $8.6 billion.

During the year, Ford reduced its long-term debt from $2.1 billion to $1.8 billion; reduced capital stock from 536.8 million shares to 507.5 million shares through a buyback campaign; and boosted year-end shareholder equity to $18.49 billion, or $36.44 per share, from $14.86 billion, or $27.68 per share one year earlier.

Profits rise for Big 3; '87 2nd best

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

The Big 3 automakers made a killing in 1987.

Together, they reported year-end profits of nearly $9.47 billion on sales of just over $200 billion.

That compares with 1986 profits of $7.62 billion on sales of $188.5 billion.

The record earnings year was 1984 when the Big 4, including an autonomous American Motors, earned $9.82 billion on sales of $160.1 billion.

In other words, the Big 3 in last year's tough domestic market squeezed out nearly $2 billion more in profits than they did the previous year, just missing a new record.

Along the way, they raised their profit margin to 4.73 percent in 1987 from 4.04 percent in 1986.

The improvements were accomplished in a variety of ways. Ford, with 48.86 percent of the profits on just 35.81 percent of dollar sales — mopped up in the primary business of selling cars and trucks.

Ford posted improved penetration in most of its major markets and spiffed its operating efficiencies for its record results.

GM, with 37.51 percent of the profits on 50.88 percent of total Big 3 dollar sales — relied on non-automotive units for earnings punch.

General Motors Acceptance Corp. contributed $1.5 billion in profit while Electronic Data Systems Corp. kicked in another $323 million and GM Hughes Electronics Corp. contributed $670 million. Those non-automotive units provided about $2.49 billion of GM's net earnings of $3.55 billion.

Chrysler, which swallowed AMC last year, was more balanced. Chrysler accounted for 13.63 percent of industry profits and 13.31 percent of total sales.

The company improved its penetration in U.S. and Canadian markets to bolster automotive earnings. Meanwhile, its equity in the earnings of unconsolidated subsidiaries was $348.9 million, or about 27 percent of its total.

BIG 3 RESULTS

FOURTH QUARTER
(In millions of dollars)

	1987 SALES	1987 PROFIT	1986 SALES	1986 PROFIT
Chrysler Corp.	$ 7,754.8	$ 350.8	$ 6,048.3	$ 324.2
Ford Motor Co.	$ 18,758.0	$ 932.0	$ 16,272.0	$ 785.0
General Motors	$ 23,378.3	$ 835.8	$ 25,527.3	$ 382.3
TOTAL	$ 49,891.1	$2,118.6	$ 47,847.6	$1,491.5
YEAR				
Chrysler Corp.	$ 26,631.5	$1,289.7	$ 22,977.5	$1,389.2
Ford Motor Co.	$ 71,643.4	$4,625.2	$ 62,715.8	$3,285.1
General Motors	$101,781.9	$3,550.9	$102,813.7	$2,944.7
TOTAL	$200,056.8	$9,465.8	$188,507.0	$7,619.0

NEW AUDIS: *Revamped 5000 due in July; coupe, 20-valve engine on tap*

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

TROY, Mich. — Audi of America's updated and renamed version of the Audi 5000 will be introduced this July, to be followed by several other product developments within the ensuing year.

The company's schedule calls for a 20-valve, five-cylinder engine for the Audi 90; a new Audi coupe, also with the 20-valve engine; and a pricey V-8 sedan.

Audi AG had outlined plans for some of those products last summer, but the timetable has since been juggled. The company had also talked of a sports version of the 80/90 model. To date, however, no production plans have been set.

The successor to the Audi 5000, to be called the Audi 100/200, will feature a more luxurious interior than the current model. On the outside, things will essentially stay the same.

Audi will beef up the Audi 90 Quattro with a five-cylinder, 20-valve engine. It is expected early next year, a spokesman said. The 162-horsepower engine had been planned for the 90 from the start but it wasn't ready for last fall's U.S. debut. Audi's 2.3-liter, five-cylinder powertrain — on which the multi-valve version is based — has been used in the interim.

The 20-valve engine is expected to make its way into other Audi products. One of those will be the new Audi coupe, expected to reach the U.S. market in spring 1989. Its predecessor was dropped last fall.

The new model will be derived from the current 80/90 body but will be five inches shorter. It goes on sale in Europe this fall.

Also due next spring is the 32-valve V-8-engined four-door sedan. The car will mark a step into the $50,000 range for Audi and will assume the ranking of Audi's flagship model. Its 3.6-liter engine will kick out 250 horsepower. No name has been selected.

The spokesman said the schedule could change.

Dealers hope for gains from Buick Daytona win

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

Did Bobby Allison's Daytona 500 win in a Buick Regal on Sunday sell cars on Monday?

Reports are mixed from dealers in the Southeast, where interest in stock car racing is strongest, but Buick is apparently convinced that its involvement in the NASCAR Winston Cup series of top-level stock car races is well worth the effort. Allison's Regal captured the checkered flag at Daytona Feb. 14.

Although there is no hard data to support the notion that racing sells cars, there are strong indications, according to Joseph Negri, manager of Buick Special Products.

When Buick's Regal won the NASCAR manufacturer's championship in 1981 and 1982, Regal sales as a percentage of the Buick line were greater in the Southeast than in any other U.S. area.

Chevrolet has won the manufacturer's championship for the last five years. Sales of its Monte Carlo SS model, with aerodynamic aids developed for Winston Cup races, seem to reflect the value of racing.

When the Monte Carlo SS was introduced in 1983, it accounted for 4,714 units, or 4.9 percent of Monte Carlo production that year. In 1987, Chevrolet sold 39,251 SS versions of the 79,045 Monte Carlos it built.

The outside appearances of Winston Cup race cars strongly resemble production models, but each is completely different under the skin. The Regal race car, for example, is rear-drive and V-8 powered while the production car carries front-wheel drive and a V-6.

In an informal Automotive News survey, the Buick dealers contacted did not report a strong link between Regal sales and its Daytona 500 success, but most agreed that racing victories do help sell the product.

Lloyd Buick-Cadillac in Daytona Beach, Fla., sold six Buick Regals during the three days following the race, according to Al Chubb, Buick sales manager. In the 13 days prior to the race, the dealership sold six Regals.

"Two sales were directly as a result of Bobby's win . . . both were performance-minded customers," Chubb said.

One customer was in his mid-30s and the other in his early 40s, while the average age of shoppers at the dealership is about 65, Chubb estimated.

The Buick Motorsports trailer, a rolling exhibition of Buick-powered race cars, appeared at the dealership on Feb. 5, about a week before the race. A Bobby Allison Regal was part of the exhibition.

The appearance of the performance cars is usually tied to major races and is one of Buick's top dealer promotions, Negri said.

Upgraded handling packages with larger alloy wheels are particularly popular, Chubb said. Although the Regal is not a high-performance car, "People like the look of the Regal and are willing to sacrifice performance for style," particularly when customers consider the high insurance rates charged on performance cars, he said.

In Huntsville, Ala., Century Buick Co. failed to see an increase in Regal business because of the Daytona 500 win, said Ben Gilliland, used-car manager.

He predicted that racing success will have some "halo effect" on sales.

At Tony Moore Buick-GMC in Decatur, Ala., Tommy Smith, Buick sales manager, said, "We haven't noticed a great difference in Regal sales. Sales have been going fairly well anyway."

At Yarborough Pontiac-Buick in Jonesville, N.C. (no relation to race driver Cale Yarborough), sales manager Larry Patterson said, "We haven't closed a sale yet, but there is a lot of interest in the Regal."

At Folger Buick in Charlotte, N.C., John Ramantanin, sales manager, said racing victories help — if not immediately, then over the long haul.

Bill Wakefield, of Wakefield Buick in Spartanburg, S.C., said turnout last Wednesday was good. "I haven't seen any rush of customers yet, but today we have more people looking at Regals than before. Looking out my window, I see three couples are looking at Regals. We have ads coming out that tie racing with the Regal."

January truck sales by manufacturer and segment

		14,000 & LESS GVW CLASS 1-3	14,001-16,000 GVW CLASS 4	16,001-19,500 GVW CLASS 5	19,501-26,000 GVW CLASS 6	26,001-33,000 GVW CLASS 7	33,001 & OVER GVW CLASS 8	TOTAL 1988	TOTAL 1987
CHRYSLER	MO	51,550						51,550	37,626
	YR	51,550						51,550	37,626
JEEP	MO	16,555						16,555	16,401
	YR	16,555						16,555	16,401
TOYOTA	MO	18,584						18,584	18,403
	YR	18,584						18,584	18,403
NISSAN	MO	15,073						15,073	15,894
	YR	15,073						15,073	15,894
MAZDA	MO	8,319						8,319	8,356
	YR	8,319						8,319	8,356
ISUZU	MO	7,010						7,010	5,848
	YR	7,010						7,010	5,848
MITSUBISHI	MO	3,957						3,957	2,905
	YR	3,957						3,957	2,905
SUZUKI	MO	5,292						5,292	5,662
	YR	5,292						5,292	5,662
SUBARU	MO	2						2	264
	YR	2						2	264
RANGE ROVER	MO	246						246	0
	YR	246						246	0
FORD	MO	102,623	591		705	2,315	855	107,089	83,841
	YR	102,623	591		705	2,315	855	107,089	83,841
FREIGHTLINER	MO						1,741	1,741	1,193
	YR						1,741	1,741	1,193
CHEVROLET	MO	91,490		7	717	624	52	92,890	66,804
	YR	91,490		7	717	624	52	92,890	66,804
GMC	MO	20,105		369	1,333	426	272	22,505	22,071
	YR	20,105		369	1,333	426	272	22,505	22,071
KENWORTH	MO					9	1,011	1,020	900
	YR					9	1,011	1,020	900
MACK	MO				152	202	1,066	1,420	1,372
	YR				152	202	1,066	1,420	1,372
MERCEDES	MO				54	133		187	235
	YR				54	133		187	235
NAVISTAR	MO		16	45	1,430	2,537	2,599	6,627	5,465
	YR		16	45	1,430	2,537	2,599	6,627	5,465
PETERBILT	MO					10	897	907	593
	YR					10	897	907	593
VOLVO	MO					86	676	762	746
	YR					86	676	762	746
HINO	MO			39	36	67		142	101
	YR			39	36	67		142	101
NISSAN DIESEL	MO			48	31	68		147	116
	YR			48	31	68		147	116
ISUZU TRUCK	MO	167		10	8	4		189	356
	YR	167		10	8	4		189	356
MITSUBISHI FUSO	MO	51		1	10	29		91	25
	YR	51		1	10	29		91	25
SCANIA	MO						7	7	23
	YR						7	7	23
IVECO TRUCKS	MO	63	20	15	25			123	146
	YR	63	20	15	25			123	146
WESTERN STAR	MO						185	185	79
	YR						185	185	79
OTHER DOMESTICS	MO				3		53	56	66
	YR				3		53	56	66
GRAND TOTAL	MO	341,087	627	534	4,504	6,510	9,414	362,676	295,780
	YR	341,087	627	534	4,504	6,510	9,414	362,676	295,780
1986 YR to DATE		276,910	0	1,007	2,735	7,168	7,960		

Class 1-3 sales data reported by individual manufacturers; Class 4-8 data reported by Motor Vehicle Manufacturers Association.

Neway has big plans for Air Beam system

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

MUSKEGON, Mich. — Lear Siegler is using words like lighter, less expensive and more durable as it gets ready to introduce a new drive-axle air-ride system designed for tractors.

A test driver used words like "sweet" and "smooth" to describe the ride to a passenger in a western Michigan demonstration. He said "lateral movement" and "pitching" of the cab were sharply reduced with the product.

The company's Neway Division here said its new Air Beam suspension for Class 7 and Class 8 on-highway trucks has been under development for three years. It will be sold alongside Neway's existing air-suspension system that was introduced in 1984 and is sold as a major option by all the North American truck builders.

At 928 pounds — for a 38,000-pound GCW truck — it is 126 pounds lighter than the older suspension and is more compact. It has fewer fasteners than others and therefore can be installed and serviced more easily, said Jack Smith, Neway vice president, engineering and quality assurance.

He said the heart of the Air Beam's rigid trailing arm design is the two-pin axle connection, which is top-mounted.

"With this configuration, we provide an energy storage medium that allows the deflections necessary for inter-axle articulation and roll motions, without subjecting other components to life-shortening stress, Smith said.

"There is no torque rod and no special heavy-duty cross members, which reduces cost because there is less axle preparation and fewer pieces to be assembled."

He said the Air Beam suspension's air spring has large volume and straight sides, which help reduce the spring rate. The reduced spring rate translates into better absorption of road shock and a better ride, Smith said. Neway engineers called the low spring rate unprecedented.

"The air spring piston is now part of the equalizing beam, thus the name Air Beam. It is unique," he said.

The equalizing beam is a forging, the end support is a casting, and the air spring piston is a stamping. All are welded into the beam assembly. "This beam is intended to last the life of the vehicle with the bushings being the serviceable items," Smith said.

A leaf spring was tried instead of the forged arm but quickly showed it lacked sufficient durability, said chief engineer Bill Pierce. In laboratory cycling for durability, the Air Beam has run the equivalent of more than one million miles.

Competitive leaf spring air suspensions failed in cyclic durability tests at 81,000 and 160,000 miles, he said. Tests were stopped when the Air Beam proved over 300 percent more durable than competitive leaf spring air suspensions, he said.

Shock absorption protects electrical, air conditioning and cooling systems as well as the truck itself, Pierce said.

Gary J. Schultz, marketing manager, said the company's sales strategy calls for "pull-through" demand. It hopes that requests for Air Beam installations from truck buyers it can reach will cause truck builders to install the Neway system. It will be shown at the three major truck shows in Western Star and Marmon trucks. The shows are the Mid America, the International and TruckCan '88.

Other sales efforts include an ad campaign with a teaser, then a four-color, full-page layout, a direct-mail campaign and personal sales efforts with fleets, Schultz said.

The Air Beam suspension is warranted for five years/unlimited mileage, and air shocks and rubber parts are covered for two years/unlimited mileage, he said.

Computer-aided-design tapes will be available to truckmakers in the fall, either directly from Neway or through the International Graphic Exchange Software.

Schultz said he expects the Air Beam to be offered by all the North American truck builders, including those with proprietary air ride systems of their own.

New computer-training program to aid Cummins' factory workers

COLUMBUS, Ind. — Cummins Engine Co. purchased a new Multistation Training system from Control Data Corp., Minneapolis. Cummins also announced several new programs for its diesel engines.

The Control Data training system is a network-linked system for computer-based training in the factory environment. The system is connected to 30 IBM PC-compatible microcomputers in an on-site network.

The multi-station system installed at Cummins' engine plant in Columbus teaches tradespeople and other factory personnel math and technology skills to help them maintain, repair and operate automated control equipment.

Separately, Cummins announced the availability of National Overhaul Warranty Protection for out-of-chassis overhauls.

In addition to its three NOW plans that back special in-frame overhauls, Cummins now offers its NH/NT/NTA-855 and LT automotive engine customers an out-of-chassis Plan 4 with four alternatives for a customer's needs.

They cover crankshaft replacement, cylinder block replacement, short block installation and engine installation.

The company also said that overhaul packages with Cummins-brand parts are now available at more than 4,000 company distributors and dealers in North America. The packages include six-cylinder kits, liner kits, piston kits or ring sets as well as rod and main bearing sets, an upper gasket set and an oil pan gasket.

Cummins also offers new dual press-fit cylinder liners to provide both an upper and lower press-fit in the cylinder block for increased liner stability and movement.

Cummins also reduced the price of its five separate replacement NT flywheel housings by 41.5 percent, said John Dunn, director of parts marketing for the company.

Ford recalling 103,000 Rangers, will pay $60,000 emissions fine

WASHINGTON — Under an agrement reached with the EPA, Ford Motor Co. will recall about 103,000 Ranger pickups and pay a civil penalty of $60,000 for alleged violation of the Clean Air Act.

Ford notified the EPA last November that its Ranger trucks with 2-liter engines, built during the 1985, 1986 and 1987 model years, were made without certain components that were supposed to be part of the emission-control warning-light system. EPA rules require some makers to install the warning system to alert drivers to replace the exhaust-gas-recirculation valve at set intervals.

The valve will be replaced on the Ford Rangers after 60,000 miles at no charge to the owners. Ford said it expects to achieve a 70 percent owner response. As an incentive for owners to bring in their trucks, Ford will provide a free oil change and oil filter.

AUCTION DIRECTORY

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TEXAS

Fort Worth Auto Auction, 2245 Jacksboro Hwy., Ft. Worth, TX 76114. Sale every Thursday. Contact: George Horton, 817-626-5494.

TEXAS

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AUCTION DATES

Chrysler Motors

Feb. 23 — Florida Auto Auction of Orlando, Ocoee, Fla.; Aptco Auto Auction, Taylor, Mich.; Riverside Auto Auction, Riverside, Calif.; Arena Auto Auction, Chicago; Hatfield Auto Auction, Hatfield, Pa.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

Feb. 24 — Southern Auto Auction, Warehouse Point, Conn.; Columbus Fair Auto Auction, Obetz, Ohio; and Nashville Auto Auction, Nashville, Tenn.

Feb. 25 — Omaha Auto Auction, Omaha, Neb.; Utah Auto Auction, West Bountiful, Utah; Indianapolis Auto Auction, Indianapolis; and Fredericksburg Auto Auction, Fredericksburg, Va.

Feb. 26 — St. Louis Auto Auction, Bridgeton, Mo.

Ford Motor Co.

Feb. 23 — South Seattle Auto Auction, Kent, Wash.

Feb. 24 — Columbus Fair Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Salt Lake Auto Auction, Salt Lake City

Feb. 25 — Baltimore-Washington Auto Exchange, Baltimore; Greater Houston Auto Auction, Houston; Bay Cities Auto Auction, Inc., Hayward, Calif.; and St. Louis Auto Auction, Bridgeton, Mo.

General Motors

Feb. 23 — Florida Auto Auction of Orlando, Ocoee, Fla., and Harrisonburg Auto Auction, Harrisonburg, Va.

Feb. 24 — Hatfield Auto Auction, Hatfield, Pa.; Metro-Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Feb. 25 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; Southwest Auto Auction, Phoenix, Ariz.; Denver Auto Auction, Englewood, Colo.; Big H Auto Auction, Houston; and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Used Car Sales
Auction Averages

February 1988	$5,178
Month ago	$4,463
Year ago	$5,711

Model Breakdown
Auction Averages

	FEB 1988	JAN 1988	DEC 1987
1988	$10,906	$8,839	
1987	$8,367	$8,435	$10,148
1986	$6,743	$6,516	$8,322
1985	$5,580	$5,501	$7,127
1984	$4,382	$4,349	$5,640
1983	$3,449	$3,362	$4,791
1982	$2,381	$2,303	$3,441
1981	$1,850	$1,926	$2,516
Overall Average	$5,178	$4,841	$5,898

Public auction scheduled by Mazda dealer

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

A Texas auto dealer has hired an auctioneer to clear his inventory of 40 new Mazda trucks and 30 cars in a public auction slated for March 27.

Mark Krueger, general manager of Krueger Mazda of New Braunfels, Texas, said he will auction every new vehicle he has in stock plus 30 cars he has special-ordered from Mazda for the event.

Krueger hopes to liquidate his truck inventory and increase his allocation of better-selling cars like Mazda's MX-6 and 626 by hosting the auction.

"I've had trouble getting cars from Mazda," he said. "I have one 626, two 929s and two MX-6s — I can sell 10 of each."

He plans to start the bidding on a 1988 Mazda B-2200 pickup and a 1988 Mazda 323 at $100. Bidding on other vehicles will start at dealer invoice.

The auction also will include 30 used cars.

He said a factory incentive in February and March gives dealers up to $500 per truck sold at straight invoice and should help offset low auction prices.

"If I can sell 15 trucks at a profit and the rest at cost, then the worst thing that will happen is that my allocation will be increased," said Krueger.

A third-generation auto dealer, Krueger also owns a Chevrolet dealership in New Braunfels.

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30 — $100.00 DRAWINGS	30 — $100.00 DRAWINGS	30 — $100.00 DRAWINGS
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Sales war due to boost auto ad spending again in 1988

By Raymond Serafin
CRAIN NEWS SERVICE

Although many automakers are trying to hold the line on ad spending this year, competitive pressures are forcing some big ad budgets.

That includes industry leader General Motors, which is trying to reverse a disastrous 5-percentage-point loss in market share in 1987, plus a number of small marketers seeking to carve niches.

Overall automobile ad spending growth probably will not match the substantial increases of 1987, but many think the category will continue to grow faster than the ad industry average. Predictions of increases range as high as 20 percent.

A superheated competitive environment drove up ad spending beyond anyone's predictions last year, and the fight for market share is no less bloody now.

The more than three dozen automakers, along with distributors and dealers, have spent heavily to develop brand image, introduce new models and nameplates and regionalize their strategies.

No single source tracks auto spending at all levels, but a compilation of various sources suggests advertising reached $7 billion last year, with spending by importers leading the growth.

A source at one ad agency that tracks spending patterns said passenger-car ad spending in major media by factories grew 29 percent and factory-dealer co-ops went up 21 percent during the 1987 model year, to a combined total of $2.6 billion.

Those figures do not include trucks, which represent 32 percent of all vehicle sales, and they also exclude costs for direct mail, promotions, incentives and ad production.

Robert J. Coen, senior vice president — director of forecasting, McCann-Erickson, New York, said auto ad spending was up 19 percent during the first nine months of 1987, based on tracking of network and spot TV and magazines.

Tom Webb, senior economist for the National Automobile Dealers Association, said dealer ad spending rose 12.5 percent to $3.6 billion during 1987. The total includes about $1.1 billion in dealer contributions to co-op advertising, which he said is growing faster than any other aspect of dealer ad spending.

NADA's figures show that dealer per-unit spending rose 20 percent during the year, which more than offset a 7 percent decline in vehicle sales.

Coen said auto spending will be "well above" the 9 percent growth he forecasts for the entire ad industry.

Two agency sources, who asked not to be identified, were split on Coen's projection. One said his agency is expecting factory and dealer group spending increases in the 20 percent range. "And our projections over the past few years have been consistently low," he said.

The other executive was more cautious, saying that preliminary figures from the first quarter of the 1988 model year showed spending was flat. Spending for the Olympics might change that trend, but 1988 "is a hard year to gauge," he said.

If ad spending levels are off somewhat, it may in part be because Japanese importers are feeling cost squeezes. As their parent companies watch profits fall with every rise in the yen, the U.S. marketing subsidiaries are forced to defend existing marketing budgets.

"A lot of Japanese (automotive) companies are responding to the increased budgets in Detroit by looking at their established ad spending and trying to find out what to do with the numbers they have," said Leon Rosen, national marketing manager, American Isuzu Motors, Whittier, Calif.

But importers overall spent aggressively during 1987. Coen said importers' major media spending soared 47 percent in the first nine months of 1987, compared to the previous year.

Another agency source calculated a 27 percent increase in importers' total spending during the 1987 model year. According to another agency's internal estimates, importers accounted for more than 45 percent of all car ad spending during the 1987 model year, even though their market share was under 33 percent.

Those sorts of numbers leave Detroit agency executives frustrated as they try, with only modest success, to convince their clients to ante up.

"The difference is that domestic automakers regard advertising as an expense, while the Japanese importers regard advertising as an investment," said the head of one agency.

GM traditionally has spent less money per car on advertising than any of its rivals, though GM's sheer size still allowed it to muster more total ad dollars than anyone else.

GM is giving its three newest models a $100 million ad sendoff, a sign the automaker is revving up to win back some of the market share it lost last year. However, more than half of that $100 million reflects a redirection of dollars rather than new spending, sources indicate.

Ford Motor Co. and Chrysler Corp. are taking a conservative approach to spending increases, sources indicated. Both nearly went broke during the early 1980s, and they now are keeping a lid on all expenses — including ad budgets — in order to hold down their break-even points.

Crain News Service reporters Cleveland Horton in Los Angeles and Patricia Strnad in Detroit contributed to this article.

AUTOMOBILE AD SPENDING PLANS

Advertiser	'88 budget estimates	% increase
Acura	$63 million	10%
American Honda Motor Co.	137 million	5%
American Isuzu Motor Co.	62 million	5%
Audi of America	80 million	100%
Austin Rover	20 million	NC[1]
BMW of North America	75 million	NC
Buick	103 million	10%
Cadillac	42 million	5%
Chevrolet	385 million	5%
Chrysler-Plymouth	110 million	NC
Daihatsu America	5-10 million	NA[2]
Dodge	115 million	NC
Ford Division	310 million	NC
Hyundai Motor America	71 million	14%
Jeep-Eagle	125 million	14%
Lincoln-Mercury	125 million	NC
Mazda Motors of America	157 million	NC
Mercedes-Benz of North America	60 million	NC
Mitsubishi Motor Sales of America	85 million	20%
Nissan Motor Corp. U.S.A.	160 million	NC
Oldsmobile	105 million	10%
Peugeot Motors of America	25 million	67%
Pontiac	90 million	20%
Porsche Cars North America	15 million	NC
Saab-Scania of America	11 million	10%
Subaru of America	80 million	100%
Toyota Motor Sales U.S.A.	220 million	NC
Volkswagen U.S.	125 million	19%
Yugo America	40 million	100%

1 No change.
2 Not available.
SOURCE: Advertising Age

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Southeast Toyota dealers deliver 15,000 in 10 days

By Charles M. Thomas —
AUTOMOTIVE NEWS STAFF REPORTER

Southeast Toyota Distributors Inc. estimates it sold 15,000 cars and trucks in a 10-day promotion that began Jan 22. The sale involved 85 percent of its 158-dealer network.

The independent distributor pegged the promotion a "port surplus" and held sales simultaneously at 21 locations in four of the five states in its distribution area. Dealers in South Carolina were shut out of the promotion because state laws forbid sales at off-site locations.

Glen Bullock, director of field operations, described the sale as successful but expensive. Thousands of cars and trucks had to be transported to off-site locations and the company spent heavily on advertising.

"We saturated the media for 10 days," said Bullock. "Inventories and finance staffs were sent to special sites."

He said that Southeast Toyota began planning the promotion six months ago to spur sales in January — a normally slow month.

In addition to inland sale locations, the company also organized sales at Port Everglades in Florida, and at ports in Jacksonville, Fla., and Savannah, Ga.

"Southeast Toyota is very aggressive and so are the dealers," said Bullock. "We have objectives to meet every month from Toyota Motor Sales U.S.A."

Because auto sales have been sluggish for the past several months, Bullock said the promotion was an attempt to build a market.

"The public is price sensitive right now, so low-end vehicles and trucks sold real well," he said.

Special commissions for salesmen included "spinning for dollars" wheels in addition to factory-dealer incentives on trucks, vans and Corolla FX models.

The sales manager for a central Florida dealership said that in spite of inclement weather, the dealership sold 70 vehicles at the Jacksonville port sale. "That's more than we would have sold at the dealership," he said.

Merrill Wiese, owner of Toyota of Wilson in Wilson, N.C., said it was a very effective sale for the dealership, "turning a ho-hum month into a good month."

There was one criticism of the sale by dealers — it should have lasted four or five days. "Ten days is an awful long gig," said one dealer.

Southeast Toyota, an independent distributor for Toyota Motor Sales U.S.A., distributes vehicles in Florida, Georgia, North Carolina, South Carolina and Alabama.

Limited-edition LeBarons

Chrysler Motors will market a limited edition of the LeBaron coupe and convertible this spring. The models are specially equipped and priced to appeal to young upscale buyers interested in sporty appearance and value, the company said. The Limited Edition LeBaron GTC coupe will be priced at $13,995; the convertible will be $16,495. The GTC models are distinguished by a white-only exterior body color and white-out trim. Models are equipped with a 2.2-liter turbocharged engine and five-speed manual transmission.

Reds, metallic gray are top picks

DETROIT — Car and truck producers are paying more attention than ever to new colors and fabrics.

Garnet reds and metallic grays are currently most preferred by customers, said Walter L. Walker, manager of General Motors' color and materials concept studio.

In the last four years, mica — a high-gloss, layered material — has been added to paint for a more "glamorous" finish, he said.

Automakers start developing new colors for cars and trucks three years before they will be used, said Bonnie B. Cunningham, color and trim specialist at Ford Motor Co.'s design center.

To gauge color popularity, automakers attend furniture and jewelry trade shows. Many automotive color experts are members of the Color Marketing Group, an international think tank, according to the Motor Vehicle Manufacturers Association.

Don 'Big Daddy' Garlits is subject of new movie

SAN FRANCISCO — While signing autographs for Mopar performance at this year's NADA convention, Don "Big Daddy" Garlits said a movie is being made about his career as America's premier drag racer.

Garlits, who races under Dodge and Mopar sponsorship, said the film is being produced independently but will probably be distributed by Paramount Pictures.

Bitter scales back, still eyes U.S. after Isuzu deal folds

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Bitter Automobiles plans to line up an independent network of U.S. dealers to sell its forthcoming luxury sports-car range following the collapse of a distribution agreement with American Isuzu.

Erich Bitter, president of the West German carmaker, said last week that he will proceed with revised plans to produce about 2,000 cars a year — one fifth of the original program — with about 1,500 units slated for sale in the United States through a network of about 100 dealers.

Meanwhile, production of the new Opel Omega 3000-based car has been reorganized. To supply American Isuzu dealers with 10,000 cars annually, Bitter had contracted with Steyr-Daimler-Puch to build the bodies and handle final assembly at its plant in Graz, Austria.

Bitter will now revert to the production format on the previous SC model. Bodies will be built by Maggiora of Turin, Italy, and shipped to Steyr for painting and installation of Opel mechanical components.

Trim and final testing for the SC was done at Bitter's facilities in Schwelm, West Germany, but the new car will be shipped directly to dealers from Graz.

Bitter asserted last week that bank approval for the investment in the new car is secure despite the setback.

"We have a commitment," he said. "It is definitely no problem because the amount of money I need now is much, much smaller."

He said news of the Isuzu collapse has generated substantial interest among potential dealers in the United States.

"We will continue to go with some of the dealers we had before and add others," said Bitter. "We received a lot of applications after people heard about Isuzu, and we've started going through those applications."

Bitter said the new scenario opens up opportunities for retailers with more experience selling luxury and performance models than Isuzu dealers, but who had been closed out of participation under the agreement.

Even without Isuzu distribution, Bitter's production plans far exceed the levels achieved on the eight-year-old Opel Seantor-based SC, 200-300 of which were built annually.

Bitter said he will have a "production quality" prototype of the convertible at next week's Geneva auto show, as well as full-scale models of the subsequent hardtop coupe and four-door versions.

He said he will stick with the plan to begin producing the convertible in October. He said the agreement with Maggiora calls for 50 units per month by next January and achieving the full output of 150 cars monthly by March 1989.

The retail price will exceed $40,000 in the United States based on current exchange rates. The car was originally pegged for the mid-$30,000 range — precisely the sore point that led to cancellation of the agreement with Isuzu.

"We never really worried about the price of the car," said Bitter. "I understand their position, but I'm used to selling cars that cost twice that much. I don't care what the dollar does. The entire Bitter company is very happy that we can go on by ourselves and not worry so much about cost."

Steyr officials say the scaled-down Bitter program is not a big blow for the Austrian company.

"I'm not greatly disappointed because I saw it coming," said Chairman Otto Voisard during an interview last week. "We did not really use it as a base for our future planning."

"In the United States, Erich Bitter has already found some remarkable interest from dealers in such a car," said Juergen Stockmar, Steyr executive vice president in charge of production and four-wheel-drive research at Graz. "He thinks he can sell 1,000-2,000 units in the United States, and he also has dealer contracts here in Europe. So we are quite optimistic that we will be able to produce at least 2,000 cars per year within the near future.

"But from 10,000 cars per year to 2,000, you have to rethink production totally," he added. "It's not the same production concept. It's totally different."

The new Bitter will be sold in the United States by a new company in which Erich Bitter owns 50.8 percent and former Volkswagen of America sales manager Samuel Tucker has 40.8 percent. The new group, Bitter Automobiles, has no legal connection with the old Bitter organization, which produced and marketed the previous model. The new Bitter company will pay royalties on the sale of the car to the old firm, which is made up of Bitter and 11 partners.

Feb. 1-10 sales rise

Extra day brings domestic gain of 12%

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Aided by an extra selling day, early-February sales of U.S.-built cars outpaced last year's deliveries for the same period by 12.85 percent.

Of the eight U.S. carmakers, only Honda and Nissan sold fewer cars this year than last.

"The first 10 days of this month were very good, although we're not quite back to normal," said Don Giambrone, vice president of Celozzi-Ettleson Chevrolet, Elmhurst, Ill.

Phil V. Naylor, president of Naylor Chrysler-Plymouth, Ann Arbor, Mich., said his sales have nearly doubled this year. "Incentives and the auto show in Detroit helped turn around sales," he said.

In the first 10 days of February, sales of U.S.-built cars totaled 192,001 compared to 170,134 in the same period a year ago. However, the early February total dropped 18.12 percent below the final 10 days of January 1988, when 234,487 cars were delivered.

The average daily selling rate edged up slightly to 21,333 compared with 21,267 last year. There were nine selling days in the period this year and eight last year.

The Big 3 reported increases of 7 percent to 27 percent over last year. Chrysler Motors' sales surged ahead 26.87 percent in the first 10 days of February. Chrysler Division's sales rose more than 60 percent over the year-ago period.

Ford Motor Co.'s car sales continued to climb with a gain of 19.16 percent for early February. Ford Taurus showed the biggest gain.

"We've sold a pretty good mix of cars and trucks. Both are up about 25 percent over last year. Mustang GTs and Thunderbird Turbo Coupes are always strong," said Mike Murphy, general sales manager, Key Ford Inc., Pensacola, Fla.

General Motors reported the highest Feb. 1-10 car and truck sales since 1979, according to C.N. "Bud" Moore, vice president, customer sales and service staff. GM's car sales rose 7.78 percent over last year's.

Transplants Volkswagen and Toyota sold more cars, too.

DOMESTIC SALES

	Feb. 1-10, 1988	Feb. 1-10, 1987
Eagle	807	850
Chrysler	8,266	5,090
Plymouth	8,519	7,450
Dodge	10,070	9,204
Chrysler Motors	28,665	22,594
Ford	38,348	33,028
Mercury	12,111	8,973
Lincoln	4,827	3,394
Ford Motor Co.	55,284	46,395
Buick	15,375	11,417
Cadillac	6,199	5,095
Chevrolet	49,894	39,942
Oldsmobile	17,693	16,164
Pontiac	17,563	23,194
General Motors	97,701	80,852
Volkswagen	944	714
Honda	7,208	7,539
Nissan	1,169	1,908
Toyota	679	382
Mazda	351	—
U.S. Industry Total	192,001	170,134

Toyota's sales of U.S.-built cars almost doubled and VW sold nearly a third more U.S.-built cars than it did in the equivalent period of 1987.

Honda delivered 4.30 percent fewer cars in the Feb. 1-10 period this year, and Nissan's sales fell 38.73 percent. Mazda, which was not making cars in the United States a year ago, sold 351 cars produced at its Flat Rock, Mich., plant in the first 10 days of February this year.

Mexico car output up 42% in '87; exports soar 503%

By Stephen Downer and Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTERS

The five automakers based in Mexico produced 266,142 cars in the 1987 calendar year, 42.01 percent more than the 187,409 built in 1986.

Export car production rose from 20,502 vehicles in 1986 to 123,706 last year, an increase of 503 percent. Ford led the way with 51,773 Mercury Tracers produced at its Hermosillo plant in the northwestern state of Sonora. The plant opened in November 1986.

Ford's total 1987 output of 67,578 cars compares with 20,016 built in 1986.

Chrysler which, unlike Ford, produces domestic and export market cars on the same line at its Toluca plant just southwest of Mexico City, produced 41,034 for export, up tremendously from the 15,147 built for export in 1986.

Chrysler's total car output was 64,208 in 1987, 50.70 percent more than the preceding year's 42,606.

General Motors, which announced last spring that it will be exporting 120,000 A-cars to the United States annually by about 1989, turned out 20,724 Celebrity A-car models at its export engine and vehicle assembly complex in Ramos Arizpe, near Saltillo in northeastern Mexico.

The total was considerably more than the 4,700 A-cars a company official originally said would be produced and exported in 1987. GM exported no cars from Mexico in 1986.

MEXICAN CAR PRODUCTION
Calendar year 1987 vs. 1986

	1987	1986
Chrysler	64,208	42,606
Ford	67,578	20,016
GM	32,242	14,260
Nissan	58,461	49,791
Volkswagen	43,653	60,736
Total Cars, Mexico	266,142	187,409

GM's total production of cars in Mexico was 32,242 in 1987, more than double the 14,260 built in 1986.

Nissan produced 58,461 cars last year, of which 10,175 were for export. In 1986, total output was 49,791 with 5,250 built for export.

The only company with no car export program last year was Volkswagen, though that will change this year. The company's Puebla plant, 80 miles southeast of Mexico City, will be the major beneficiary of VW's decision to close its Westmoreland, Pa., plant later this year.

VW built 43,653 cars in 1987 for the Mexican market, a decrease of 28.13 percent from 60,736 in 1986. Export production in 1986 for VW was 105 units.

VW launched a five-year, $500 million reinvestment program in Puebla in 1986.

Nissan developing 1990 Sentra in U.S.

By Matt DeLorenzo
AUTOMOTIVE NEWS STAFF REPORTER

Body component engineering for Nissan's next-generation two-door Sentra is under way at the company's assembly plant in Smyrna, Tenn. It represents a major step in the company's goal to design and build cars in their entirety in the U.S. market.

In addition to doing engineering at the plant, top Nissan Motor Manufacturing officials said last week they are studying the addition of another product line as well as an engine assembly operation at the plant.

Jerry Benefield, who recently took over as president of Nissan Motor Manufacturing from Marvin Runyon, said Pathfinder is among the products that have been studied. While nothing has been ruled out, he indicated that the sport-utility vehicle with its unitary body construction is more complicated to produce than the truck and would be difficult to incorporate in the plant's production flow.

Robert Drake, vice president of engineering and purchasing, said the plant's new CAD/CAM system is running, and engineering on the 1990 replacement for the Sentra two-door has begun. Drake said the two-door will be exclusive to the United States. As a result, the engineering and sourcing will be done here.

"We're working from the clay model," Drake said, underscoring the extent of the U.S. engineering effort.

The additional component sourcing generated by designing the body in the United States will push Sentra's domestic content to 70 percent, Drake said. He added that even higher levels will be attained if Nissan decides to build engines at Smyrna.

Domestic content of both cars and trucks produced at the plant is between 50 and 55 percent. Currently, engines and transaxles are sourced from Mexico and Japan. Beyond the engine plant, both Benefield and Drake said Nissan is evaluating the possibility of adding transaxle assembly to the site.

Those plans are consistent with a recent announcement by Takeshi Tanuma, president of Nissan Research & Development, which oversees the company's U.S. design and engineering functions. Tanuma said local content of 90 to 95 percent is a realistic target for the Smyrna plant.

The continuing decline of the dollar has also enhanced the viability of Nissan's U.S. manufacturing effort. Benefield said the plant's original target for profitability was 350,000 units per year, but now, with the increase in the value of the yen, the plant can make money at its current output of 240,000 units per year.

Japanese firms eye Ford imports

TOKYO — Two large Japanese trading firms have expressed interest in importing Ford-badged cars.

C. Itoh & Co. is considering a plan to establish a distribution network in association with Mazda Motor Corp.'s Autorama chain. C. Itoh previously handled Ford vehicles but discontinued sales when sales went flat after the Arab oil crisis in the 1970s.

Mitsui & Co. also has expressed interest in selling Ford products.

Mazda, meanwhile, has shown interest in becoming an importer. Earlier this month, Mazda said it will import 800 Ford Probes. The Probe uses the same platform as the Mazda MX-6; both cars are built at the Flat Rock, Mich., assembly plant. Probe will be exported to Japan some time after its U.S. launch on May 12.

Though Mazda acknowledges a hoped-for goal of 3,000 to 4,000 Probe units, the company will wait and assess the car's U.S. sales.

Mazda also is considering plans to import a five-door Festiva model made by its Kia affiliate. The car is sold in Korea as the Pride. Analysts say obstacles, including badging, pricing and who will actually sell the car — probably won't be resolved before 1989. Even so, the Kia Pride — known by Mazda as the 121 — could be the first Korean import to Japan.

PRODUCTION

Car output steady, far below 1987

By Kelley Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Last week's scheduled domestic auto output totaled 132,374 cars, slightly below (0.57 percent) the prior week's 133,137 and 22.93 percent below the year-ago week's 171,761.

So far this year, 868,757 cars have been assembled, 24.93 percent below the 1,157,256 completed last year at this point.

Companies split last week's targeted production as follows: General Motors, 45.64 percent; Ford Motor Co., 27.79 percent; Chrysler Motors, 16.70 percent; Honda of America Manufacturing Inc., 5.44 percent; New United Motor Manufacturing Inc., 2.46 percent; Nissan Motor Manufacturing Co. U.S.A., 1.01 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 0.96 percent.

Volkswagen of America's plant in Westmoreland, Pa., was idle last week for inventory adjustment. The plant was scheduled to resume output today.

Truck production was estimated at 86,039 units last week, 5.14 percent more than the previous week's 81,834 and 15.68 percent more than the year-ago week's 74,376.

Year-to-date, 581,322 trucks have been built, 6.82 percent more than the 544,187 assembled last year at this time.

Ford closed its Wayne, Mich., plant today for changeover for the 1988½ Escort. The plant is scheduled to resume operations Feb. 29.

Chrysler's Jefferson Avenue car plant in Detroit closed last week until March 7 for inventory adjustment. Approximately 2,800 hourly workers are temporarily laid off.

Chrysler's Newark, Del., car plant remains down for inventory adjustment. The plant is slated to reopen Feb. 29.

GM scheduled overtime last Saturday at its Baltimore and Flint, Mich., truck plants.

Ford slated overtime last Saturday at its Wixom, Mich., and St. Louis plants.

All Ford plants are scheduled for daily overtime this week except the Edison, N.J., and Wayne, Mich., car plants.

Canadian cars post 11% gain

Canadian automakers scheduled production of 24,150 cars last week, the highest since the week ended Dec. 20, 1986, when 24,896 cars were built.

Last week's estimated build was 11.09 percent more than the previous week's 21,739 and 17.58 percent more than the year-ago week's 20,540.

So far this year, 155,930 units have been assembled, 13.63 percent more than the 137,231 completed last year at this point.

Truck production was targeted at 19,573 units last week, 5.25 percent more than the prior week's 18,596 and 10.96 percent more than the year-ago week's 17,640.

Year-to-date, 129,799 trucks have been built, 14.45 percent more than the 113,413 assembled last year at this time.

U.S. CAR	Week Ended Feb. 20, 1988	Week Ended Feb. 21, 1987	Week Ended Feb. 13, 1988	Feb. to Date	Jan. 1 to Feb. 20, 1988	Jan. 1 to Feb. 21, 1987
Alliance	0	748	0	0	0	5,353
Total Eagle	0	748	0	0	0	5,353
Horizon	1,900	4,167	1,826	5,412	11,775	25,858
Sundance	2,000	2,530	2,083	6,431	14,776	15,259
Reliant	1,800	3,042	2,753	7,090	11,701	18,937
Caravelle	500	1,432	448	1,462	2,850	8,672
Gran Fury	300	0	328	872	1,713	0
Total Plymouth	6,300	11,171	7,416	21,287	42,816	68,724
LeBaron K	0	2,025	486	966	1,841	12,108
LeBaron J	1,600	2,097	1,173	2,773	2,773	10,255
LeBaron GTS	200	1,027	131	476	1,146	5,543
N. Yorker E-Class	0	1,551	0	0	0	11,837
N. Yorker C-Class	2,300	0	2,310	6,788	13,051	0
Fifth Avenue	1,100	0	1,067	3,379	6,536	0
Total Chrysler	5,200	5,700	5,198	14,362	27,147	39,743
Omni	1,900	3,555	1,868	5,406	11,521	22,276
Daytona	1,400	1,071	761	2,161	2,161	5,360
Shadow	2,300	2,286	2,250	6,632	15,186	13,964
Aries	1,300	2,114	1,842	4,817	9,424	16,696
Dodge 600	500	906	483	1,432	2,494	7,482
Dynasty	2,400	0	2,359	6,928	13,902	0
Lancer	300	560	265	835	1,743	4,074
Diplomat	500	0	490	1,334	2,643	0
Total Dodge	10,800	10,492	10,318	29,545	59,073	69,862
CHRYSLER MOTORS	22,100	29,100	22,932	65,194	129,036	183,682
Escort	5,618	7,672	8,892	23,158	59,334	52,750
Mustang	4,446	4,445	4,589	13,553	31,811	33,181
Tempo	3,980	4,158	3,582	11,331	28,540	28,858
Taurus	7,890	10,442	7,909	23,678	55,834	71,556
Thunderbird	3,479	2,753	3,470	10,410	22,991	19,299
Total Ford Div.	25,422	29,470	26,222	82,128	198,510	205,644
Lynx	0	1,545	0	0	0	9,580
Topaz	1,511	1,356	1,261	4,485	10,870	9,283
Cougar	2,288	4,092	2,300	6,897	17,396	28,867
Sable	2,699	3,256	2,724	8,169	16,331	21,861
Total Mercury	6,498	10,256	6,285	19,551	44,597	69,611
Continental	1,063	319	670	2,687	5,685	2,587
Mark VII	561	485	440	1,647	3,928	3,869
Lincoln	3,248	2,414	2,219	8,689	21,160	19,352
Total Lincoln	4,872	3,218	3,328	13,002	30,753	25,808
Total L-M Division	11,370	13,474	9,614	32,553	75,350	95,419
FORD MOTOR CO.	36,792	42,944	37,836	114,681	273,860	301,063
Skyhawk	1,080	861	851	1,911	5,029	7,284
Skylark/Somerset	315	869	285	864	3,378	13,345
Century	1,245	4,509	1,204	3,897	5,766	29,661
Regal (rwd)	0	882	0	0	0	7,023
Riviera	247	384	189	649	835	4,292
Electra	1,258	2,331	1,240	3,782	9,731	15,542
LeSabre (fwd)	2,400	2,531	2,400	7,200	16,855	15,175
LeSabre (rwd)	100	275	94	312	714	3,727
Reatta	222	0	85	383	485	0
Total Buick	6,847	12,702	6,357	19,008	44,095	96,070
Cimmaron	296	499	290	860	2,015	3,284
Eldorado	804	327	640	2,189	2,806	2,721
Seville	586	385	478	1,609	2,070	5,530
Brougham (rwd)	0	2,546	0	0	0	12,347
Deville (fwd)	4,000	4,075	3,514	11,517	26,360	25,589
Allante	65	50	60	175	205	319
Total Cadillac	5,761	7,882	5,032	16,370	33,456	49,790
Cavalier	7,077	8,184	6,644	17,599	44,280	52,360
Camaro	1,220	2,799	1,218	2,438	6,285	14,474
Celebrity	4,810	7,688	4,350	13,117	19,852	57,444
Corsica/Beretta	4,940	5,769	7,849	20,661	45,126	37,304
Monte Carlo	0	1,775	0	0	0	8,559
Caprice	4,885	5,725	4,540	13,940	31,136	29,015
Corvette	440	846	451	1,342	2,952	4,525
Total Chevrolet	23,372	32,586	25,052	69,117	149,411	203,671
Calais	2,085	1,544	1,918	6,113	14,409	17,867
Firenza	500	293	436	936	2,504	3,856
Cutlass Ciera	0	4,748	0	0	0	30,274
Cutlass Supreme*	1,847	1,404	1,847	5,541	12,569	4,409
Toronado	403	276	381	1,335	1,682	3,126
88 (fwd)	3,295	4,606	3,240	9,652	23,122	32,865
88 (rwd)	315	391	257	810	2,064	2,927
Olds 98	1,822	1,927	1,755	5,365	11,992	12,789
Total Oldsmobile	10,267	15,192	9,834	29,772	67,588	106,115
Sunbird	2,187	2,618	2,470	6,986	15,498	16,538
Grand Am	4,600	5,911	4,760	14,398	33,640	37,810
Firebird	840	2,558	779	1,619	5,824	12,343
Grand Prix*	1,823	0	1,823	5,469	14,579	0
Pontiac 6000	1,930	1,507	621	2,904	2,880	11,853
Bonneville	1,975	3,118	1,973	5,931	13,635	22,284
Safari/Parisienne	135	193	159	485	833	1,733
Fiero	485	1,070	389	1,157	1,157	4,294
Total Pontiac	14,175	16,973	12,974	36,949	78,746	106,855
GENERAL MOTORS	60,422	85,335	59,299	173,116	373,296	564,501
HONDA	7,195	7,361	7,287	21,588	49,176	49,191
Civic	1,730	2,935	1,620	5,025	11,897	20,576
Accord	5,465	4,426	5,667	16,563	37,482	28,615
MAZDA	1,275	0	1,176	3,600	5,652	0
NISSAN	1,340	2,872	1,326	4,015	9,367	20,395
NUMMI	3,250	4,140	3,281	8,795	21,583	25,480
Corolla	1,200	836	1,232	2,803	7,313	5,791
Nova	2,050	3,304	2,049	6,192	14,270	22,689
VOLKSWAGEN	0	0	0	1,878	5,782	9,944
Golf/GTI	0	0	0	1,078	3,982	8,694
Jetta	0	0	0	800	1,800	1,250
Total Cars, U.S.	132,374	171,761	133,137	302,867	868,757	1,157,256
Total Cars, Canada	24,150	20,540	21,739	66,086	155,930	137,231
U.S., Canada Cars	156,524	192,301	154,876	461,555	1,024,687	1,294,487
U.S., Canada Cars and Trucks	262,136	284,317	255,306	767,586	1,735,809	1,952,087

Monthly estimates may contain error of one or two units due to rounding.
*—Estimate.

CANADIAN CAR	Week Ended Feb. 20, 1988	Week Ended Feb. 21, 1987	Week Ended Feb. 13, 1988	Feb. to Date	Jan. 1 to Feb. 20, 1988	Jan. 1 to Feb. 21, 1987
Eagle	0	—	0	0	0	—
Premier	1,850	—	1,667	4,954	11,196	—
CHRYSLER MOTORS	1,850	156	1,652	4,954	11,196	1,080
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,037	—	3,635	11,665	28,578	—
Topaz	1,723	—	1,241	4,440	10,720	—
Crown Victoria	2,899	—	2,802	8,563	19,791	—
Grand Marquis	2,861	—	2,772	8,499	19,016	—
FORD MOTOR CO.	11,520	11,373	10,450	33,167	78,105	78,058
Celebrity	325	—	252	966	2,963	—
Cutlass Ciera	4,955	—	4,611	14,417	28,673	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	870	—	854	2,591	7,389	—
Regal	4,000	—	3,192	10,314	22,594	—
GENERAL MOTORS	10,150	8,702	8,909	28,288	61,649	56,754
HONDA	730	129	614	1,970	4,257	784
VOLVO	100	180	114	309	729	1,575
Total Cars, Canada	24,150	20,540	21,739	66,086	155,930	137,231

U.S. TRUCK☆	Week Ended Feb. 20, 1988	Week Ended Feb. 21, 1987	Week Ended Feb. 13, 1988	Feb. to Date	Jan. 1 to Feb. 20, 1988	Jan. 1 to Feb. 21, 1987
Caravan	2,200	—	2,167	6,150	13,805	—
Dakota	1,700	—	0	1,700	14,322	—
Mini-Ram Van	300	—	369	952	2,149	—
Pickups	800	—	0	800	7,089	—
Total Dodge	5,000	5,317	2,536	9,602	37,375	33,524
Cherokee	3,500	—	3,230	10,542	25,088	—
Comanche	1,100	—	846	3,002	6,985	—
Grand Wagoneer	400	—	350	1,100	2,144	—
Pickups	0	—	0	0	0	—
Wagoneer	300	—	224	809	1,988	—
Total Jeep	5,300	4,455	4,650	15,453	36,211	31,396
Voyager	2,000	—	1,987	5,598	12,572	—
Total Plymouth	2,000	—	1,987	5,598	12,572	—
CHRYSLER MOTORS	12,300	9,772	9,173	30,653	86,158	84,920
Aerostar	5,150	—	4,433	14,690	32,567	—
Bronco	1,302	—	1,259	3,810	8,853	—
Bronco II	2,991	—	3,039	8,990	21,638	—
Econoline	5,156	—	5,205	15,345	35,575	—
Heavy trucks	1,317	—	1,294	3,935	9,242	—
Light trucks	10,432	—	10,084	30,899	69,218	—
Ranger	7,420	—	7,550	22,446	51,370	—
Total Ford Div.	33,768	31,524	32,844	100,105	228,463	226,716
FORD MOTOR CO.	33,768	31,524	32,844	100,105	228,463	226,716
Astro	3,796	—	3,240	10,652	24,463	—
Blazer	586	—	443	1,586	3,786	—
Medium/Heavies	325	—	2,180	2,737	4,300	—
P-Model	900	—	675	2,695	6,529	—
Pickups	6,215	—	5,105	16,896	42,338	—
S-10	5,617	—	5,327	16,144	36,305	—
S-10 Blazer	3,340	—	2,995	9,696	19,206	—
Sportsvan/Van	1,428	—	1,482	4,218	9,328	—
Suburban	1,592	—	1,209	4,309	9,903	—
Total Chevrolet	23,798	19,726	23,636	71,067	156,258	159,447
Jimmy	175	—	192	537	1,281	—
Medium/Heavies	925	—	917	2,896	6,321	—
P-Model	120	—	121	343	580	—
Pickups	2,245	—	1,937	6,020	14,475	—
S-15	1,483	—	1,632	4,947	10,428	—
S-15 Jimmy	860	—	1,111	2,876	4,592	—
Safari	951	—	848	2,707	6,289	—
Suburban	884	—	883	1,980	5,338	—
Vandura/Rally Vans	952	—	721	2,883	6,658	—
Total GMC	8,395	7,675	8,172	24,739	55,942	54,005
GENERAL MOTORS	32,193	27,401	32,008	95,806	212,200	213,452
NAVISTAR	1,778	1,629	1,796	5,398	12,551	10,711
NISSAN	3,250	1,709	3,283	9,748	22,700	11,938
AM GENERAL**	450	50	450	1,350	3,150	350
MISCELLANEOUS*	2,300	2,300	2,300	6,900	16,100	16,100
Total Trucks, U.S.	86,039	74,376	81,834	249,930	581,322	544,187

CANADIAN TRUCK	Week Ended Feb. 20, 1988	Week Ended Feb. 21, 1987	Week Ended Feb. 13, 1988	Feb. to Date	Jan. 1 to Feb. 20, 1988	Jan. 1 to Feb. 21, 1987
Caravan	3,036	—	2,969	9,010	21,142	—
Mini-Ram Van	234	—	221	674	1,576	—
Ram Wagon	580	—	402	1,082	2,748	—
Ram Van	1,300	—	1,291	2,591	6,752	—
Total Dodge	5,160	9,128	4,983	13,357	32,218	62,175
Voyager	2,874	—	2,668	8,546	19,863	—
Total Plymouth	2,874	—	2,668	8,546	19,863	—
Wrangler	1,018	—	1,058	3,120	6,833	—
Total Jeep	1,018	641	1,058	3,120	6,833	4,370
CHRYSLER MOTORS	9,052	9,769	8,919	25,023	58,934	66,545
FORD MTR. (lt. trks.)	3,648	3,478	3,271	10,544	24,840	23,165
Light trucks	3,338	—	2,805	9,662	21,836	—
Vans	1,375	—	1,380	3,992	8,880	—
Total Chevrolet	4,711	—	3,985	13,654	30,716	—
Light trucks	1,394	—	1,729	4,506	9,797	—
Vans	575	—	482	1,743	3,982	—
Total GMC	1,969	—	2,211	6,251	13,779	—
GENERAL MOTORS	6,680	4,195	6,196	19,905	44,495	22,315
NAVISTAR	193	196	210	629	1,530	1,386
Total Trks., Canada	19,573	17,640	18,596	56,101	129,799	113,413
U.S., Canada Trks.	105,612	92,016	100,430	306,031	711,121	657,600

☆—Includes window van production. *—Estimated
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News

February 29, 1988

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Japanese dealers fear U.S. snub

Owning stores here has risks, they say

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Some Japanese dealers may be eyeing the U.S. market, but the idea has its skeptics.

Isao Makino, former head of Toyota's American operations and chairman of Tokyo Toyo-Pet, the most profitable dealership in Japan, said, "To do business in the United States, it must be done by American people."

Makino said Japanese people tend to be hard-working and make so much profit that other countries may not welcome them.

As for the difficulty involved in dealers moving to the United States, Makino said, "I have always thought it important not to stimulate Detroit, not to have conflict with Detroit. I may be overly concerned about that, but that is my view."

Masaru Izumi, president of the Japan Automobile Dealers Association, views the move to the U.S. market as a natural result of the growing interdependency of the auto industry worldwide and the increasing signs of internationalization in the Japanese market.

Izumi pointed to moves by Daimler-Benz, Volvo and BMW to set up subsidiaries in Japan. He said Japanese dealers, too, may develop an outward posture.

Izumi is also president of Tokyo Nissan, the largest publicly held dealership in Japan. It already has an operation in Vancouver, British Columbia; is planning another near Toronto and has expressed

see JAPANESE, page 53

AUTOMOTIVE NEWS/JOE WILSKERS

UAW members rally outside Chrysler's headquarters to protest sale of Acustar

Chrysler: Cash not the key

Company says Acustar on block for other reasons

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Chrysler Corp. said it is seeking to sell its Acustar parts-making subsidiary primarily to allow it to concentrate on product and powertrain development, but the company acknowledged that the sale would generate money for investments.

Chrysler was responding to a statement made last week by UAW Vice President Marc Stepp, who said Chrysler Motors Vice President for Industrial Relations Anthony St. John told him that the company is seeking the sale for several reasons, including "cash-flow problems."

Stepp, who is seeking to block an Acustar sale, said Chrysler is negotiating to sell the $3 billion component subsidiary to raise money for "capital improvements, borrowing needs, research and development and so forth."

"If Iacocca and company overextend themselves in buying American Motors Corp., buying Gulfstream Aerospace, buying some technology operations, why should workers be penalized for their misjudgments or their greed?" Stepp asked at a press conference following a meeting Thursday of the union's National Chrysler Council. The meeting was called to protest a potential Acustar sale.

In a statement issued in response to Stepp's remarks, Chrysler said the "potential sale of Acustar would generate funds for future investments, but the primary reason we would sell Acustar is because, long-term, we want to concentrate our resources on new product and powertrains rather than components."

"In this business you can never have enough cash," the company said. "But at the end of 1987, we had $2.4 billion in cash and

see ACUSTAR, page 53

Rising sales fail to quench incentive fire

By Francis J. Gawronski and Laura Clark
AUTOMOTIVE NEWS STAFF REPORTERS

Despite encouraging signs throughout the industry, automakers and importers are intensifying their incentive efforts. Several new programs were reported last week, and others were expanded or sweetened.

The announcements coincided with good news from the sales and production fronts. Aided by incentives, domestic new-car sales rose 11.87 percent in the Feb. 11-20 sales period over the same period in 1987. This followed a gain of 12.85 percent in the first 10 days of the month.

And the February advances followed an upturn of 22 percent for domestic and imported cars in January. Cheers for the January jump were tempered by the fact that January 1987 was an especially poor month, but the industry can point to gains in each of this year's five 10-day sales periods.

On the production side, General Motors had upbeat news last week. It is adding 175,000 cars and trucks to its schedule for 1988 by reopening one plant and adding second shifts and increasing overtime at others.

Nevertheless, there are new incentives as the industry continues to be a victim of the Catch 22 situation it has constructed in the past few years: Incentives are offered to boost sagging sales; but when sales improve, the incentives must be continued because customers expect them and won't buy without them.

Chrysler Motors announced a program that guarantees the resale price of Eagle Premiers sold in Canada. Chrysler Canada officials said it may become the basis for a similar program in the United States, although no date was given on when it could begin in the United States.

Cadillac, meanwhile, sweetened its Allante dealer incentives, now offering as much as $4,000. Oldsmobile began a $2 million program of incentives to salesmen on all 1987 and 1988 models in dealer stock. Chevrolet extended until April 30 its consumer rebates on most of its cars.

Ford Motor Co. began offering dealer incentives on both retail sales and leases. Toyota is offering incentives to dealers and their sales staffs on cars made in California as well as on trucks, vans and Land Cruisers. Isuzu's program offers up to $700 per unit to dealers and advertising bonuses of up to $750 per unit, trips to the Summer Olympics in Korea and incentives to salesmen.

CHRYSLER CANADA: Chrysler Canada said it will guarantee the resale value of its 1988 Eagle Premier against the Ford Taurus, Oldsmobile Calais and Ciera, Buick Skylark and Century, Chrysler LeBaron and Dodge Lancer.

Chrysler is guaranteeing those who buy or lease a 1988 Premier during the 1988 model year that the car will retain its value against the best resale value of the seven competitive models. Resales prices will be set by average wholesale prices at private auctions in Canada.

The owner or lessee must buy a new Jeep or Eagle vehicle 24 to 48 months after purchasing a Premier. If the resale value of the Premier is lower by percentage of original list price, Chrysler will refund the customer the difference. The money can be used toward the purchase of a new vehicle or can be taken in cash, as long as a new Jeep-Eagle vehicle is purchased.

No dealer financial participation is required.

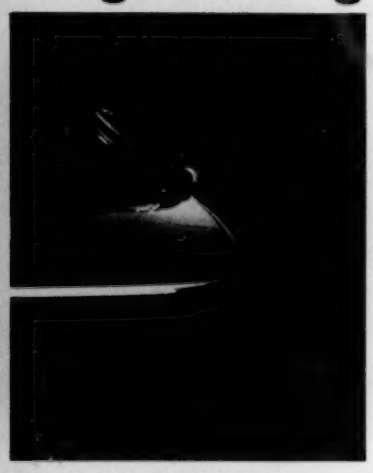
Other companies such as Jaguar, Audi of America, Cadillac and Ford Motor Co. are using guaranteed resale programs for upscale models.

CADILLAC: Cadillac is offering its dealers rebates on every 1987 Allante sold between Feb. 20 and May 31.

Dealers who sell unused 1987 Allantes receive $2,500 per unit while dealers who sell 1987 Allantes used as

see INCENTIVES, page 53

'Engineering for 1990s' is SAE theme



SAE show begins today in Detroit

DETROIT — More than 40,000 persons will gather here this week for the 1988 SAE International Congress & Exposition at Cobo Hall.

The theme for the Feb. 29-March 4 event is "Engineering for the '90s — Imagination, Innovation."

Calling it "the largest technical conference of its kind," SAE said more than 500 exhibitors have sold out Cobo Hall's 167,000 square feet of display space. Approximately 200 half-day technical sessions are planned, including a record 700 technical presentations.

Scheduled to deliver today's opening keynote address is Anthony C. Rudd, deputy chairman of Lotus Engineering and technical director of Group Lotus PLC.

Race car driver Al Unser Jr. will deliver a presentation on high-performance driving during a special Family Night event tomorrow.

Also on Tuesday, Thomas L. Ford and Fred S. Charles, a manager and engineer, respectively, at Goodyear Tire & Rubber Co., will present the annual Buckendale Lecture on "Heavy-Duty Truck Tire Engineering."

Featured speaker at the SAE International Banquet on Thursday evening, March 3, will be GM President Robert Stempel. More than 5,000 SAE members and guests will attend the sold-out affair.

Scheduled to be inducted for a one-year term as 1988 SAE president is George D. Aravosis, director of technology planning of Navistar International Transportation Corp. He will succeed William S. Coleman, director — new product opportunities, Eaton Corp.

Technical session topics will include: plastic use, chlorofluorocarbons, automotive electronics, fuels and lubricants, manufacturing engineering, materials, and service and maintenance.

Mercedes limits growth in U.S.; 100,000 is goal — Page 2
Ford-Nissan van eyed for Ohio plant — Page 3
Debate rages on vehicle emissions — Page 56

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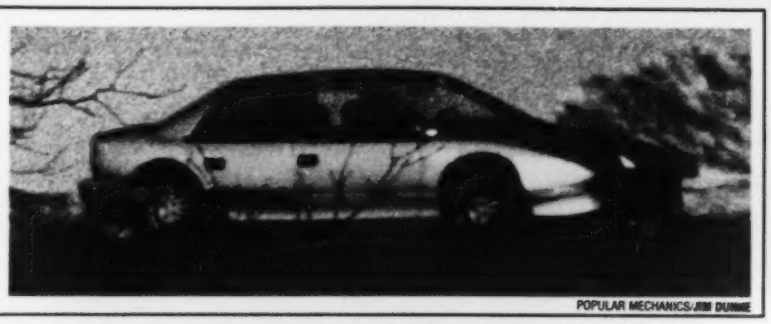
Saturn spied

Saturn Corp. is now testing prototypes of its four-door model. Production begins in the summer of 1990. Both the four-door and a coupe will be sold by a new dealer network as 1991 models.



POPULAR MECHANICS/JIM DUNNE

Another U.S.-made Nissan

Tenn. plant expects to make 2nd car, engine, components

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

Nissan intends to build engines and other parts at its Tennessee plant and is planning to add a second car line — a move that would increase capacity by 100,000 or more units.

Nissan Motor Manufacturing Corp. U.S.A. said last week that it will recommend the component program to its Japanese parent. The manufacturer also said it is studying the possibility of building a second car along with the Sentra and Nissan pickup at the Smyrna, Tenn., facility.

Jerry Benefield, president of Nissan Manufacturing, indicated that he was confident that both plans will be approved. Nissan Manufacturing and Nissan Motor Co. in Japan have agreed on a strategy to expand car production, he said. They still must decide what the product will be and when it will be built.

Whatever that product, it will likely be "a little more upscale" than the subcompact Sentra, Benefield said.

The additional line would raise capacity to somewhere between 350,000 and 400,000 units, Benefield said. Currently the plant can produce 265,000 units annually. In 1987 it turned out 213,000. The plant's paint, stamping, and body assembly areas will have to be enlarged to make way for the second car line, Benefield said. The expansion will also require Nissan to build an addition to the existing plant.

Under the components plan, Sentra engines and truck axles would be produced in Smyrna. Front and rear bumpers for a new Sentra, due in 1991, would also be built.

Currently, Nissan builds engines for the U.S. Sentra in Japan and Mexico. The axles come from Nissan in Japan. Magna International, a Canadian firm, supplies the bumpers.

Benefield said costs for the parts expansion will be reviewed at the April board meeting. But the prospect has become clearly more attractive in the five years since the plant opened.

"We did not think we could do our engine assembly or axle assembly before because our studies said we couldn't make any money doing it," Benefield said.

The addition of the components isn't expected to bring any new jobs to the plant, Benefield said.

Nissan Manufacturing's plans will help bring the company several steps closer to its goal of becoming a self-sufficient U.S. automaker.

They also signal some bullishness about prospects in the U.S. market — despite a disappointing 1987. The company has restructured its U.S. operations over the past 12 months and will launch four all-new products in the 1989 model year.

"I think it indicates that they (Nissan Motor Co. in Japan) believe the future will be different than the present," said Benefield.

The weakened dollar has also played a big role, making it more attractive for Nissan and other Asian makers to build vehicles in North America.

"What we hope to accomplish in this country is to be able to design and produce vehicles for this market," he said. "I don't think the yen is going to go back to 260 (per dollar), and I think it makes sense in the long term to produce (here)."

The expansion plans also tie into Nissan's announcement earlier this year that it will add 200 engineers and other employees at its research and development center in Ann Arbor, Mich. The centers' role will be to design new vehicles for the U.S. market.

The increased U.S. production could also serve as a defense against the possibility of tighter restraints on Japanese imports, Benefield acknowledged.

Nissan's plans echo those of other Japanese makers in the United States. Honda plans on increasing car and engine output in Ohio while expanding its research and development activities. Toyota has decided to build engines and other components at its assembly plant in Kentucky.

Despite last year's decline in production, Nissan's Smyrna plant will be profitable this fiscal year (ending March 31) for the first time since it opened in 1983, Benefield said.

Unlike in previous years, the company had no major capital spending programs in the last year. Benefield cited better productivity and the addition of more locally sourced parts as other reasons for the profit.

The plant was designed to be profitable at 220,000 units with the yen valued at 220 to the dollar, Benefield said. It produced nearly that many vehicles last year, and the yen is now valued at about 130.

Benefield said Nissan Manufacturing had studied Smyrna as a possible site for the minivan to be produced jointly in the U.S. by Ford and Nissan. That location was rejected — in part because projected volumes had declined from 200,000 to 100,000, he said.

Benefield also said that the minivan wasn't right for Smyrna because it was very different from the Sentra and pickup built there now. Adding the minivan would have required significant modifications to the plant, Benefield said. The new car line, in contrast, can be added at a comparatively minimal cost.

Nissan's plans come at a time when many experts predict severe overcapacity in the U.S. automotive industry. That prospect doesn't concern Benefield.

"I think some of the capacity that we define in this country is really obsolete capacity," he said. "If you want to define capacity as facilities that can produce with high quality and high efficiency, we probably don't have overcapacity."

Ford-Nissan van eyed for Ohio plant

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

Ford and Nissan have apparently targeted Ford's Ohio Truck Works plant as the site of their joint effort to build a minivan.

A source familiar with the project said the automakers are planning to convert the facility into a self-contained assembly plant. Ohio Truck, in Avon Lake, Ohio, currently produces bodies for Econoline and Club Wagon vans. They are then shipped about 17 miles to Ford Motor Co.'s plant in Lorain, Ohio, for final assembly.

A Ford spokesman, however, said that a feasibility study of the proposed venture has not been completed and nothing has been approved. A union official said the site is being considered.

Phillip E. Benton Jr., president of the Ford automotive group, toured the Ohio Truck Works and Lorain plants last week. On Friday, he announced that Ford is spending $230 million to prepare Lorain for production of the all-new Ford Thunderbird and Mercury Cougar, which go on sale as 1989 models later this year. In conjunction with that program, an additional $90 million is being invested at the Walton Hills (Ohio) stamping plant.

Ford and Nissan announced last spring that they were exploring the possibility of jointly producing a vehicle. Last week, the firms said that a preliminary study yielded enough "common ground" to warrant a second research phase. A recommendation on whether the project should be carried out is expected to reach the boards of each maker in May.

Sources have said that the venture will produce about 100,000 minivans annually (Automotive News, Dec. 7, 1987) beginning in the early 1990s. They will be sold through Lincoln-Mercury dealers and through Nissan's U.S. dealer network.

It is unclear how output volume of the Econoline/Club Wagon bodies would be affected by production of the minivan in Avon Lake. But there is plenty of property around the site that could be used for expansion.

Nissan's U.S. manufacturing arm announced last week that it will not be producing the van. The project would require Nissan Motor Manufacturing to make extensive modifications to its assembly line, officials said. Nissan Manufacturing now hopes to add a second car line to its plant, in Smyrna, Tenn.

In other announcements last week, Ford said that it has invested $50 million in its Livonia, Mich., transmission plant. The effort will help increase output of four-speed automatic overdrive transmissions for large, rear-drive cars and light trucks by nearly 13 percent.

In addition, Ford is planning to add a second shift to its Michigan Truck plant in Wayne, Mich., sources said. The increase, expected in November, would reduce to three the number of Ford plants in North America not producing on double shifts. Company officials have said that they will work to full capacity at existing plants before looking for new ones.

The plant, which currently turns out about 45 Bronco and F-series trucks per hour, will produce 37 per hour on each of the two shifts, one insider said.

The increased production reflects the continuing strong demand for Ford trucks. The company's overall truck sales increased by more than 5 percent in 1987, and the company expects further gains this year.

The changes at Michigan Truck also appear to be tied to production shifts being discussed at Ford's Twin Cities assembly plant. Twin Cities is expected to add the Ranger to its lineup in addition to the full-size F-Series pickup trucks and mid-size Ranger Supercabs it now produces, said Robert Olson, president of UAW Local 879. With the addition of the Ranger, some of the F-Series output will be taken up at Michigan Truck.

Ford's output of trucks in recent years has been limited by a shortage of automatic transmissions. But that situation is expected to ease through 1989 as transmission output increases at two Ford plants.

At the Livonia plant, Ford is using a combination of new machinery and ideas generated by employee teams to free bottlenecks and increase efficiency. The changes will allow Ford to boost capacity of the rear-drive transmissions by 100,000 and bring total annual output to 895,000. The plant also produces the four-speed automatic transaxle used in the Ford Taurus, Mercury Sable and Lincoln Continental.

Other help on the transmission front will be coming in 1989 from a new electronically controlled automatic — to be used primarily on the F-250 and F-350 trucks — to be built at Ford's Sharonville, Ohio, assembly plant.

"We think we've greatly eased the situation, but it remains to be seen if we have enough rear-wheel-drive transmissions," said Henry A. Nickol, general manager of Ford's Transmission and Chassis Division.

At the Lorain plant, $124 million will go toward expansions that will create two assembly areas. A total of 40,500 square feet will be devoted to body assembly with new tooling and equipment.

A second, 90,000-square-foot, addition will house operations that will allow engines to be inserted into the rear-drive cars from the bottom — a highly unusual method.

The T-Bird/Cougar program itself represents a $1.1 billion investment for Ford.

In 1987, Lorain produced nearly 296,000 Thunderbird/Cougars and more than 236,000 Econoline/Club Wagons, the company said. The complex covers 3.5 million square feet and is Ford's largest assembly plant in North America. It employs more than 5,600 people.

In other plant news, a three-week strike at Ford's engine assembly plant in Chihuahua, Mexico, carried onthrough press time Friday. Negotiations were continuing.

The walkout threatens to cause shortages of the 2.3-liter engine used in the Ford Tempo and Mercury Topaz. Chihuahua is one of two plants producing the Tempo/Topaz engines. What started as a four- to five-week supply of Chihuahua engines is dwindling as the strike carries on. The engines are also built at Ford's engine plant in Lima, Ohio.

Automotive News Staff Reporter Francis J. Gawronski in Los Angeles contributed to this report.

Russell wins award for articles on Romanian import controversy

NEW YORK — John A. Russell, Automotive News staff reporter in New York for the past decade, received one of 19 certificates of merit presented at the Association of Business Publishers' 34th annual Jesse H. Neal awards luncheon here Wednesday.

Russell was saluted for a series last year on the companies that claimed the rights to import Romanian-made cars into the United States. At the center of the controversy was Roman Motors Corp., a Miami-based company, which senior Romanian trade and political sources insisted did not have the rights.

Another certificate of merit was awarded to a team from Advertising Age, another publication of the Crain Communications group, for its coverage of the J. Walter Thompson buyout.

Russell

The Neal awards are presented to reporters and editors for outstanding editorial performance. William J. O'Donnell, president of Association of Business Publishers, hailed the winners for their "outstanding style in the face of the keenest competition."

The panel of 15 judges was chaired by Henry F. Schulte, professor of journalism at Syracuse University.

INDEX

Around the world	22-23
Auction dates	38
Classifieds	42
Coming events	24
Dealing with dealers	52
Engineering	16
Extra section	E1
News briefs	8
Obituaries	56
Opinion	10
Personnel	26-30
Production	59
Sales, car	58
Truck industry	14

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AROUND THE WORLD

S. Africa car sales rise for 1987, first gain since 1981

By Jeremy Sinek
SPECIAL CORRESPONDENT

JOHANNESBURG, South Africa — Despite a decline in sales in December compared with November, South Africa's automakers ended 1987 on a note of satisfaction and optimism.

More important than the month-to-month drop from 18,620 to 15,067 car sales was the fact that the December 1987 figure was 32.2 percent better than the year-ago month's and lifted the full-year tally above 200,000.

The precise figure of 200,824 was a gain of 15.1 percent over 1986 and was the first time since 1981 — when the industry scored an all-time high of 301,528 — that car sales had bettered the previous year's figures.

The progress in the light-truck and bus sectors was even more marked, a 22 percent gain from 78,935 to 96,346 for the full year. With medium and heavy trucks up by 6.1 percent, total industry sales were 309,150, a 16.8 percent improvement on 1986's 264,676.

Moreover, automakers reckoned that sales could have been 5 or 10 percent higher had it not been for supply shortages.

Various factors aggravated the shortages. Mercedes-Benz's nine-week strike cost the company some 4,500 cars. Volkswagen lost 10 days to industrial strife. Toyota and a number of component manufacturers had to shut down for a while after the Natal flood.

SOUTH AFRICAN CARS

	12 mos., 1987	12 mos., 1986
BMW	16,113	13,113
Delta-Opel[1]	16,913	13,954
Mercedes-Benz[2]	18,571	19,468
Nissan	19,527	13,643
Samcor[3]	39,878	36,116
Toyota	49,785	45,384
VW-Audi	39,970	30,314
Others	67	2,461
TOTAL	200,826	176,453

1 Formerly GM South Africa
2 Including Honda
3 Mazda, Ford

Although Toyota remained the market leader in every sector except heavy trucks (where Mercedes led), it lost market share for the second consecutive year, slipping from 26.0 to 24.8 percent in cars and from 39.3 to 37.0 percent in light commercials.

VW picked up the most sales. Its 39,970 sales boosted its car market share from 17.4 to 19.9 percent, demoting the Ford-Mazda-Mitsubishi combine Samcor (39,878) to third place in the standings.

Mercedes strike cut sales from 19,468 to 18,571 and dropped it from fourth to fifth place. Nissan moved up to fourth. Nissan restyled both its passenger-car lines — the Sentra subcompact and the Skyline medium-sized car — during the year, and the new models posted spectacular gains in their first few months on the market.

In the first nine months of 1987, Nissan's small-car line, for example, averaged 767 units per month. In the fourth quarter, after the new Sentra came on stream, it averaged 1,625 per month.

The former GM South African, now trading as Delta Motor Corp., performed ahead of expectations in its first year.

Helped by the introduction of the Opel Monza (Pontiac LeMans) subcompact sedan and despite critical stock shortages toward the end of the year, its passenger-car sales rose 21.2 percent from 13,954 to 16,913, and market share climbed from 8.0 to 8.4 percent.

BMW sold 16,113 cars, a 23 percent increase over 1986 and enough to boost its market share from 7.5 to 8.0 percent.

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$32,000 Aussie car

GM Commodore a road version of racer

By Pedr Davis
SPECIAL CORRESPONDENT

Most expensive Holden's ever

SYDNEY, Australia — Holden's Motor Co., General Motors' Australian subsidiary, has introduced a high-performance version of the 1988 Commodore.

The new car is faster and more aggressive looking than the "Bathurst Specials," built during the 1970s to compete in this country's annual production races at Bathurst, New South Wales.

The car is called the SS Group A and based on the current VL Commodore. It is a limited-edition, road-going version of Holden's 1988 race car. And with a sticker-price over $32,000, it is easily the most expensive vehicle ever to wear a Holden's badge.

The Group A signals Holden's determination to take on the big European and Japanese automakers on the international touring car circuit.

The Commodore had disappointing results on the race track in 1987. The year also saw the end of the longstanding Holden-Peter Brock partnership, which has been responsible for a line of highly successful high-performance Commodore race cars.

As a result, Holden's brought in Britain's Tom Walkinshaw racing group to undertake the wind-tunnel development of a completely new body kit.

It also commissioned Holden's Engine Co. to revamp the V-8 in time for the 1988 season.

While development of the Group A car was under way last year, Holden's negotiated a 10-year contract with Walkinshaw to operate a new Australian-based organization called Holden Special Vehicles.

The organization, which is responsible for building the new model, will modify Commodore models produced on Holden's production line and eventually launch high-performance versions of other Holden products.

The Group A has a body clad with more than a dozen fiberglass aerodynamic aids and is powered by the most potent Aussie V-8 to date — a substantially reworked version of Holden's familiar 4.9-liter V-8.

The engine features electronic fuel-injection and puts out 240 horsepower. In race form, the engine could be boosted to about 500 hp.

The top speed of the road-going version is an estimated 148 mph. The company said the car can sprint from zero-to-60 mph in 6.3 seconds and cover the quarter-mile in under 15 seconds.

Only 750 will be built including the 500 units needed to comply with race regulations. The extra 250 are to satisfy the consumer demand.

ACS to build plant in Germany for Porsche 944 cabriolet project

GENEVA — ASC Inc., a worldwide automotive supplier, has unveiled plans for the construction of an assembly plant in Heilbronn, West Germany. The facility will support the Porsche 944-S cabriolet program, a joint effort of Porsche AG and ASC.

The building is scheduled to be completed by Oct. 1. It will cover 82,000 square feet on a 5-acre site. Eighty persons will be employed.

The ASC facility will provide the components, tooling and special assembly work for the Porsche 944-S cabriolet. In addition to assembly operations, the plant will have a development and engineering area to support research and future programs.

The ASC site was purchased from the city of Heilbronn. The facility will be near the Neckarsulm plant where 944 models are built.

Heinz C. Prechter, ASC chairman and president, said, "Much appreciation is extended to the city officials of Heilbronn for their assistance in locating this site for ASC's first European facility. We look forward to beginning our operation in Heilbronn and furthering our relationship with the community in which our facility operates."

The 944-S cabriolet is expected to debut in 1989. The program is one of two joint relationships between Porsche AG and ASC. Porsche recently designated ASC as its purchasing consultant in North America.

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AROUND THE WORLD

REGISTRATIONS

BRAZIL (sales)
Cars, vans, trucks, buses

	12 mos., 1987	12 mos., 1986
Agrale	1,257	1,642
Enqesa	649	439
Fiat	75,779	102,402
Ford	121,283	178,076
General Motors	148,934	206,819
Gurgel	1,903	2,127
Mercedes-Benz	32,480	34,202
Saab-Scania	4,224	5,008
Santa Matilde	17	206
Toyota	3,576	3,437
Volkswagen	187,582	329,608
Volvo	2,709	2,762
Total	580,393	866,728

NORWAY
Cars

	11 mos., 1987	11 mos., 1986
BMW	1,767	4,254
Daihatsu	748	1,592
Fiat Auto	4,883	6,441
Fiat	4,302	5,776
Lancia	484	468
Alfa Romeo	97	197
Ford	15,208	23,458
GM-Opel	11,358	18,998
Honda	2,945	4,545
Isuzu	129	92
Jaguar	52	47
Lada	1,823	2,609
Mazda	7,895	12,175
Mercedes-Benz	2,249	3,934
Mitsubishi	4,772	5,717
Nissan	6,691	9,915
Peugeot SA	7,020	9,217
Citroen	2,926	2,943
Peugeot	4,094	6,274
Porsche	14	25
Renault	789	1,142
Rover Group	30	7
Saab	1,582	2,900
Skoda	389	414
Subaru	2,364	2,905
Suzuki	816	939
Toyota	14,762	18,333
Volkswagen	10,627	15,646
VW	8,688	12,098
Audi	1,939	3,548
Volvo	8,430	13,125
Others	104	90
Total	107,447	158,520

NETHERLANDS
Cars

	11 mos., 1987	11 mos., 1986
BMW	12,192	12,777
Dacia	82	101
Daihatsu	7,119	6,457
FSO	65	305
Fiat Auto	35,257	40,014
Fiat	29,508	33,549
Lancia	1,609	2,448
Alfa Romeo	4,140	4,017
Ford	56,317	57,801
GM-Opel	89,288	92,545
Honda	11,947	14,824
Hyundai	4,809	1,399
Jaguar	579	378
Lada	12,431	12,747
Mazda	24,455	23,082
Mercedes-Benz	12,310	13,307
Mitsubishi	15,255	14,629
Nissan	31,327	27,334
Peugeot SA	64,951	65,159
Citroen	30,443	31,123
Peugeot/Talbot	34,508	34,036
Porsche	188	211
Renault	22,622	27,686
Rover Group	4,709	5,372
Saab	2,218	2,562
Skoda	3,569	5,032
Subaru	4,723	4,304
Suzuki	17,983	15,853
Toyota	31,159	29,901
Volkswagen Group	63,030	56,740
VW/Audi	56,513	52,391
Seat	6,517	4,349
Volvo	26,553	29,047
Zastava	162	695
Total	555,743	560,411

Austria
Cars

	12 mos., 1987	12 mos., 1986
BMW	5,435	7,287
Daihatsu	2,210	1,297
Fiat Auto	14,518	17,332
Fiat/Lancia	12,679	15,045
Alfa Romeo	1,839	2,287
Ford	22,496	25,418
GM-Opel	27,854	31,333
Honda	5,047	5,536
Jaguar	138	126
Lada	2,648	1,732
Mazda	19,661	22,116
Mercedes-Benz	9,082	10,144
Mitsubishi	6,859	5,447
Nissan	13,553	12,822
Peugeot SA	16,908	16,830
Citroen	7,650	6,276
Peugeot/Talbot	9,258	10,554
Porsche	254	464
Renault	11,413	12,108
Rover Group	244	247
Saab	325	465
Skoda	1,353	992
Subaru	4,087	3,835
Suzuki	2,039	1,613
Toyota	15,873	15,149
Volkswagen Group	46,932	56,250
VW	37,970	44,123
Audi	7,591	10,641
Seat	1,371	1,486
Volvo	2,954	3,663
Others	71	118
Total	231,969	252,324

JAPAN
Cars

	12 mos., 1987	12 mos., 1986
Daihatsu	75,766	87,609
Fuji	68,520	73,699
Honda	337,094	304,946
Isuzu	58,207	59,067
Mazda	198,561	194,139
Mitsubishi	158,323	146,261
Nissan	764,633	765,738
Suzuki	62,149	63,626
Toyota	1,453,796	1,383,518
Imports (all)	97,751	68,357
Cars Total	3,071,000	3,146,033

Vans, trucks, buses

Daihatsu	404,884	383,666
Fuji	253,523	233,327
Hino	44,459	37,856
Honda	209,879	203,487
Isuzu	126,424	114,131
Mazda	161,616	157,689
Mitsubishi	392,692	361,937
Nissan	257,971	248,702
Nissan Diesel	25,726	21,199
Suzuki	444,340	428,281
Toyota	421,862	371,345
Imports (all)	223	171
Total	2,743,599	2,561,791
Total Vehicles	6,018,399	5,707,814

DENMARK
Cars

	12 mos., 1987	12 mos., 1986
BMW	1,971	3,510
Dacia	139	319
Daihatsu	2,146	3,340
Fiat Auto	7,884	8,724
Fiat	7,060	8,184
Lancia	125	11
Alfa Romeo	698	529
Ferrari	1	0
Ford	13,861	20,313
FSO	624	1,221
GM-Opel	17,969	27,064
Honda	2,611	3,283
Jaguar	57	32
Lada	3,977	0
London Taxi	7	0
Mazda	11,543	17,281
Mercedes-Benz	1,618	1,573
Mitsubishi	2,428	686
Nissan	6,371	9,826
Peugeot SA	13,709	12,536
Citroen	7,804	8,124
Peugeot/Talbot	5,905	4,412
Porsche	13	24
Renault	427	853
Rover Group	705	304
Saab	1,000	1,651
Skoda	3,067	3,627
Subaru	363	638
Suzuki	171	325
Toyota	14,808	20,653
Volkswagen Group	10,577	14,644
VW	8,239	12,580
Audi	1,308	963
Seat	1,030	1,101
Volvo	4,429	6,477
Wartburg	782	783
Zastava	838	1,281
Total	124,097	169,386

UNITED KINGDOM
Cars

	12 mos., 1987	12 mos., 1986
BMW	37,525	35,898
Daihatsu	4,560	5,345
Fiat Auto	74,318	67,348
Fiat	68,576	61,729
Lancia	3,439	3,386
Alfa Romeo	2,303	2,233
Ford	580,119	515,367
FSO	4,851	4,558
GM-Vauxhall	270,778	284,517
Honda	24,743	20,499
Hyundai	9,145	7,495
Isuzu	2,342	214
Jaguar	11,102	7,579
Lada	25,294	20,312
Lotus	471	447
Mazda	18,817	17,962
Mercedes-Benz	21,752	19,987
Mitsubishi	11,826	11,811
Nissan	114,243	109,914
Panther	86	67
Peugeot SA	147,278	121,094
Citroen	46,014	34,427
Peugeot/Talbot	101,264	86,667
Reliant	185	303
Renault	78,694	69,261
Rolls-Royce	842	808
Rover Group	301,811	297,466
Austin Rover	296,784	293,240
Range Rover	5,027	4,226
Saab	10,411	10,331
Skoda	14,543	12,775
Subaru	4,960	3,974
Suzuki	5,612	4,288
Toyota	38,269	35,802
Volkswagen	116,188	115,154
VW-Audi	108,123	109,237
Seat	8,065	5,917
Volvo	70,880	68,972
Zastava	8,458	8,525
Others	3,590	4,381
Total	2,013,693	1,882,474

SOUTH AFRICA
Cars (sales)

	12 mos., 1987	12 mos., 1986
BMW	16,113	13,089
Delta-Opel	16,613	13,778
Ford	22,943	19,279
Honda	10,119	10,032
Mazda	16,935	15,618
Mercedes-Benz	8,444	9,408
Nissan	19,511	13,612
Peugeot	0	337
Toyota	49,594	45,299
Volkswagen	39,970	30,314
Others	582	3,687
Total	200,824	174,453

PRODUCTION

JAPAN
Cars

	12 mos., 1987	12 mos., 1986
Daihatsu	141,572	142,064
Fuji	266,755	287,039
Honda	1,021,895	1,025,403
Isuzu	203,930	211,178
Mazda	853,309	811,371
Mitsubishi	594,654	578,642
Nissan	1,803,924	1,769,484
Suzuki	296,979	300,604
Toyota	2,708,069	2,684,024
Total	7,891,087	7,809,809

Vans, trucks, buses

Daihatsu	455,983	460,455
Fuji	338,502	341,264
Hino	65,817	49,983
Honda	219,227	210,995
Isuzu	337,653	343,722
Mazda	344,563	384,254
Mitsubishi	636,515	599,333
Nissan	422,389	473,511
Nissan Diesel	35,933	32,703
Suzuki	570,881	571,807
Toyota	930,210	976,143
Others	414	707
Total	4,358,087	4,450,006
Total Vehicles	12,249,174	12,259,817

FRANCE
Cars

	12 mos., 1987	12 mos., 1986
Peugeot SA	1,676,134	1,467,903
Citroen	666,006	521,640
Peugeot/Talbot	1,010,128	946,263
Renault	1,375,696	1,305,191
Total	3,051,830	2,773,094

Vans, trucks, buses

CBM	0	43
Heuliez	228	173
Iveco-Unic	67	74
Peugeot SA	163,918	151,374
Citroen	74,069	66,713
Peugeot/Talbot	89,849	84,661
Renault/RVI	277,073	269,773
Sovam	94	84
Total	441,380	421,521
Total Vehicles	3,493,210	3,194,615

Ford begins output of Taurus in Mexico

By Stephen Downer
STAFF CORRESPONDENT

MEXICO CITY — Ford Motor Co. has begun production of the Taurus four-door sedan and station wagon in Mexico.

The Taurus is made at Ford's plant just north of Mexico City in the municipality of Cuautitlan. The present generation Topaz — also new in Mexico this model year — Thunderbird, Cougar and pickup trucks are assembled at the plant as well.

John Ogden, president and director general of Ford's Mexico operation, said the company invested $40 million re-equipping the Cuautitlan plant last year, mainly for assembly of the Taurus and new Topaz.

Investments aimed at improving domestic market production will probably amount to $30 million this year, he said.

Production at Cuautitlan was suspended for 100 days last summer due to a strike over wages. Ogden said the work action cost the company 15,000 vehicles.

"It was a very expensive strike," said Ogden.

The labor dispute contributed to pushing Ford's market share for cars and trucks to fifth and last place in 1987.

Ogden said Ford has no plans to produce a lower-priced or smaller car than the Topaz for the Mexican market.

"The product line we have in Mexico is restricted quite heavily by government regulations," he said. "We have judged that our products best meet the needs of our traditional customers."

Ogden: Last summer's strike at Cuautitlan, which halted production for 100 days cost, the company 15,000 vehicles

During a separate function, Clint Lauer, Ford's corporate vice president, purchasing and supply, discussed the quality of parts produced by suppliers in Mexico.

"We have seen significant improvement in the quality of parts supplied by Mexican companies. In the past 30 months quality has improved by almost 58 percent," he said.

Direct sales by Mexican parts suppliers to the United States and Canada increased by about 50 percent in 1987 over the previous year, he said. He did not give a sales figure.

Assembly-export deal for Europe eyed by Renault, Taiwan's Sanfu

By Stephen Vines
STAFF CORRESPONDENT

HONG KONG — Taiwanese auto manufacturer Sanfu Motors is planning a joint venture with Renault of France to export a new car to Europe. The car will be made from kits supplied by the French manufacturer and assembled in Taiwan.

In a telephone interview, Steve Wang, vice president of Sanfu's president's staff office, said the project was "not finalized." However, he said he expected some concrete proposals by the middle of the year.

Wang said the company was inclined to look at a new model for the project, as opposed to the Renault 9, 11 and 21 models that it currently assembles under license. Despite the short timetable for reaching a decision on the project, Wang said no agreement had been reached on which model would be the subject of the joint venture. He said, however, that there was an understanding that it would be sold throughout the European market.

If Sanfu does export to Europe, it will be the first of Taiwan's manufacturers to do so.

Taiwanese law stipulates that automobiles made in the country should have a minimum of 70 percent local content. Wang said that the new project might achieve higher levels of local components, although he said that all the main parts would continue to come from France.

Renault and Sanfu have had a technical assistance agreement since 1981. Sanfu has a separate agreement with Japan's Fuji Heavy Industries for van and truck production, and another with Isuzu that has enabled it to export the Isuzu Trooper II to the American market, though in small quantities.

Like most Taiwanese automakers, Sanfu concentrates on the home market, where it ranks a poor fourth in a field of seven.

Based in the Taichung region, Sanfu is now aiming to join other Taiwanese automotive companies that are taking their first steps in overseas markets.

Only the biggest of the companies, Yue Loong, is attempting exports with its Feeling 101 model.

Last year, Sanfu produced some 12,000 vehicles. This year, it aims for 15,000. Although output is modest, it is the largest of the companies not wholly tied to a Japanese manufacturer.

Seat prepares to export 13,000 cars to Taiwan

OSLO, Norway — Seat, the Spanish automaker, is planning to export cars to Taiwan. NOSAC, a Norwegian car-shipping company, will handle the shipments.

Seat is owned by Volkswagen. The transportation contract calls for shipment of 13,000 cars this year and 13,000 in 1989.

NOSAC also is transporting Ford models produced in Europe to several countries in the Far East. The three-year contract starts this year and includes 4,000 cars annually.

AUCTION DATES

Chrysler Motors

March 1 — American Auto Auction, Walpole, Mass.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

March 2 — Southwest Auto Auction, Phoenix, Ariz.; Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; Minneapolis Auto Auction, Plymouth, Minn.; and Denver Auto Auction, Aurora, Colo.

March 3 — Clanton's Auto Auction, Darlington, S.C.; Northway Exchange, Clifton Park, N.Y.; and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

March 4 — Manheim Auto Auction, Manheim, Pa.

March 8 — Aptco Auto Auction, Taylor, Mich.; Arena Auto Auction, Chicago; Hatfield Auto Auction, Hatfield, Pa.; and Riverside Auto Auction, Riverside, Calif.

Ford Motor Co.

March 1 — Harrisonburg Auto Auction, Harrisonburg, Va.

March 2 — Northway Auto Auction, Clifton Park, N.Y.; Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Lakeland Auto Auction, Lakeland, Fla.

March 3 — Minneapolis Auto Auction, Plymouth, Minn.; Nashville Auto Auction, Nashville, Tenn.; Brasher's Sacramento Auto Auction, Rio Linda, Calif.; and Skyline Auto Exchange, Fairfield, N.J.

March 8 — South Seattle Auto Auction, Kent, Wash.

March 9 — Atlanta Auto Auction, Red Oak, Ga.; Columbus Fair Auto Auction, Obetz, Ohio; Concord Auto Auction, Acton, Mass.; and Southern California Auto Auction, Fontana, Calif.

March 10 — Greater Chicago Auto Auction, Chicago, and Dallas Auto Auction, Grand Prairie, Texas

General Motors

March 1 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

March 2 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; Southern California Auto Auction, Fontana, Calif.; and Omaha Auto Auction, Omaha, Neb.

March 3 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; and St. Louis Auto Auction, Bridgeton, Mo.

March 8 — Auto Dealers Exchange of Birmingham, Moody, Ala.; Harrisonburg Auto Auction, Harrisonburg, Va.; and Florida Auto Auction of Orlando, Ocoee, Fla.

March 9 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Used Car Sales
Auction Averages

February 1988	$5,255
Month ago	$4,841
Year ago	$5,703

Model Breakdown
Auction Averages

	FEB 1988	JAN 1988	DEC 1987
1988	$10,836	$8,839	
1987	$8,436	$8,435	$10,140
1986	$6,795	$6,516	$8,322
1985	$5,654	$5,501	$7,127
1984	$4,361	$4,349	$5,640
1983	$3,482	$3,362	$4,791
1982	$2,390	$2,383	$3,441
1981	$1,854	$1,926	$2,516
Overall Average	$5,255	$4,841	$5,898

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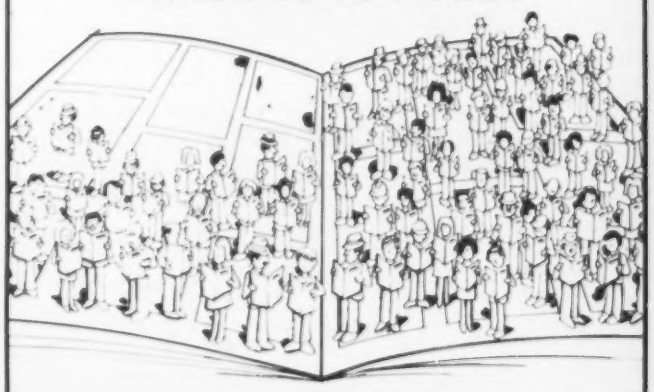

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WASHINGTON

So. Seattle Auto Auction. The lease & Fleet Specialists. Tom Chase, 1-800-872-6800. P.O. Box 5189, Kent, Washington 98064.

County charges chain dealer deceived buyers

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

Dennis Spencer and his Maryland dealerships — Astro Chevrolet and Metro Ford — have been sued by Montgomery County, Md., for alleged "deceptive and unconscionable trade practices" used to sell and lease motor vehicles.

This is the largest such lawsuit ever brought by the county to protect consumers. County Executive Sidney Kramer sought and received approval from the county council to hire — for the first time — special outside legal services.

The attorney now in charge, Alan R. Malasky of the Washington firm of Arent, Fox, Kintner, Plotkin and Kahn (no relation to the author of this article), told Automotive News the county is prepared to commit major resources and see the case through as an example to other merchants against consumer fraud and sharp business practices.

Glenn A. Mitchell, attorney for the defendants, said his clients have vigorously denied the allegations and and have asserted a number of affirmative defenses to the charges. He said he believes that when the evidence is considered, it will be demonstrated that there is no basis for the charges against his clients.

Mitchell said that although the trial is months away, the county held press conferences and contacted many satisfied customers of the dealerships in an effort to find support for its complaint. He said that kind of pre-trial activity is "most unfair" and should concern all dealers.

Spencer also owns S&R Chevrolet-Oldsmobile in Leesburg, Va.; Imperial Dodge-Chrysler in Warrenton, Va.; and M&M Pontiac in Springfield, Va.

The suit says Spencer operates Metro Ford and Astro Chevrolet in Silver Spring, Md., as a "single business entity" and regularly advertises jointly by radio and newspaper. The case, now in discovery, seeks civil penalties, punitive damages and restitution for an estimated 6,000 customers.

The complaint lists 13 charges investigated by the Montgomery County office of consumer affairs against Spencer and his Maryland dealerships. Allegations of unfair and deceptive practices include:

- Labeling certain packages of extra options and services as "dealer installed accessories" and charging $2,000 to $4,000 above the sticker price for items that were standard equipment already included in the sticker price, thus charging twice for the same items.
- Giving buyers the impression they had no choice but to buy certain optional equipment or features — floor mats, rustproofing and wheel locks — at non-negotiable prices.
- Telling customers a particular vehicle was new when it had been previously sold, used or was damaged. One Ford model, says the suit, had been sold three times, each time as new, although it had 1,200 miles for the second sale and 1,500 miles for the third sale. A Chevrolet was said to have 1,600 miles on it when sold as a "demo" or "test driven." Instead, the complaint charges, the car had been sold, used and returned.
- Failing to disclose charges for items not included in the base price.
- Failing to disclose "clearly and conspicuously" charges that were "additional dealer markup."
- Rejecting any liability for repairs, thus inhibiting consumers from asserting their warranty rights; and misrepresenting state law in order to persuade consumers to make unnecessary purchases of service contracts.
- Charging consumers "unconscionable prices for dealer-installed accessories and service contracts" — routinely selling floor mats for $195 although the manufacturer's suggested retail price ranged from $25 to $50 and selling one-year service contracts for $995 compared to their fair market value of about $300.
- Offering to sell 1987 models at "5 percent over official factory invoice" and 1986 models at "5 percent under official factory invoice" and claiming that "certified factory invoice prices" were posted on "every new car and truck" so "you will know how much you saved" and saying prices applied to "every car and truck in stock" and offering "instant financing" and "instant delivery" and adding that "factory options and dealer accessories you choose are additional" but failing on all those promises in several ways, including not having any such advertised vehicles in stock or available only with dealer-installed options that raised the price $2,000 or more.
- Falsely advertising that buyers would "get back in trade every dollar you paid for your car when new toward the purchase of any in-stock new '87 Chevrolets, Fords and Oldsmobiles" when Metro Ford, for example, would honor that claim only if the consumer paid some $5,500 above sticker.
- Falsely advertising that, for example, all 1987 Ford Escorts were on sale at $4,995 and there were "over 1,000 vehicles for delivery today" when consumers found no such such advertised vehicles for sale but instead found only vehicles with dealer-installed accessories that raised prices $2,000 to $4,000.
- Falsely advertising a "guaranteed minimum tow-it-in $2,000 trade allowance any car, any condition" and failing to come through unless the new vehicle was sold with extra options at higher prices.
- Falsely advertising 3.9 percent annual percentage rate financing and offering specific vehicles at specific prices — for example, "all our 1987 Ford Escorts $4,995 or $102 per month" — and then having consumers find the APR was 8.5 percent and that the total of the monthly payments did not add to the advertised price of the vehicle.
- Failing to disclose clearly and conspicuously the total payments under the advertised lease-purchase plan, thus leading consumers to believe falsely that the payments totaled to the advertised vehicle price.

The Montgomery Circuit Court is being asked to enjoin Spencer and his dealerships from engaging in deceptive and "unconscionable" trade practices in the future.

The county is also seeking punitive damages to be awarded to consumers, restitution and return of all money to each injured consumer, civil penalties of $500 for each violation of the county code for each defendant and investigative costs paid to the Office of Consumer Affairs.

Auto sales rise 12% for domestics

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

Retail deliveries of domestic cars in the United States climbed almost 12 percent in the middle 10 days of February.

Cash-back deals and dealer incentives apparently contributed to the gain.

Industry sales in the period rose 11.87 percent to 210,316 units, compared with 188,001 a year earlier.

Some market analysts have been forecasting a slowing of deliveries in the wake of exceptionally strong sales in January and early February. Even so, most makers have scheduled production increases via overtime, added shifts and, in the case of General Motors, put plants back on stream after shutdowns caused by high inventories.

Toyota reported mid-February sales of 1,178 U.S.-built units, up 72.22 percent from 684 a year earlier.

Chrysler Motors dealers sold 21.66 percent more domestic cars, in mid-February than they did a year ago, and General Motors dealers boosted deliveries 16.30 percent. Ford Motor Co. reported domestic-car sales up 2.23 percent from the year-earlier level.

Volkswagen reported a 10-day sales decline of 23.85 percent. Nissan's U.S.-built car sales dipped 10.72 percent, and Honda's were off 4.54 percent.

Mazda, which began U.S. production in September, sold 569 cars in mid-February.

At GM, sales increases were reported by Buick, Chevrolet and Pontiac. Pontiac Grand Prix sales shot up 350.9 percent over last year's, and Buick Regal sales climbed 187.0 percent. Oldsmobile Cutlass Supreme, the third of the new GM10 cars, went on sale Feb. 18.

DOMESTIC SALES

	Feb. 11-20, 1988	Feb. 11-20, 1987
Eagle	1,018	725
Chrysler	10,396	6,254
Plymouth	8,639	9,087
Dodge	12,821	10,779
Chrysler Motors	32,873	26,855
Ford	41,361	42,011
Mercury	13,486	13,341
Lincoln	5,896	3,873
Ford Motor Co.	60,545	59,225
Buick	18,073	14,326
Cadillac	5,781	7,163
Chevrolet	42,291	36,149
Oldsmobile	19,831	20,287
Pontiac	20,691	13,791
General Motors	106,867	91,716
Volkswagen	1,159	1,522
Honda	5,926	6,208
Nissan	1,569	1,791
Toyota	1,178	684
Mazda	569	—
U.S. Industry Total	210,316	188,001

Diamond-Star given trade-zone status

WASHINGTON — The U.S. Commerce Department has extended foreign trade zone status to Diamond-Star Motors Corp.'s plant in Normal, Ill.

Illinois Gov. James Thompson said the move increases Illinois' competitive edge.

"Foreign trade zone status ensures that companies like Diamond-Star can access state-of-the-art technology and produce high-quality products, providing jobs for American workers," he said.

Jay Hedges, director of the state Department of Commerce and Community Affairs, said foreign trade zones offer several benefits including relaxed customs regulations and lower tariffs to companies located within them.

Diamond-Star is a joint venture of Chrysler Motors and Mitsubishi Motors Corp. The plant is expected to begin production in the fall.

— The Associated Press

GM plans 175,000 output boost

Framingham plant to reopen; 3 others to add second shifts

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — General Motors will increase North American production of cars, trucks and vans by about 175,000 units through the end of the 1988 calendar year, about 5 percent above current levels.

Production will be boosted by resuming a shift at an idled assembly plant, adding second shifts at three other car plants in the United States and Canada, and increasing overtime at one car plant and two truck plants.

GM's car production will be increased by 130,000 units through the end of the calendar year, while truck production will be bumped up 45,000 units.

Despite the production hike, GM's production continues to be off about 30 percent from its year-ago volume. Lower car production has accounted for the drop. GM's truck production this year has matched year-ago levels.

Domestic car production is off about 25 percent for the calendar year, while total domestic truck production is up about 8 percent.

GM also said last week it will idle for two weeks the Leeds, Mo., plant, which will close permanently later this spring, and idle its Oklahoma City plant for one week. Both plants were closed for inventory adjustment and will resume operation March 7. Leeds builds the Buick Skyhawk, Oldsmobile Firenza and Chevrolet Cavalier. Oklahoma City produces the Buick Century and Chevrolet Celebrity.

GM President Robert C. Stempel said the production increases are due to strengthening demand for GM vehicles and reflect "the ongoing product quality improvements resulting from plant modernization and employee involvement programs" as well as aggressive incentive programs.

GM's car assembly plant in Framingham, Mass., will resume production on one shift May 9, recalling 2,000 hourly and salaried employees. About 1,700 workers remain on layoff. The Framingham assembly plant was indefinitely idled Nov. 30. The plant builds Oldsmobile Cutlass Ciera and Chevrolet Celebrity models.

Cutlass Ciera inventory stood at 48 days on Feb. 1, well below the 60- to 65-day norm, and particularly low since the industry is heading into the spring selling season. Sales of 1988 Ciera models through Feb. 20 were off 20 percent for the model year but have been improving in recent sales periods.

Chevrolet Celebrity inventory was 96 days on Feb. 1, but sales have been declining. Celebrity sales for the model year were off 21 percent as of Feb. 20.

The second shift at GM's assembly plant in Lansing, Mich., will resume work April 11. The plant's two shifts, which comprise 4,350 workers, has been working on a rotating work schedule. The plant builds Oldsmobile Calais and Buick Skylark models. Calais inventory was 48 days on Feb. 1 and sales have been improving in recent periods, matching year-ago levels.

Skylark had a 114-day supply Feb. 1. However, Buick General Manager Edward H. Mertz said January sales of the Skylark were 134 percent higher than forecasted and early February sales were about 50 percent higher than predicted for the full month.

GM's assembly plant in Van Nuys, Calif., will resume its second shift March 14. The plant's two shifts had been operating under a rotating work schedule.

The plant is the sole source of Pontiac Firebird and Chevrolet Camaro models. The Pontiac and Chevrolet divisions apparently are optimistic about strong spring sales for the sporty cars. High inventories and slumping sales continue for both models, though.

As of Feb. 1, GM had a 116-day supply of Firebirds and a 166-day supply of Camaro models. However, aggressive incentives that kicked in during February have helped reduce Camaro and Firebird supplies. Chevrolet extended through April 30 its $750 rebate on Camaro models in 48 states and $1,000 rebate in California and Hawaii.

In addition, Chevrolet is optimistic about the nationwide launch of the Camaro RS, set for April 1. The RS was test-marketed successfully in California, Florida and Texas. It has the look of the IROC series, including spoilers, fascia and interior trim, but retains the V-6 engine of the base Camaro.

The Oshawa, Ontario, plant had been operating under a work schedule that was similar to that in Lansing and Van Nuys. A second shift will resume work March 21. The second shift is being added because of increased demand for Oldsmobile Ciera and Pontiac 6000. Pontiac 6000 inventory was 51 days on Feb. 1, though sales continue to be off almost 30 percent from year-ago levels.

The Oshawa plant is scheduled to be closed later this year for conversion to production of the Chevrolet GM10 model, a car that will be introduced as a 1990 model.

About 4,700 units have been added to the schedule through June at the Detroit-Hamtramck plant. No jobs will be added; production will be increased by use of overtime, which began last weekend.

The production increase is due mainly to stronger Eldorado sales, a model that was restyled, lengthened and equipped with a larger V-8 engine for 1988. Approximately 4,000 units of the increase will be for Eldorado and the remaining portion for Seville. Eldorado sales for the first 10 days of February were up 32 percent over year-ago levels.

Overtime is scheduled at the Baltimore truck plant, which produces Chevrolet Astro and GMC Safari minivans, and the Moraine, Ohio, truck plant, which produces Chevrolet S-10 and GMC S-15 models.

PRODUCTION

Car output declines 6% to 125,754

By Kathy Barboglio
AUTOMOTIVE NEWS STAFF REPORTER

United States auto production last week dipped 6.37 percent to 125,754 units from the prior week's 134,306 and dropped 27.71 percent from the year-ago week's 173,965.

Last week's targeted domestic auto output was shared as follows: General Motors, 41.86 percent; Ford Motor Co., 30.61 percent; Chrysler Motors, 14.95 percent; Honda of America Manufacturing Inc., 6.33 percent; New United Motor Manufacturing Inc., 2.58 percent; Volkswagen of America, 1.59 percent; Nissan Motor Manufacturing Co. U.S.A., 1.07 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 1.01 percent.

Last week's scheduled domestic truck production totaled 85,714, 1.10 percent below the previous week's 86,670 but 7.74 percent above the year-ago week's 79,560.

Year-to-date, 667,667 trucks have been built, 7.75 percent more than the 619,618 assembled last year at this point.

GM announced it will reopen its Framingham, Mass., car plant on May 9, recalling about 2,000 hourly workers on one shift. The plant was closed last November because of slow sales of Chevrolet Celebrity and Oldsmobile Cutlass Ciera.

Also, GM announced it will resume the second shift at its Van Nuys, Calif., plant, March 14, recalling about 1,900 workers. The second shift was dropped Feb. 15.

GM is boosting production of Cadillac Eldorado and Seville models at its Detroit-Hamtramck plant. Workers will build an additional 4,000 Eldorados and 700 Sevilles by June 1.

The second shift at GM's Lansing, Mich., car plant, which produces the Oldsmobile Calais and Buick Skylark, will resume April 11. The shift was dropped Jan. 11 due to slow sales.

On the same note, GM closed its Leeds, Mo., and Willow Run, Mich., plants for inventory adjustment last week. Willow Run is slated to reopen today and Leeds is scheduled to return March 7.

GM also shut down its Oklahoma City plant today for one week for inventory adjustment.

Ford's Wayne, Mich., plant remains idle for model changeover to the 1988½ Escort.

Chrysler's Jeep Grand Wagoneer line at Toledo, Ohio, was idle last week for inventory adjustment.

Cars, trucks slip in Canada

Last week's targeted Canadian auto production totaled 20,800 units, 8.72 percent below the previous week's 22,786 but 22.27 percent more than the year-ago week's 17,012.

Truck output was scheduled at 19,625 last week, 2.17 percent below the prior week's 20,061 but 11.16 percent more than the year-ago week's 17,655.

GM will resume the second shift at its Oshawa, Ontario, plant on March 21. The second shift was dropped last November because of slow sales of Oldsmobile Cutlass Ciera and Pontiac 6000 models.

U.S. CAR						
Alliance	0	770	0	0	0	6,114
Total Eagle	0	770	0	0	0	6,114
Horizon	1,880	3,307	2,885	7,107	13,538	30,023
Sundance	2,080	2,534	2,085	6,598	10,914	17,706
Reliant	0	3,088	1,675	7,165	11,776	21,670
Caravelle	0	1,572	891	1,513	2,881	10,194
Gran Fury	300	4	337	1,269	2,080	0
Total Plymouth	4,000	10,685	8,053	25,620	47,151	78,595
LeBaron K	0	2,091	0	998	1,941	13,633
LeBaron J	1,880	1,810	1,099	4,881	4,881	13,152
LeBaron GTS	100	995	129	995	1,175	6,570
N. Yorker E-Class	0	1,883	0	0	0	13,986
N. Yorker C-Class	2,480	0	2,124	9,042	15,325	0
Fifth Avenue	1,030	515	1,319	4,647	9,804	0
Total Chrysler	5,490	7,294	5,429	20,041	32,229	48,743
Omni	1,880	2,843	1,874	7,099	13,165	25,831
Daytona	1,880	880	1,510	4,971	6,071	6,531
Shadow	2,380	2,280	2,381	8,099	17,548	16,250
Aries	0	2,310	1,128	4,646	9,238	16,310
Dodge 600	0	1,059	482	1,424	2,488	8,398
Dynasty	2,980	0	2,578	10,894	16,978	0
Lancer	880	880	275	1,119	2,010	4,894
Diplomat	480	4	540	1,833	1,112	0
Total Dodge	8,380	10,643	10,888	39,101	69,999	79,814
CHRYSLER MOTORS	18,880	28,912	22,888	84,822	149,828	212,426
Escort	7,997	7,415	5,788	31,288	67,488	69,128
Mustang	4,444	4,286	4,188	17,783	25,581	35,984
Tempo	4,037	3,989	4,188	15,497	22,888	32,898
Taurus	7,918	10,387	7,887	31,888	63,531	61,888
Thunderbird	3,018	3,846	3,497	13,410	25,087	23,189
Total Ford Div.	27,346	30,242	25,177	109,228	205,611	226,134
Lynx	0	1,449	0	0	0	11,888
Topaz	1,523	1,254	1,422	5,910	12,384	16,738
Cougar	2,748	4,086	2,303	9,861	20,169	22,984
Sable	2,679	3,291	2,982	11,131	19,288	35,086
Total Mercury	6,991	9,982	6,707	26,711	51,787	79,807
Continental	231	410	1,084	3,818	6,987	3,082
Mark VII	488	612	557	2,112	4,388	4,488
Lincoln	2,800	3,087	3,248	11,488	22,988	22,484
Total Lincoln	4,288	4,088	4,888	17,188	34,988	29,981
Total L-M Division	11,151	14,051	11,578	43,910	86,707	109,788
FORD MOTOR CO.	38,497	44,293	36,753	153,138	312,318	344,922
Skyhawk	0	849	1,051	1,882	5,088	8,581
Skylark/Somerset	315	1,671	326	1,259	4,234	15,051
Century	1,358	4,387	980	4,987	7,868	34,176
Regal (rwd)	0	1,276	0	0	0	7,918
Riviera	252	453	384	888	1,131	4,755
Electra	1,258	2,586	1,258	5,021	10,980	17,873
LeSabre (fwd)	2,400	2,278	2,442	9,642	19,087	17,788
LeSabre (rwd)	95	231	98	426	908	3,983
Reatta	244	0	87	402	594	0
Total Buick	5,919	13,729	8,556	24,636	48,725	110,000
Cimmaron	290	380	290	1,180	2,295	3,784
Eldorado	803	406	986	3,154	3,771	3,120
Seville	591	424	729	2,333	2,784	6,001
Brougham (rwd)	0	2,706	0	0	0	15,325
Deville (fwd)	4,000	3,985	4,170	15,087	30,530	29,864
Allante	85	47	85	240	270	380
Total Cadillac	5,755	7,947	6,210	22,574	39,680	58,283
Cavalier	6,737	8,272	6,324	23,583	50,284	58,207
Camaro	1,220	1,061	1,105	3,544	7,371	15,783
Celebrity	4,810	8,250	4,884	17,981	24,518	85,082
Corsica/Beretta	4,925	5,300	8,540	29,205	53,651	42,754
Monte Carlo	0	1,245	0	0	0	10,332
Caprice	3,425	5,702	4,320	16,700	33,898	35,212
Corvette	440	630	450	1,792	3,402	5,171
Total Chevrolet	21,457	30,550	25,804	92,806	173,100	233,551
Calais	2,085	2,834	2,100	8,213	18,509	20,786
Firenza	0	284	820	999	2,327	4,288
Cutlass Ciera	0	4,926	0	0	0	35,174
Cutlass Supreme*	1,847	1,619	1,847	7,288	14,418	5,813
Toronado	494	317	597	1,933	2,260	3,477
88 (fwd)	120	5,505	3,225	9,782	23,282	37,474
88 (rwd)	190	427	273	998	2,212	3,345
Olds 98	1,822	2,158	1,841	7,226	13,833	14,716
Total Oldsmobile	6,558	18,088	10,408	36,469	74,285	125,053
Sunbird	2,527	2,770	2,085	8,411	17,923	19,156
Grand Am	4,800	4,958	4,851	19,248	36,481	43,474
Firebird	840	1,038	891	2,510	6,515	13,360
Grand Prix*	1,823	0	1,823	7,292	16,402	0
Pontiac 6000	2,215	1,843	1,914	4,103	4,189	13,370
Bonneville	0	3,198	1,980	5,955	13,859	25,402
Safari/Parisienne	135	181	119	604	952	1,977
Fiero	805	1,034	558	1,833	1,833	5,484
Total Pontiac	12,945	14,822	13,330	50,957	90,854	122,203
GENERAL MOTORS	52,634	85,107	62,116	227,444	427,024	648,100
HONDA	7,980	8,707	6,315	28,888	56,259	56,087
Civic	1,780	1,998	1,300	6,454	13,128	23,298
Accord	6,200	4,709	4,916	22,214	43,133	32,770
MAZDA	1,273	0	1,571	5,189	8,221	0
NISSAN	1,340	2,945	1,941	5,386	10,709	23,287
NUMMI	3,280	4,000	3,282	12,077	24,865	32,820
Corolla	1,200	800	1,284	3,867	8,577	6,827
Nova	2,050	3,200	2,018	8,210	16,288	25,993
VOLKSWAGEN	2,000	2,001	0	3,878	7,782	11,944
Golf/GTI	1,200	1,751	0	2,278	5,182	10,444
Jetta	800	250	0	1,600	2,000	1,500
Total Cars, U.S.	125,754	173,965	134,206	520,563	996,443	1,530,326
Total Cars, Canada	20,800	17,012	22,786	86,124	175,368	157,804
U.S., Canada Cars	146,554	190,977	157,092	606,677	1,171,809	1,467,930
U.S., Canada Cars and Trucks	251,893	298,192	283,823	1,021,186	1,969,368	2,236,754

Monthly estimates may contain error of one or two units due to rounding.
*—Estimate.

CANADIAN CAR						
Eagle	0	—	0	0	0	—
Premier	1,880	—	1,841	6,585	12,881	—
CHRYSLER MOTORS	1,880	188	1,841	6,585	12,881	1,218
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,837	—	4,873	15,738	32,851	—
Topaz	1,723	—	1,387	5,827	12,187	—
Crown Victoria	2,881	—	2,774	11,288	22,527	—
Grand Marquis	2,888	—	2,838	11,387	21,884	—
FORD MOTOR CO.	11,538	11,044	11,884	44,231	88,189	88,431
Celebrity	0	—	382	983	3,089	—
Cutlass Ciera	1,880	—	4,823	18,315	38,871	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	870	—	791	3,382	8,188	—
Regal	4,000	—	2,388	13,872	25,882	—
GENERAL MOTORS	5,880	5,488	8,434	34,382	67,723	84,184
HONDA	728	177	988	2,838	4,817	963
VOLVO	188	225	97	488	888	1,488
Total Cars, Canada	20,888	17,012	22,788	88,128	175,388	187,884

U.S. TRUCK*						
Caravan	2,880	—	2,227	8,177	13,832	—
Dakota	2,880	—	1,888	4,488	17,188	—
Mini-Ram Van	388	—	388	1,317	2,514	—
Pickups	1,388	—	788	2,888	8,384	—
Total Dodge	6,488	5,881	5,078	16,872	48,848	38,841
Cherokee	3,788	—	3,843	14,588	28,138	—
Comanche	1,188	—	1,072	4,074	8,057	—
Grand Wagoneer	0	—	388	1,888	2,884	—
Pickups	0	—	0	0	0	—
Wagoneer	288	—	882	1,881	2,188	—
Total Jeep	5,888	4,588	5,887	20,788	41,488	28,888
Voyager	1,888	—	2,872	7,578	14,544	—
Total Plymouth	1,888	—	2,872	7,578	14,544	—
CHRYSLER MOTORS	13,388	8,781	12,888	44,372	88,877	74,727
Aerostar	4,438	—	5,242	18,282	37,888	—
Bronco	1,277	—	1,284	5,888	18,888	—
Bronco II	3,888	—	2,987	12,884	24,882	—
Econoline	5,882	—	5,241	20,512	40,742	—
Heavy trucks	1,322	—	1,387	5,277	10,584	—
Light trucks	10,275	—	10,218	48,888	78,277	—
Ranger	7,122	—	7,444	28,582	58,518	—
Total Ford Div.	32,516	33,287	33,701	132,564	280,912	298,910
FORD MOTOR CO.	32,516	33,287	33,701	132,564	280,912	298,910
Astro	3,786	—	3,981	14,583	28,384	—
Blazer	831	—	888	2,288	4,431	—
Medium/Heavies	325	—	332	3,088	4,882	—
P-Model	900	—	982	3,847	7,981	—
Pickups	6,215	—	5,823	24,519	47,881	—
S-10	5,727	—	5,202	21,488	41,817	—
S-10 Blazer	3,348	—	2,821	12,888	22,087	—
Sportsvan/Van	1,428	—	1,342	6,588	10,870	—
Suburban	1,444	—	1,888	5,841	11,488	—
Total Chevrolet	23,706	22,277	22,582	93,587	178,738	178,488
Jimmy	158	—	106	827	1,371	—
Medium/Heavies	825	—	982	3,888	7,273	—
P-Model	130	—	47	388	887	—
Pickups	2,245	—	2,815	8,835	17,288	—
S-15	1,510	—	1,981	6,875	12,388	—
S-15 Jimmy	880	—	1,387	4,073	5,888	—
Safari	851	—	1,028	3,727	7,338	—
Suburban	820	—	735	2,831	6,038	—
Vandura/Rally Vans	952	—	888	3,882	7,857	—
Total GMC	8,342	8,483	9,972	34,888	68,881	61,704
GENERAL MOTORS	32,048	30,760	32,584	128,225	244,819	240,192
NAVISTAR	1,800	1,821	1,731	7,121	14,394	12,332
NISSAN	3,250	1,781	3,285	13,088	25,988	13,647
AM GENERAL*	450	50	450	1,800	3,888	488
MISCELLANEOUS*	2,300	2,300	2,300	9,200	18,488	18,488
Total Trucks, U.S.	85,714	79,580	86,670	336,275	667,667	619,618

CANADIAN TRUCK						
Caravan	3,048	—	3,136	12,160	24,288	—
Mini-Ram Van	234	—	220	884	1,788	—
Ram Wagon	585	—	544	1,831	3,287	—
Ram Van	1,285	—	1,407	3,983	8,184	—
Total Dodge	5,172	5,870	5,309	18,878	37,538	70,833
Voyager	2,882	—	2,988	11,522	22,888	—
Total Plymouth	2,882	—	2,988	11,522	22,888	—
Wrangler	1,018	—	1,088	4,188	7,882	—
Total Jeep	1,018	844	1,088	4,188	7,882	5,811
CHRYSLER MOTORS	9,052	9,314	9,386	34,388	68,308	75,844
FORD MTR. (t. trks.)	3,848	3,457	3,858	14,202	28,488	25,843
Light trucks	3,350	—	3,430	13,108	25,280	—
Vans	1,375	—	1,288	5,248	10,138	—
Total Chevrolet	4,725	—	4,886	18,354	35,418	—
Light trucks	1,400	—	1,520	6,034	11,323	—
Vans	575	—	840	2,383	4,822	—
Total GMC	1,975	—	2,160	8,417	15,945	—
GENERAL MOTORS	6,700	4,664	6,846	26,771	51,361	27,130
NAVISTAR	225	200	191	852	1,753	1,588
Total Trks., Canada	19,625	17,655	20,061	76,214	149,912	131,208
U.S., Canada Trks.	105,339	97,215	106,731	412,489	817,579	750,824

e—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-contract vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News

March 7, 1988

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Geneva: Europe eyes free borders

Domestics gird for '92 import rush

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

GENEVA — It was the 1988 International Motor Show last week in Geneva, but much of the focus was on 1992.

That's when Europe is scheduled to open its internal borders to unrestricted trade, a major consequence of which will be increased competition from Far East carmakers as various national restraints are lifted.

European automakers are girding for that day, both with new cars like Volkswagen's show-stealing second-generation Passat, which debuted here last week, and new strategies.

General Motors' mission to reduce its high European cost base was a major topic during the show as GM talked up its big 1987 profit in Europe and showed glimpses of an important new product.

Geneva also showcased the Soviet Union's vision of the automotive future. What could have been a star attention-getter at the show all but escaped notice because it didn't arrive until Thursday — after most of the world media had departed.

The seven-passenger Ochta concept vehicle from the Russian automaker Lada made its world premier, albeit late, in Geneva. The sleek, aerodynamic five-door was unlike anything the Soviet Union ever has shown before, either internally or to the world.

The Japanese last week continued their process of gearing up for the high-stakes future in Europe. It was the third straight major European show at which a Japanese maker premiered an all-new car. This time, it was the Toyota Carina II that is aimed directly at the Passat segment in Europe.

Toyota unveiled the Carina II, above, competition for the Volkswagen Passat, which was the star of the Geneva auto show. Increasing competition for Europe's market from makers in Japan and other Asian nations became apparent at the international gathering. Right, Ford's Ghia studio showed an aerodynamic 4wd multipurpose vehicle called the Ghia Saguaro.

COLLIN CUNNOOD PHOTOS

The limelight at Geneva last week belonged to GM-Europe President John Smith. He basked in record European profits and previewed GM's own forthcoming Passat competitor and also spoke out on pan-European trade issues.

While GM supports the coming unification of the European market, Smith warned that a truly unrestricted market could also benefit importers from non-European countries.

"Any Japanese measures to protect their domestic market are roadblocks to a free trade policy, causing some manufacturers to feel that progress in this respect has to be made before gradually easing import controls in Europe," Smith said.

Just two days before the world auto industry gathered here, the European Community's top trade official, Willy De Clercq, said the organization wants to strike a "transitional" agreement with Japan to restrict imports to around 10 percent of the European Community, giving the European industry time to prepare for 1992.

Last year, 1,180,000 Japanese cars were sold in the European Community, about 11 percent of the total. In contrast, carmakers from the European Community sold 87,000 cars in Japan in 1987.

Besides the Japanese question, Smith said it is even more difficult to determine a clear strategy with regard to future imports into Europe from new car-producing countries such as Korea and Taiwan.

"It raises the question as to whether free market and free trade principles can simply be adhered to, while risking what has been established over generations at extremely high investments," Smith said.

While Passat drew the biggest

see GENEVA, page 53

Mazda to share Bronco II 4-door

By David Versical
and Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTERS

Ford Motor Co. plans to share production of its new four-door Bronco II in a move that would see the sport-utility sold with Mazda badges through U.S. Mazda dealers.

Sources close to both companies said the four-door Bronco II will be sold through both franchises in the 1990 model year. The vehicle, which bears Ford's UN46 code name, will be built at Ford's assembly plant in Louisville, Ky., sources said.

Aside from a common shell, though, it is not clear how similar the two entries will be. Mazda currently supplies a five-speed manual transmission for the Bronco II. Additional Mazda components are expected to appear in the new model.

The setup appears to echo an arrangement between the two automakers at Mazda's U.S. assembly plant in Flat Rock, Mich. That operation builds the Ford Probe along with the Mazda MX-6. Though the Probe and MX-6 share the same platform and powertrain, they sport different interiors and sheet metal.

The addition of the Bronco II under a Mazda name will please Mazda dealers, who don't have a sport-utility in their lineup. Some Ford dealers, on the other hand, have said they are puzzled.

"They can barely build enough Bronco IIs to meet the demand from the Ford dealers," said one.

A Ford truck official, while de-

see BRONCO II, page 49

Peak turnout for SAE

Stempel calls for a decade of innovation

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Record attendance, heavy participation from abroad and a parade of emerging technology highlighted the 1988 SAE Show in Cobo Hall here.

In his keynote address at the SAE banquet Thursday, General Motors President Robert C. Stempel said the auto industry will be a great place in the next decade for imaginative and innovative engineers.

He listed a host of new features, new materials and new manufacturing techniques that are ready to be adapted to tomorrow's vehicles — new technologies like active suspension, anti-lock brakes and electronics that turn the focus back on product.

The challenges, he said, will include development of alternative fuels and powerplants and continuing improvements in safety.

The news of Pontiac Fiero's demise met with some dismay among the estimated 37,500 at the show, of course. Several said Fiero had scored a lasting victory for plastic.

see SAE, page 51

AUTOMOTIVE NEWS/JOE WILSDORF

Allied-Signal Automotive offers a taste of art by French sculptor Thierry Vide

Acustar snafu highlights labor woe at Chrysler

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Chrysler Corp.'s decision to abort any sale of its Acustar component-making subsidiary in the face of UAW pressure is the latest in a series of costly company run-ins with its unions.

Chrysler, which until recently has enjoyed a chiefly favorable public image, has been beset in recent months with labor difficulties that have cost the company millions of dollars and eroded its reputation.

see ACUSTAR, page 49

...tish Aerospace: ...over Group savior Page 2
Saturn may replace Fiero for GM Page 3
February sales ...se 13.9% Page 50

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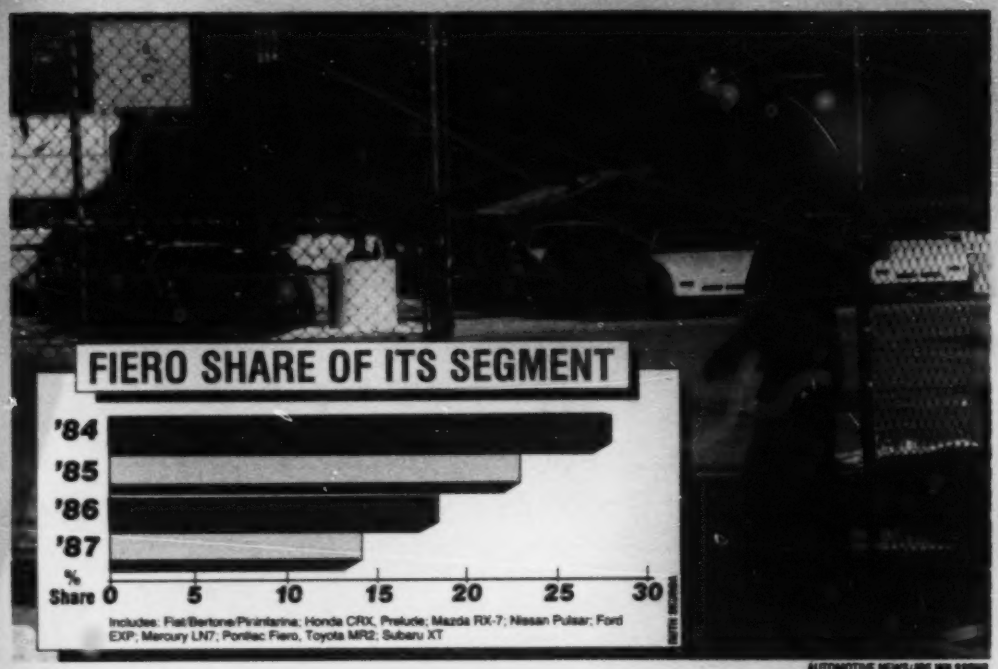
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AUTOMOTIVE NEWS/JBC WILSON

Saturn may replace Fiero for GM

Long sales slump, changing tastes kill Pontiac's 2-seater

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

PONTIAC, Mich. — General Motors will fill the void left by the Pontiac Fiero with existing Pontiac models and, eventually, Saturn cars.

The automaker said last week that it will end production of its sporty, mid-engine Fiero by the end of this model year and idle the plant here that has assembled the cars for nearly five years.

GM executives cited sagging sales due to increased competition in the shrinking two-seater segment and consumer preference for larger, roomier cars as factors in their decision.

Pontiac General Manager J. Michael Losh said the division has no plans for a direct replacement for the two-seat Fiero. Rather, he said, Sunbird, LeMans, Grand Am and Firebird are expected to fill the gap. Asked if GM will re-enter the low-priced, two-seater market, GM President Robert C. Stempel said: "If you look at the role of the Saturn franchise and the stated mission of Saturn, it clearly is a car that's going to be in the value end of the market, and we've indicated there's going to be more than one model in that car line."

Initially, Saturn will be offered as a sporty coupe and a sedan.

The Fiero was an instant sales success when introduced in September 1983. In its first full model year on the market, Fiero sales totaled 93,485 units, well above the goal of 80,000 to 85,000. Then the slide began. Sales in the 1987 model year dropped to 41,830 units and were expected to continue their downward spiral to 30,000 in the 1988 model year.

Production at the plant was cut repeatedly, and in February, it dropped to 15 cars an hour on one shift. The plant today employs 1,109, with 1,241 on indefinite layoff. Peak employment totaled 2,500 workers on two shifts in 1986.

Stempel said GM considered killing the Fiero a year ago but it was given a reprieve. Losh said the decision, which he described as a difficult one, was based upon "economic and market realities" in the two-seater segment.

Losh, as well as Pontiac dealers, said people who previously would have been candidates to purchase the Fiero seemed to be opting for larger cars, like Pontiac's Grand Am. In addition, Losh and dealers cited skyrocketing insurance rates as a contributing factor.

They acknowledged also that the mechanical shortcomings of Fiero's early years, including the underpowered four-cylinder engine and lack of power steering, were factors in its demise. The recent recall of 1984 Fieros for engine fires didn't help either, dealers said, but by then sales were already on the skids.

Nevertheless, Losh said — and dealers agreed — the Fiero more than fulfilled its mission for the division.

"The Fiero played a major role, far in excess of the impact of its limited sales, in the redirection and resurgence of Pontiac." Losh said. "There is no doubt we'll miss Fiero. But today we're a far stronger, more resilient, more competitive car company than we were in September 1983."

When the car was born, the division's sales were dismal; the division was floundering, looking for an image. Fiero became the embodiment of Pontiac's newly established youth-oriented, "excitement" image, which continues today.

Paul Holloway, owner of a dealership in Exeter, N.H., recalled his showroom being packed with traffic the night before the Fiero's official introduction.

"It was exciting," Holloway said. "There hasn't been a model introduction that exciting the last 10 years."

The car itself and the manufacturing methods employed in its construction were considered revolu-

see FIERO, page 49

Suzuki stands tough on rollover charges

By Matt DeLorenzo
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Suzuki's aggressive stance in disputing allegations that its vehicles are prone to rollovers fits the company's image as an automotive upstart.

Rather than taking a low profile when bad news breaks, Suzuki of America Automotive Corp. speaks out strongly when its interests are at stake, such as last week in response to a NBC News report dealing with rollover accidents involving its Samurai.

Last month, the importer disputed a letter from Rep. John Dingell, D-Mich., that accused the company of evading quotas by importing its vehicles as trucks.

"We've taken a very aggressive stance on the Samurai from the beginning," N. Douglas Mazza, vice president and general manager of Suzuki's U.S. company, told Automotive News.

"We created a dealer network for the one vehicle and we're a lot more aggressive from a marketing standpoint than perhaps another management team would be."

The Brea, Calif.-based importer of the popular sport-utility vehicle last week went on the offensive following a three-part NBC News report involving rollovers and a petition from the Center for Auto Safety calling for a NHTSA investigation and recall.

An NHTSA spokesman said it is considering the petition but has no investigation under way nor any rollover complaints on record.

The Center for Auto Safety said it had reports of 15 accidents: 11 rollover accidents involving the current Suzuki Samurai, designated model SJ413, and four accidents involving a similar Suzuki model, designated as SJ410.

According to the center, eight injuries and three deaths are tied to the SJ413 model, and three injuries and one death to the SJ410.

NBC, using NHTSA data, reported 25 fatalities for both models.

Mazza said the company only imports the SJ413, and that the SJ410 is an older model, sold in other countries and Hawaii.

"The SJ413 is not the same vehicle (as the SJ410)," Mazza said, noting engineering changes made for the U.S. version.

Suzuki said that SJ410 models were most likely brought to the United States from Puerto Rico and Hawaii by independent importers. When Suzuki launched the Samurai in 1986 it also initiated legal action to bar dealers from selling the SJ410 under the company's name.

The NBC report repeated the center's charges and alleged that the vehicle is likely to tip over either in normal turns or accident-avoidance maneuvers.

Unlike Audi, which allowed reports of sudden acceleration to blossom into a major crisis, Suzuki immediately went on the offensive, sending out a press release disputing the NBC report before it aired.

The company also aired a new commercial last week citing several auto enthusiast publications' praise of Samurai's stability and handling characteristics.

"We are prepared to stay with this advertising for about two to three weeks," Mazza said, adding that "we are measuring the response to the ad on a weekly basis."

Suzuki has sold 140,000 Samurais since their debut two years ago.

In its press release, Suzuki asserted that the center's petition and the subsequent NBC report "may have been instigated in part by trial lawyers seeking to foster public opinion against Suzuki and perhaps the entire sport-utility market."

The company further charged that it has been singled out because "the Samurai is the leading imported sport-utility vehicle from Japan and has gained tremendous media attention due to its unique styling, reliability and affordable price."

Citing the U.S. Customs Service reclassification proceedings in light of the company's current woes, Mazza believes the company is being singled out on several fronts. He said it is "not coincidental that these things are happening to us."

Suzuki took issue with the NBC report, which used footage of a professional driver tipping the vehicle, saying the driver's maneuvers are "no way indicative of normal driver reactions."

The company disputes NBC's use of fatal accident reporting system data (FARS) from NHTSA that showed 25 fatalities in Samurai-related accidents to conclude that the vehicle is unsafe.

"We stand by our story completely," said Steve Handelsman, national correspondent for the NBC Television Stations' News Unit, which prepared the report.

"New evidence since the broadcast has served only to bolster our contention that the Samurai has a rollover problem."

According to Mazza, more than half of the incidents involved drunk drivers, 60 percent weren't wearing seat belts, and the incidents include one pedestrian struck by a Samurai, four persons who were killed in other vehicles involved in accidents with the Suzuki and four persons in a Samurai that was struck by a train.

In a letter to NBC-owned-and-operated stations airing the report, Mazza demanded equal time to present Suzuki's case.

Samuel Cole, a member of the Center for Auto Safety's vehicle safety staff, said "We're not disputing the fact that alcohol was involved in these accidents. We're disputing how the vehicle performs in an accident."

INDEX

Around the world	26-27
Auction dates	37
Classifieds	38
Coming events	37
Dealing with dealers	32
Legal briefs	46
Marketing and media	22-23
News briefs	8
Obituaries	6
Opinion	10
Personnel	47
Production	54
Recreation on wheels	14
Sales, car	50
Sales, import car	50

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Chrysler still may have too many plants

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Chrysler Corp. Chairman Lee Iacocca apparently believes the company still has excess production capacity following the announced closing of its Kenosha, Wis., assembly and stamping plants.

Speaking at a February press conference held in connection with the Kenosha closing, Iacocca said the company acquired four assembly plants with its purchase of American Motors in August but has business for only two of those plants.

"We have too much capacity," Iacocca said. "The whole country does. We didn't until the time we bought AMC. We bought four plants but we really only have business for two."

Iacocca's comments appear to represent a change in the chairman's evaluation of Chrysler's production capacity.

In October, he said the company "could do without a plant or a plant-and-a-half" because of its acquisition of AMC.

Since that time, the company has announced it will close its Kenosha assembly plant at the end of the 1988 model year.

Asked if Iacocca's remarks mean that Chrysler is studying an additional plant closing, a company spokesman said, "Obviously, everyone in this industry is studying their plant capacity. Everybody is studying it. You have to. The market is changing and there is excess capacity."

The company spokesman said, however, that Chrysler Motors Chairman Gerald Greenwald has maintained that there will be no additional plant closings in 1988 at Chrysler.

When it purchased AMC, Chrysler acquired the Kenosha assembly plant, a Jeep assembly plant in Toledo, Ohio, and two Canadian assembly plants, one each in Brampton and Bramalea, Ontario.

Analysts have suggested that the Brampton plant may be vulnerable.

Chrysler has since signed a five-year labor agreement with the UAW at the Toledo plant that assures production through September 1992.

The Bramalea plant produces the Eagle Premier sedan and the state-of-the-art facility was among the reasons cited by Chrysler for the AMC acquisition.

Wetherby's Safari conversion features comforts of home in a luxury package

Ex-Tra Tech exec starts conversion firm in Texas

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

The RV industry is full of former employees of companies who branched out on their own.

In January, Phil Wetherby, a former Tra Tech official, followed industry tradition by launching Wetherby Conversions in Mansfield, Texas.

Wetherby's goal is to service customers within a 500-mile radius of Dallas/Fort Worth with a full line of conversion products, ranging from cars, vans and sport utilities to imported and domestic pickups up to one-ton duallies.

Wetherby, former vice president of Tra Tech Manufacturing and president of Tra Tech West, said he currently has about 100 franchised dealers.

He expects to have between 100 and 200 dealers by the end of the model year with the eventual goal of each dealer selling two to three vehicles a month.

That would put his company in the 4,000- to 5,000-unit-a-year sales volume range.

Wetherby doesn't have a consignment pool agreement with any Detroit manufacturer.

Typically, such agreements reduce a converter's operating costs because he doesn't have to invest his money in floorplanning or interest finance costs.

Essentially, pool vehicles are owned by GM, Ford or Chrysler until they physically leave the converter's lot and are sold to the dealer. Thereupon, the Detroit manufacturer collects from the dealer for the van chassis and the converter collects for his conversion package.

Wetherby is using a drop-shipment program, common in the industry, for vehicles he works on. Essentially, with drop shipments dealers pick up the costs of floorplanning the unit.

Basically, his strategy is to "allow the dealer to order the chassis he needs. If he wants a lower-priced or higher-priced unit or one with a diesel engine," he can specify his exact needs, Wetherby said.

Basically, the wholesale delivered price range of his conversion packages range from $3,900 to $6,500, Wetherby said.

Quality, backed by a strong warranty, geared as closely to that of the truck manufacturers, is another focal point.

Wetherby's warranty on the basic conversion is 12 months/12,000 miles. That includes mechanical parts on such items as seats, sofa beds, etc.

For add-ons like fiberglass running boards, trim on trucks and ground effects on cars the basic warranty is 36 months/36,000 miles.

He said his company is using the best equipment and materials available from brand-name suppliers.

Consumer demands for family transportation have grown and changed since the early 1970s, he said.

Dependable transportation is still a priority. However, as Americans find themselves to a greater extent on the road — commuting longer distances to work and play in increasingly heavy traffic, enjoying extended family vacations and retirement leisure travel — they want their cars and trucks to be as comfortable and convenient as possible.

With a wide selection of luxury appointments and sophisticated electronic and stereo equipment available, consumers today want to customize their vehicles to their lifestyles.

Factory tips for van converters

Chevy stresses price-value link; Chrysler mails quality guides

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Chevrolet would like to see more van converters communicate the price/value relationship of their products to consumers, and Chrysler recently stepped up communication with van converters to improve product quality.

Chrysler sent out a specially prepared van conversion guide to 1,300 converters in February, outlining recommended policies and procedures for handling its van products. It is Chrysler's first such mailing to RV firms since the days when it supplied motor home chassis to the industry.

Its guidebook discusses transportation claims, warranty repair, new-vehicle prep, safety mechanisms and other relevant converter issues.

James E. Lynch, Chrysler manager of special vehicles, said that in addition to an effort to upgrade quality and improve customer satisfaction, the mailings were part of what will be a continuing effort at better communication with non-consignment pool companies.

"We're trying to bring them into our wave length so they know our thoughts on what they can and cannot do to our vehicles," he said. "Many of our Dodge dealers are buying conversion-package chassis for non-consignment pool companies, so there is no real direct link for communicating quality and safety issues."

Lynch plans to continue corresponding with non-consignment pool converters.

A major section of Chrysler's booklet deals with electrical issues. This is one of the most prevalent problem areas in the industry because of the increasing number of electrically operated components that are being installed in vans, such as televisions, VCRs and elaborate stereo systems, Lynch said.

Meanwhile, Chevrolet's Jim Greene, assistant manager — special vehicles, would like to see more converters use a manufacturer's suggested retail price-type price/equipment sticker, which could be used to describe the quality of their carpets, seats, interiors and other features.

For example, consumers are generally not astute enough to differentiate the quality of the cloth or carpeting used by various manufacturers to determine how long they will last, he said.

"Converters can because they buy it. But certainly the average customer can't," Greene said.

Dealers are the big impediment to price-labeling conversion packages. Traditionally, they've been prone to high-gross those products.

"The challenge of the industry, as I see it, is to overcome (dealer resistance to MSRP stickers) and provide consumers with clearer price/value relationships," Greene said.

There also is a real feeling in America that smaller should be cheaper or less expensive, he said. It has led many converters to limit their price and equipment packages for Astro.

"I've been trying to say to the industry that the Astro needs to grow out of the philosophy that smaller should be less expensive, that the Astro just happens to be of a size that is more appealing to a certain segment — the yuppie, female-influenced buyer. They still want the quality seats, the whistles and toys, the TVs and all those things that they're accustomed to if they ever owned a G-van," Greene said.

People buy Astros for features like garageability and handling ease rather than low price, he said.

Greene said that Chevrolet's LT package for a factory-upfitted Astro puts it into the $18,000-plus range, which is more expensive than conversion units done by most outside converters.

"The upfitter was afraid that when we introduced our conversion package for Astro, we would take some of his business," he said. "We haven't because we still can't build enough of that product to supply demand.

"So if a dealer has an $18,000 Astro with our seats sitting on his lot, he can easily move a customer from that to an Astro" upfitted by an outside converter, Greene said.

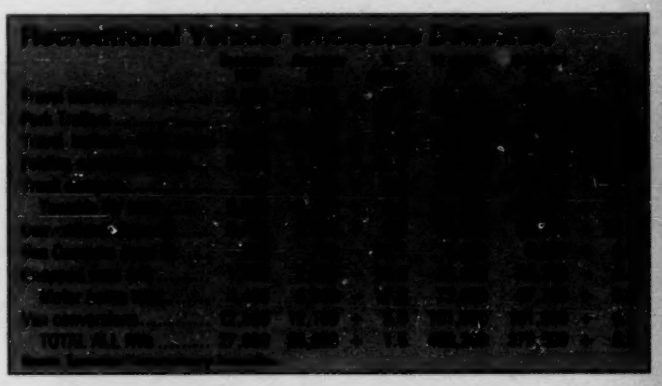
RV-maker sales reach 400,200 in '87, up 5.5%

RESTON, Va. — RV manufacturers closed out calendar 1987 with their strongest performance in the past several years.

Manufacturers wholesaled 400,200 units last year, 5.45 percent more than in 1986 and 11.41 percent more than in 1985, according to the Recreation Vehicle Industry Association.

In December, the Index of Consumer Sentiment also rose as consumers appeared to have shaken off the fears that followed October's stock market crash, RVIA said.

While concerns persisted about the outlook for the domestic economy, the December survey confirmed that buying attitudes had improved in response to increased discounting and lower interest rates, RVIA said.



Buying attitudes for RVs remained near the all-time high set in March 1987.

A strong second half enabled van converters to ship 181,900 units in 1987, identical to 1986's performance.

December shipments of 12,800 vans were up 5.78 percent from a year earlier and were 8.10 percent ahead of November.

Detroit manufacturers shipped 212,500 vans without seats to converters in 1987, 20.53 percent more than the 176,300 shipped in 1986.

Included in the 1987 total were 170,400 full-sized seat-delete option vans, 18.67 percent more than the 143,600 shipped in 1986, and 42,100 compact vans, 28.75 percent more than the 32,700 shipped in 1986.

Starcraft's prospectus reveals purchase price, income

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Starcraft investors purchased the company from Lear Siegler last July for $75.8 million. The figure is included in a prospectus the company issued to sell $50 million in long-term notes.

This is the first time Starcraft's financial results have been revealed.

Company officials were successful in selling the notes to complete the final part of their financing effort. The notes are due in 1998.

The investors financed the purchase of the company by borrowing $73 million from Citicorp Industrial Credit Inc. and contributing another $8 million of their own.

The group, organized by Duncan Cook, includes members of Starcraft management, Duncan Cook and certain of its affiliates, Salomon Brothers Holding Co. Inc., Southwest Venture Partners and others.

For its fiscal year ended June 28, 1987, Starcraft had net income of $98 million and long-term debt of $72.7 million, including the $50 million in notes that were subsequently sold.

During the first six months of fiscal 1988, ended Dec. 31, 1987, the company had net sales of $66.7 million, up 16.1 percent over the year-earlier period, said Dominic Cuzzocrea, Starcraft president and chief executive officer.

The company's prospectus said Starcraft had net income of $10.6 million for the seven-month period ended Jan. 31, 1987.

The company had net income of $20.3 million for the 12-month period ended June 30, 1986, compared with $22.6 million for the same period a year earlier.

During the seven-month period ended Jan. 26, 1987, Starcraft had net customer sales of $65.5 million. The company's automotive products division accounted for $29.5 million of that figure; marine products division, $18.1 million; and recreational products division, $17.9 million.

During the same period, Starcraft had an operating income of $3.4 million — the automotive and marine products divisions showed a profit and the recreational products division suffered a loss.

The automotive division provided operating income of $3.9 million while the marine division had an operating income of $42,000. Recreational products lost $556,000.

All of the company's divisions were profitable for the 12-month period ended June 29, 1986. Net customer sales were $111.7 million and operating income was $10.3 million.

Starcraft had net sales of $115.8 million and operating income of $12.7 million for the 12-month period ended June 30, 1985.

For the 1988 fiscal year, company officials said the automotive division received a ship-through agreement from General Motors covering a new fiberglass cap and other conversion packages for the full-sized pickup truck. The agreement means there will be no duplicate freight charges for GM dealers.

Starcraft plans to introduce several new fifth-wheel travel-trailer models and some new automotive products in 1989.

Overcapacity: The 3rd hurdle

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — The current 4-million-unit excess capacity in U.S. car and light-truck assembly plants will prompt the domestic industry to make extensive changes.

That overcapacity problem will not go away easily and will force the domestic automobile industry to make further operating adjustments, Harvard University Professor Malcolm S. Salter told a luncheon meeting of the Harvard Business School Club of Detroit.

Salter, faculty chairman of both the general management area and the International Senior Managers Program at the Harvard Graduate School of Business Administration, said that although the automobile industry is not unique in the number or type of challenges facing it, it is significant.

"It is a paradigm for the other global industries," Salter said, adding that the automobile industry also has high visibility.

Salter, who has influenced some of the industry's managers when they were in the classroom, said the industry is now in the third phase of its fight to regain global competitiveness.

He said the first phase was the 1980 to 1983 period following the second energy crisis when management worried about cutting costs and labor worried about job security, which led to an "immediate conflict."

The second phase was the 1983 to 1987 period of recovery. "Everybody did what they had to do," Salter said. "Everybody did what they were asked to do."

That meant management and labor developed labor agreements with new work rules, government dealt with the currency problem and suppliers cooperated with new logistical solutions.

"Even the Japanese did what they had to do," he said, citing the Voluntary Restraint Agreement and the increased investments in U.S. "transplant" operations.

The result was that in the period between 1980 and 1990, the U.S. automobile industry was able to develop 30 new platforms to improve competitiveness, Salter said.

The current third phase is marked by overcapacity, with only about 69 percent of North America's capacity being utilized. He put utilization, by segment, at: small, 57 percent; mid-sized, 77 percent; large, 69 percent; luxury, 55 percent; and sports, 50 percent.

The current situation will be exacerbated by more entries into the U.S. market — including China, Romania and Russia — with no planned market exits, he said.

Salter said he believes the current phase will be marked by the same factors that dominated the second phase, only intensified, leading to a "negotiated reconfiguration of the industry, a negotiated downsizing."

He said success will require more "pro-competitive" industry-labor and industry-government relationships.

Manufacturers will be faced with the need to unilaterally reduce capacity, he said, and the UAW will be forced to abandon industry-wide "pattern" agreements in favor of "company-specific labor relations."

Salter said government will have to "grease the wheels of change" by providing "adjustment assistance." He cited government-provided extended health care benefits as an example.

Quality, productivity, product diversity, cooperative agreements with suppliers, more joint ventures with competitors and "rapid response to consumer demand through accelerated new product cycles" will all be important factors in the current phase.

The third phase also will necessitate changes in the industry's managers. "Managers must learn to be as good politicians as they have been managers," he said.

"The new practices seem to be pro-competitive and just as important as new technology."

Salter said it will be "critical" for the industry to attract "really high potential young blood" for managers.

"The bankers are onboard, the consumers are onboard — I just want to make sure the young people are onboard," Salter said.

Smart quits Commerce in promotion dispute

WASHINGTON — Bruce Smart, the U.S. Commerce Department's undersecretary for international trade, has resigned following the withdrawal of his name as a candidate for Commerce deputy secretary.

Commerce Secretary C. William Verity had originally nominated Smart to the post, but withdrew that recommendation, citing a difference in management style. Smart presided over the auto parts-related Market Oriented — Sector Specific talks with Japan that attempted to open that market to U.S. suppliers.

U.S. CAR OUTPUT, CALENDAR 1987 vs. 1986

	Total Output 1987	Pct. of Total Output	Total Output 1986	Pct. of Total Output	Pct. Change '87 vs. '86
CHRYSLER MOTORS	1,109,411	15.64	1,337,694	17.08	−1.44
Eagle Total	15,994	0.23	49,435	0.63	−0.40
Alliance	15,994	0.23	46,088	0.59	−0.36
Encore	0	0.00	3,347	0.04	−0.04
Plymouth Total	321,595	4.53	422,618	5.40	−0.87
Horizon	45,663	0.64	171,882	2.20	−1.56
Sundance	89,578	1.26	36,855	0.47	+0.79
Reliant	136,109	1.92	151,895	1.94	−0.02
Caravelle	42,955	0.61	44,368	0.57	+0.04
Gran Fury	7,290	0.10	17,618	0.23	−0.13
Chrysler Total	357,148	5.03	368,637	4.71	+0.32
Laser	0	0.00	25,327	0.32	−0.32
LeBaron	64,089	0.90	83,163	1.06	−0.16
LeBaron J	113,858	1.60	4,043	0.05	+1.55
LeBaron GTS	37,503	0.53	69,869	0.88	−0.35
N. Yorker E-Class	57,102	0.80	64,964	0.83	−0.03
N. Yorker C-Class	18,916	0.27	0	0.00	+0.27
Fifth Avenue	65,675	0.93	122,441	1.56	−0.63
Dodge Total	414,884	5.85	498,404	6.34	−0.49
Daytona	64,054	0.90	33,097	0.42	+0.48
Omni	40,039	0.56	163,416	2.08	−1.53
Shadow	96,073	1.36	35,107	0.45	+0.91
Aries	127,948	1.81	126,311	1.61	+0.20
Dodge 600	39,773	0.56	64,083	0.82	−0.26
Lancer	25,123	0.33	47,817	0.61	−0.28
Dynasty	8,486	0.12	0	0.00	+0.12
Diplomat	15,188	0.21	28,593	0.34	−0.13
FORD MOTOR CO.	1,830,446	25.80	1,764,316	22.53	+3.27
Ford Division	1,317,787	18.57	1,221,956	15.61	+2.96
Escort	394,704	5.56	378,359	4.83	+0.73
Mustang	214,153	3.02	177,737	2.27	+0.75
Tempo	145,779	2.05	198,809	2.54	−0.49
Taurus	405,644	5.72	335,669	4.29	+1.43
Thunderbird	157,507	2.22	131,383	1.68	+0.54
L-M Division	512,659	7.23	542,360	6.93	+0.30
Mercury Total	328,509	4.63	359,325	4.59	+0.04
Lynx	21,351	0.30	60,246	0.77	−0.47
Capri	0	0.00	12,344	0.16	−0.16
Topaz	47,009	0.66	57,578	0.74	−0.08
Cougar	138,464	1.95	101,829	1.30	+0.65
Sable	121,686	1.72	127,330	1.63	+0.09
Lincoln Total	184,150	2.60	183,035	2.33	+0.27
Continental	13,595	0.19	19,628	0.25	−0.06
Lincoln	142,005	2.00	137,286	1.75	+0.25
Mark VII	28,550	0.40	26,121	0.33	+0.07
GENERAL MOTORS	3,455,483	48.70	4,124,730	52.68	−3.98
Buick Total	552,601	7.79	775,968	9.91	−2.12
Skyhawk	34,516	0.49	82,429	1.05	−0.56
Century	152,698	2.16	230,137	2.94	−0.78
Regal	40,425	0.57	60,897	0.78	−0.21
Skylark/Somerset	63,612	0.90	112,773	1.44	−0.54
LeSabre (fwd)	142,835	2.01	156,889	2.00	+0.01
LeSabre (rwd)	10,230	0.14	15,192	0.19	−0.05
Electra	94,485	1.33	91,559	1.17	+0.16
Reatta	332	0.00	0	0.00	0.00
Riviera	13,468	0.19	26,110	0.33	−0.14
Cadillac Total	275,737	3.89	319,096	4.09	−0.19
Cimarron	10,402	0.15	22,247	0.30	−0.15
Allante	4,869	0.07	53	0.00	+0.07
Brougham (rwd)	73,195	1.03	76,469	0.98	+0.05
DeVille (fwd)	145,540	2.05	171,607	2.19	−0.14
Eldorado	20,538	0.29	25,248	0.32	−0.03
Seville	21,305	0.30	22,474	0.29	+0.01
Chevrolet Total	1,372,631	19.35	1,310,710	16.74	+2.61
Chevette	0	0.00	105,489	1.35	−1.35
Camaro	121,581	1.71	172,585	2.20	−0.49
Cavalier	315,319	4.44	395,154	5.05	−0.61
Celebrity	285,111	4.02	257,993	3.29	+0.73
Corsica/Beretta	348,806	4.92	17,200	0.22	+4.70
Monte Carlo	72,749	1.03	110,049	1.41	−0.38
Caprice	200,593	2.83	223,642	2.86	−0.03
Corvette	28,514	0.40	26,410	0.34	+0.06
Oldsmobile Total	597,257	8.41	927,173	11.84	−3.43
Firenza	17,988	0.25	36,212	0.46	−0.21
Calais	113,085	1.59	120,622	1.54	+0.05
Cutlass Ciera	108,788	1.53	236,613	3.02	−1.49
Cutlass Supreme	76,751	1.08	107,096	1.37	−0.29
88 (fwd)	178,747	2.52	272,315	3.48	−0.96
88 (rwd)	10,483	0.15	19,028	0.24	−0.09
Olds 98	73,004	1.03	114,558	1.46	−0.43
Toronado	18,453	0.23	18,779	0.24	−0.01
Pontiac Total	667,235	9.26	791,785	10.11	−0.86
Acadian*	0	0.00	16,539	0.21	−0.21
Fiero	33,938	0.48	69,736	0.89	−0.41
Pontiac 1000	0	0.00	16,814	0.21	−0.21
Firebird	77,731	1.10	105,109	1.34	−0.24
Sunbird	89,485	1.26	130,187	1.63	−0.46
Grand Am	247,681	3.49	231,318	2.95	+0.54
Grand Prix	6,343	0.09	0	0.00	+0.09
Pontiac 6000	67,947	0.96	132,385	1.69	−0.73
Bonneville	125,005	1.76	39,686	0.51	+1.25
Safari/Parisienne	9,147	0.13	49,132	0.64	−0.51
HONDA	324,194	4.57	248,159	3.17	+1.40
Civic	88,445	1.25	34,348	0.44	+0.81
Accord	235,819	3.32	213,811	2.73	+0.58
MAZDA	4,200	0.06	0	0.00	+0.06
NISSAN	117,334	1.65	65,147	0.83	+0.82
MUMMI	187,379	2.64	205,854	2.63	+0.01
Corolla	43,726	0.62	14,318	0.18	+0.44
Nova	143,652	2.02	191,536	2.45	−0.43
VOLKSWAGEN	99,999	0.94	84,397	1.08	−0.14
Golf/GTI	47,157	0.66	83,247	1.06	−0.40
Jetta	19,539	0.28	1,150	0.01	+0.27
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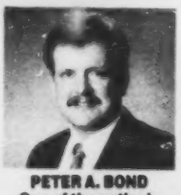

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COMING EVENTS

General

March 6-8 — Consumer Bankers Association's Automobile Finance Conference, Opryland Hotel, Nashville, Tenn., (703) 276-1750

March 7-10 — National Design Engineering Show and Conference, McCormick Place North, Chicago, (203) 964-0000

March 8-9 — Automotive Industry Action Group Electronic Data Interchange seminar, Westin Peachtree Plaza, Atlanta, (313) 569-5262

March 9 — The Planning Forum monthly dinner meeting, Meadowbrook Country Club, Northville, Mich., (313) 244-4401

March 15-17 — DMA Group Manager Development Conference, Hilton Head, S.C., (603) 772-1000

March 16-18 — Managing International Joint Ventures, University of Michigan Business School, Ann Arbor, Mich., (313) 763-1000

March 16-18 — Robotic Industries Association meeting, Stouffer Resort, Orlando, Fla., (313) 994-6088

March 20-24 — National Computer Graphics Association Systems Integration conference and exposition, Anaheim Convention Center, Anaheim, Calif., (703) 698-9600

March 20-24 — American Car Rental Association convention, Hotel del Coronado, San Diego, (202) 223-2118

March 21-25 — MacNeal-Schwendler Corp. World Users Conference, Sheraton Universal Hotel, Los Angeles, (213) 258-9111

March 21-22 — Spring Automotive Conference, American Society of Quality Control, Novi Hilton, Novi, Mich., (313) 962-7311

March 22-23 — Tire Society Conference, University of Akron, Akron, Ohio, (216) 796-3198

March 22-23 — University of Michigan International Automotive Industry Conference, Rackham Auditorium, Ann Arbor, Mich., (313) 764-1489

March 25-27 — Specialty Equipment Market Association Auto Internacional East Automotive Show, Philadelphia Civic Center, Philadelphia, (213) 692-9402

April 9-12 — American Truck Dealers Equipment Convention and Exposition, Bally's, Reno, Nev., (703) 821-7141

April 9-13 — National Coil Coaters Association Meeting, Marriott's Rancho Las Palmas, Palm Springs, Calif., (215) 564-3484

April 11-13 — SAE International Conference on Vehicle Structural Mechanics, Westin Hotel, Detroit, (313) 649-0420

April 12-14 — Expert Systems '88 — Solutions in Manufacturing Conference and Exposition, Engineering Society of Detroit and the Society for Machine Intelligence, Cobo Hall, Detroit (313) 832-5400

April 13-14 — National Computer Graphics Association Doing Business in the Pacific Rim: Focus on Japan, U.S. Chamber of Commerce, Washington, (703) 698-9600

April 13-14 — National Van Conversion Association's Supplier Showcase, South Bend Century Center, South Bend, Ind., (317) 462-5033

April 14-15 — Society of Automotive Analysts Eastern Regional Conference, Loews Glenpointe Hotel, Teaneck, N.J., (201) 573-6510

April 17-20 — American Society of Mechanical Engineers' Manufacturing International conference, Atlanta, (800) THE-ASME

April 17-22 — American Welding Society's Convention and Welding Show, New Orleans Convention Center, New Orleans, (800) 443-9353

April 19-21 — Big E Eastern Automotive Aftermarket Show, Convention Center, Atlantic City, N.J., (317) 747-7988

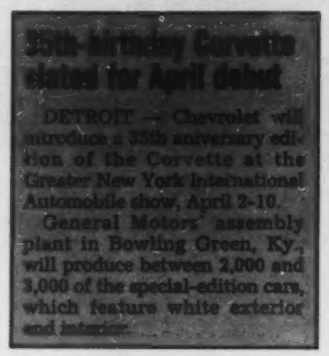
April 20-22 — Meeting the Japanese Challenge: Building Competitive Organizations, University of Michigan Business School, Ann Arbor, Mich., (313) 763-1000

April 26-28 — International Symposium on Traffic Safety Theory and Research Methods, RAI-congresscentre, Amsterdam, The Netherlands

April 26-28 — ESD/SMI Expert Systems Solutions in Manufacturing Conference and Exposition, Hyatt Regency, Dearborn, Mich., (313) 995-4440

April 28-30 — Automotive Fleet & Leasing Association, St. Francis Hotel, San Francisco, (212) 546-4073

May 2-5 — Advanced Productivity Expositions (APEX), Society of Manufacturing Engineers and American Machine Tool Distributors' Association, Convention Center, Cleveland, (313) 271-1500


35th-birthday Corvette slated for April debut
DETROIT — Chevrolet will introduce a 35th anniversary edition of the Corvette at the Greater New York International Automobile show, April 2-10.
General Motors' assembly plant in Bowling Green, Ky., will produce between 2,000 and 3,000 of the special-edition cars, which feature white exterior and interior

May 2-5 — Advanced Productivity Expositions (APEX), Society of Manufacturing Engineers and American Machine Tool Distributors' Association, Convention Center, Cleveland, (313) 271-1500

Dealer conventions

March 9-14 — Illinois New Car and Truck Dealers Association and Missouri Automobile Dealers Association, Harbor Beach Marriott, Fort Lauderdale, Fla.

April 14-16 — Arkansas Automobile Dealers Association, Hot Springs Hilton, Hot Springs, Ark., (501) 372-2596

April 14-19 — Ohio Automobile Dealers Association, The Contemporary Resort Hotel, Walt Disney World, Orlando, Fla., (614) 228-6873

April 17-19 — Texas Automobile and Truck Dealers Association, Westin Galleria, Houston, (512) 476-2686

April 17-19 — Iowa Automobile Dealers Association, Des Moines Marriott, Des Moines, Iowa, (515) 244-2245

April 17-19 — Automobile Dealers Association of North Dakota, Holiday Inn, Fargo, N.D., (701) 293-6822

April 17-22 — Arkansas Automobile Dealers Association, Hyatt Cancun Caribe, Cancun, Mexico, (501) 372-2596

April 20-23 — Kentucky Automobile Dealers Association, Marriott Griffin Gate, Lexington, Ky., (502) 695-3333

Auto shows

March 3-13 — Geneva Auto Show, Palexpo Exhibition Centre, Geneva, 41-22-98-11-11

March 4-13 — Greater Minneapolis and St. Paul Auto Show, Hubert H. Humphrey Metrodome, Minneapolis, (612) 831-8019

March 10-13 — Louisville New Car Show, Kentucky Fair and Exposition Center, Louisville, Ky.

March 10-13 — Capital District Auto Show, Empire State Plaza, Albany, N.Y., (518) 438-0584

March 16-20 — Greater Cincinnati Auto Expo, Dr. Albert B. Sabin Convention Center, Cincinnati, (513) 721-1818

March 17-20 — Tulsa Auto Show, Expo Square-Tulsa State Fairgrounds, Tulsa, Okla., (918) 493-7272

March 18-20 — Northwood Institute Auto Show, Northwood Institute's Florida Campus, West Palm Beach, Fla., (305) 478-5515

March 19-27 — Stockholm International Motor Show, Stockholm Fair, Alvsjo, Sweden, 46-08-783-8000

March 24-27 — Greater Raleigh-Durham International Auto Show, Raleigh Civic and Convention Center, Raleigh, N.C., (804) 358-2277

March 25-April 3 — Belgrade Auto and Truck Show, Belgrade, Yugoslavia

March 30-April 3 — Arizona Auto Show, Phoenix Civic Plaza, Phoenix, Ariz., (213) 444-5202

April 2-10 — Greater New York International Automobile Show, Jacob Javits Convention Center, New York, (718) 746-5900

April 6-10 — Western New England International Auto Show, Eastern States Exposition Center, Springfield, Mass.

April 14-17 — Greater Memphis Auto Show, Memphis Convention Center Complex, Memphis, Tenn., (901) 755-1530

April 20-May 1 — Turin Auto Show, Turin, Italy

May 21-25 — Taipei International Auto Show, Taipei World Trade Center Exhibition Hall, Taipei, Republic of China

AUCTION DATES

Chrysler Motors

March 8 — Aptco Auto Auction, Taylor, Mich.; Arena Auto Auction, Chicago; Hatfield Auto Auction, Hatfield, Pa.; and Riverside Auto Auction, Riverside, Calif.

March 9 — Nashville Auto Auction, Nashville, Tenn.; Southern Auto Auction, Warehouse Point, Conn.; and Columbus Fair Auto Auction, Obetz, Ohio

March 10 — Fredericksburg Auto Auction, Fredericksburg, Va.; Utah Auto Auction, West Bountiful, Utah; Omaha Auto Auction, Omaha, Neb.; and Indianapolis Auto Auction, Indianapolis

March 11 — St. Louis Auto Auction, Bridgeton, Mo.

March 15 — American Auto Auction, Walpole, Mass.; Golden Gate Auto Auction, Fremont, Calif.; Hatfield Auto Auction, Hatfield, Pa.; and Portland Auto Auction, Portland, Ore.

Ford Motor Co.

March 8 — South Seattle Auto Auction, Kent, Wash.

March 9 — Atlanta Auto Auction, Red Oak, Ga.; Columbus Fair Auto Auction, Obetz, Ohio; Concord Auto Auction, Acton, Mass.; and Southern California Auto Auction, Fontana, Calif.

March 10 — Greater Chicago Auto Auction, Chicago, and Dallas Auto Auction, Grand Prairie, Texas

March 15 — Bay Cities Auto Auction Inc., Hayward, Calif.

March 16 — Lakeland Auto Auction, Lakeland, Fla.

March 17 — Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; Interstate Auto Auction, Mercer, Pa.; Southwest Auto Auction, Phoenix, Ariz.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

March 22 — South Seattle Auto Auction, Kent, Wash.

March 23 — Columbus Fair Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Southern California Auto Auction, Fontana, Calif.; Newburgh Auto Auction Inc., Newburgh, N.Y.; and Salt Lake Auto Auction, Salt Lake City

March 24 — Baltimore-Washington Auto Exchange, Baltimore; Greater Chicago Auto Auction, Chicago; and St. Louis Auto Auction, Bridgeton, Mo.

March 29 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

March 30 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Lakeland Auto Auction, Lakeland, Fla.

March 31 — Greater Houston Auto Auction, Houston, and Minneapolis Auto Auction, Plymouth, Minn.

General Motors

March 8 — Auto Dealers Exchange of Birmingham, Moody, Ala.; Harrisonburg Auto Auction, Harrisonburg, Va.; and Florida Auto Auction of Orlando, Ocoee, Fla.

March 9 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

March 10 — Butler Auto Auction, Gibsonia, Pa.; Denver Auto Auction, Englewood, Colo.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; and Nashville Auto Auction, Nashville, Tenn.

March 15 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas

Used Car Sales
Auction Averages

February 1988	$5,309
Month ago	$4,841
Year ago	$5,711

Model Breakdown
Auction Averages

	FEB 1988	JAN 1988	DEC 1987
1988	$10,741	$8,839	
1987	$8,443	$8,435	$10,140
1986	$6,732	$6,516	$8,322
1985	$5,731	$5,501	$7,127
1984	$4,363	$4,349	$5,640
1983	$3,689	$3,362	$4,791
1982	$2,454	$2,303	$3,441
1981	$1,817	$1,926	$2,516
Overall Average	$5,309	$4,841	$5,898

U.S. model total lowest since '60

By John K. Teahen Jr.
AUTOMOTIVE NEWS STAFF REPORTER

The demise of American Motors and trims by General Motors and Ford Motor Co. reduced the number of domestic passenger-car models to the lowest total in 28 years.

The annual Automotive News tabulation finds 251 U.S.-built 1988 models on the market, down from 300 in the 1987 season. The current count is the lowest since 1960, when the domestic makers had 244 models.

The 1988 total includes 28 transplant models — cars built in the United States by foreign manufacturers. Thus, the three U.S.-based automakers are offering 223 models this year.

This year's cuts dropped the domestics far behind the imports in number of models offered. The imports have 337 vs. the domestics' 251. The import-domestic total is 588 car models for 1988.

The death of AMC wiped 19 models off the books. Chrysler Corp. kept none of the Alliance and Eagle autos manufactured by AMC. It saved only the Premier (now the Eagle Premier), which wasn't on the market last year.

GM made the biggest chop; a net reduction of 24 models. The five GM car divisions now offer 127 models, down from 151 last year.

Most of GM's activity involved the J-cars. GM sliced 16 models from the lineups of Chevrolet Cavalier, Pontiac Sunbird, Buick Skyhawk and Oldsmobile Firenza. A further slash will be made later in the model year when Firenza and Cadillac Cimarron (also a J-car) are dropped.

The Chevrolet Chevette and Pontiac 1000 subcompacts also are missing from GM's 1988 stable. So are the Cadillac limousines.

Elsewhere at GM, the Chevrolet Monte Carlo was the most notable casualty. A 1988 Monte Carlo was introduced, but production ended last December. Monte Carlo had been in the Chevrolet lineup since the 1970 model year.

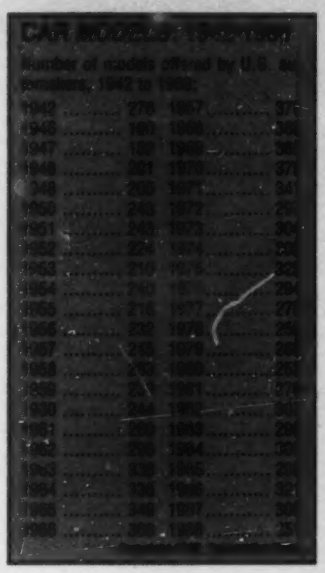
New for GM are the Buick Reatta and the front-wheel-drive GM10 cars — Buick Regal, Pontiac Grand Prix and Oldsmobile Cutlass Supreme. The GM10 cars did not increase the number of models offered; they simply replaced rwd cars of the same name that were dropped.

Ford Motor has 57 models for 1988, down from 69 a year ago. Five models disappeared when the Mercury Lynx was discontinued. Ford also erased the two-door models from the Ford Crown Victoria and Mercury Grand Marquis lines and dropped a Ford Taurus wagon and a pair of Ford Tempo two-doors.

Chrysler Motors offers 39 models for 1988, one less than in 1987. The Chrysler New Yorker, New Yorker Landau and Dodge Dynasty sedans are new and so are the Eagle Premier sedans and a LeBaron J Premium convertible.

The sporty Dodge Charger and Plymouth Turismo subcompacts were discontinued, and two models were pared from both the Dodge Aries and Plymouth Reliant lines. The Chrysler New Yorker Turbo was introduced for 1988, but production ended last fall.

The 28 transplant models counted in the domestic total consist of nine Volkswagens, seven Hondas, six Nissans, three Toyotas and three Mazdas. Mazda is a newcomer to U.S. assembly. Honda has one more U.S.-built model than it had last year, and VW has three more. VW will leave the transplant field when it closes its plant in Westmoreland, Pa., at the end of the 1988 model run.



By body styles, two-door models bore the brunt of this year's reductions. There now are 95 U.S.-built two-doors, compared with 127 last year. In this compilation, two-doors include hatchbacks, which some makers list as three-door models.

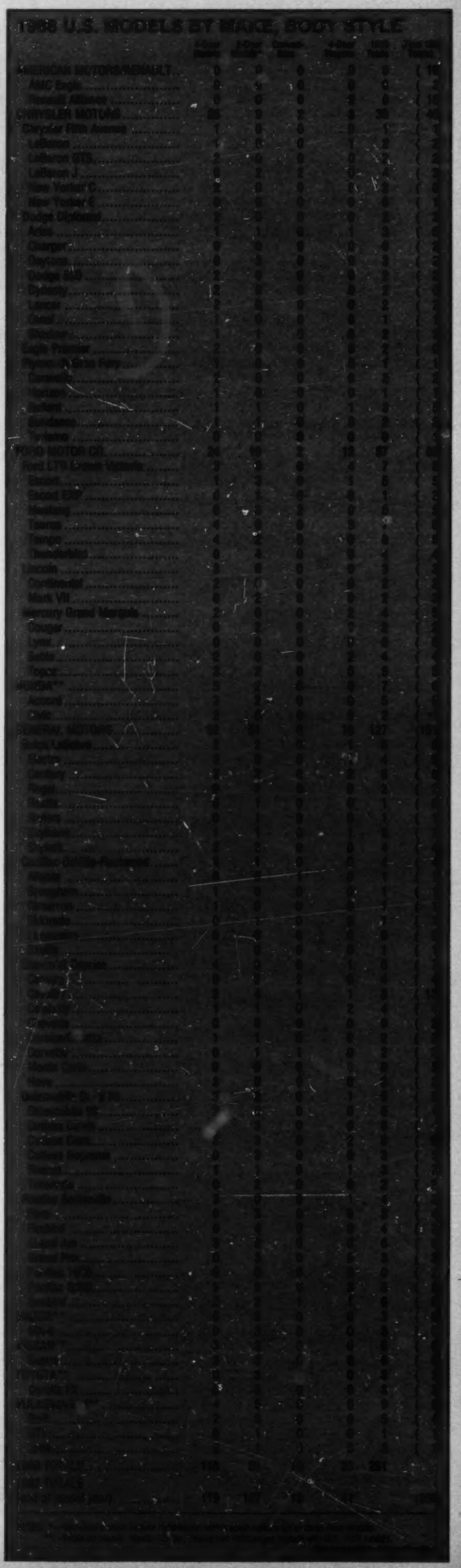
There are 113 four-door sedans, down from 119, and 10 domestic convertibles, three less than last year. Station wagons number 33, down from 41 last year.

Each of the five GM car divisions has fewer models for 1988 than for 1987. Chevrolet made the deepest trim, cutting 11 choices. Ford and Lincoln-Mercury divisions are down, and so are Dodge and Plymouth. Chrysler is the only Big 3 marque to show a year-to-year increase.

Ford, with 35, has the most models of any domestic make. Pontiac is second with 34, followed by Oldsmobile, 30; Chevrolet, 28; and Buick, 26.

In the 1987 model year, the top five were Ford, 40; Chevrolet, 39; Pontiac, 37; Oldsmobile, 33; and Buick, 31.

The Automotive News tabulation includes all models the manufacturers are pricing or merchandising individually. It does not include engine and transmission options. Vans and sport-utility vehicles are excluded from the passenger-car count.



Hearing today on UAW election

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

A court hearing on charges by the U.S. Secretary of Labor that the UAW committed fraud in a regional election will be held today in Detroit.

Meanwhile, the union's independent Public Review Board was slated Saturday to reconsider a decision it made on an issue similar to the one in the UAW Region 5 dispute. The common issue is the union's rule that a staff member take a 90-day leave of absence before running against an incumbent.

In the disputed election, incumbent Ken Worley defeated Jerry Tucker, former UAW staff member, by a fraction of a vote and retained his seat on the union's executive board.

The UAW fired Tucker for running against Worley without taking a 90-day leave. One of the three suits filed by the Labor Department charges the UAW with discharging a candidate prior to an election.

David Klein, executive director of the seven-member review board, said that the panel will reconsider its August decision against Gary Brandt, a UAW staff member who serves Cleveland-based Region 2. Brandt challenged the validity of the 90-day rule.

Klein said that the board will consider whether the rule was properly instituted by the union's executive board in accordance with the UAW constitution or whether it was adopted by an administration caucus.

The other two labor department suits charge that physical intimidation was used against Tucker supporters and that union money was used illegally to influence the Region 5 election.

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SALES

DOMESTIC CAR SALES

Acura						
Alfa Romeo						
Audi						
BMW						
Chevrolet	1,212					
Chrysler						
Colt						
Daihatsu						
Dodge						
Eagle						
Ford						
Hyundai						
Isuzu						
Jaguar						
Lincoln						
Maserati						
Mazda						
Mercedes						
Mercury						
Mitsubishi						
Nissan						
Oldsmobile						
Peugeot						
Plymouth						
Pontiac						
Porsche						
Saab						
Saturn						
Subaru						
Toyota						
Volvo						
VW						
Yugo						
TOTAL						

February deliveries rise 13.9%

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

New-car sales in the United States rose 13.95 percent in February. Sales volume continued to run counter to many expectations as it stayed on an upward trend for the month.

The industry total — domestic and imported cars — was 884,271 units, compared with 776,015 units in February last year.

Sales were spurred by widespread cash-back and low-cost financing deals for retail customers and by dealer incentives. There were 25 selling days in the month this year, one more than in February 1987 because of leap year.

Deliveries of domestic cars rose 16.54 percent to 649,059, compared with 556,953 a year earlier.

Deliveries of imported cars climbed 7.37 percent to 235,212 from 219,062 a year earlier.

The Big 3 all reported robust gains: Chrysler Motors had a 21.99 percent increase for the month; General Motors, 19.41 percent; and Ford Motor Co., 12.64 percent.

The transplants generally did not perform as well. Honda dealers delivered 0.89 percent fewer U.S.-built cars, and Nissan's deliveries of U.S.-built autos dropped 34.40 percent.

Volkswagen's sales were up 4.44 percent. Toyota's sales of cars built in this country were up 58.01 percent to 3,315 units, compared with 2,098 a year earlier.

Mazda, which began building cars here in September, sold 1,826 units for the month.

For GM, it was the best sales month since August. Claude N. Moore, vice president in charge of the GM customer sales and service staff, said the company is optimistic about the market for the spring selling season.

In the final selling period of the month — with seven selling days in both years — domestic-car sales climbed 24.10 percent.

The increases were widespread, but Nissan reported a sales decline of 44.16 percent.

GM's domestic sales rose 33.44 percent; Chrysler Motors, 18.76 percent; and Ford Motor Co., 18.75 percent.

VW had a gain of 19.21 percent for its U.S.-built cars, while Honda's sales increased 2.60 percent.

Toyota reported an increase of 34.75 percent. Mazda's retail deliveries of cars made in this country totaled 906 in the final 10-day selling period.

It was GM's best 10-day sales tally of the model year and the highest for the final February period since the record of 201,149 deliveries was set in 1972, the company said.

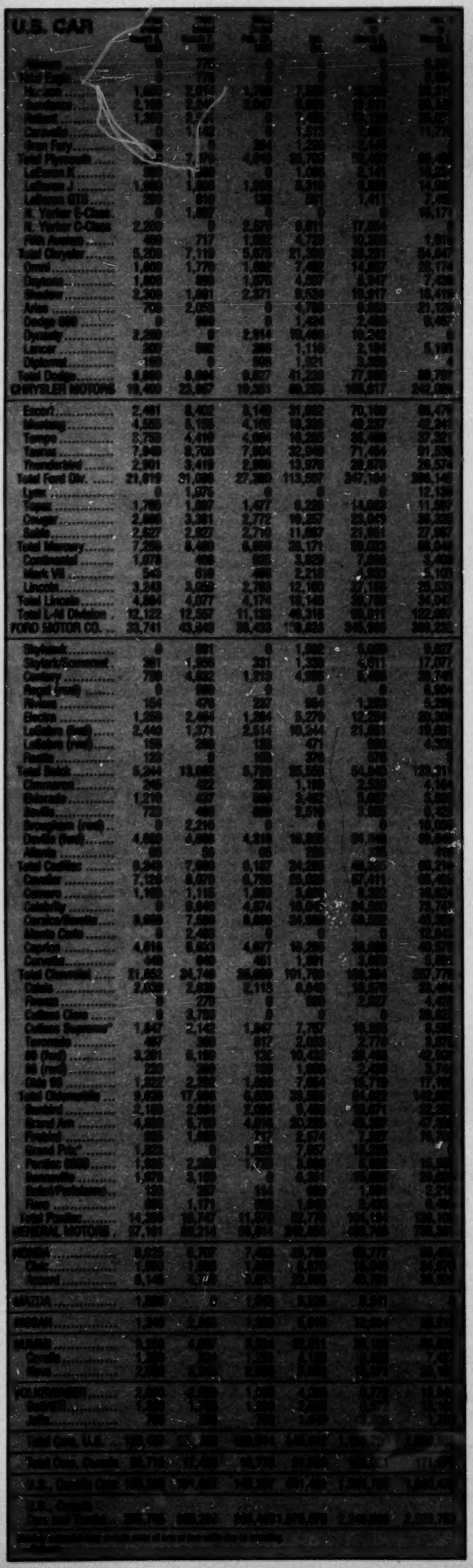
IMPORTED CAR SALES

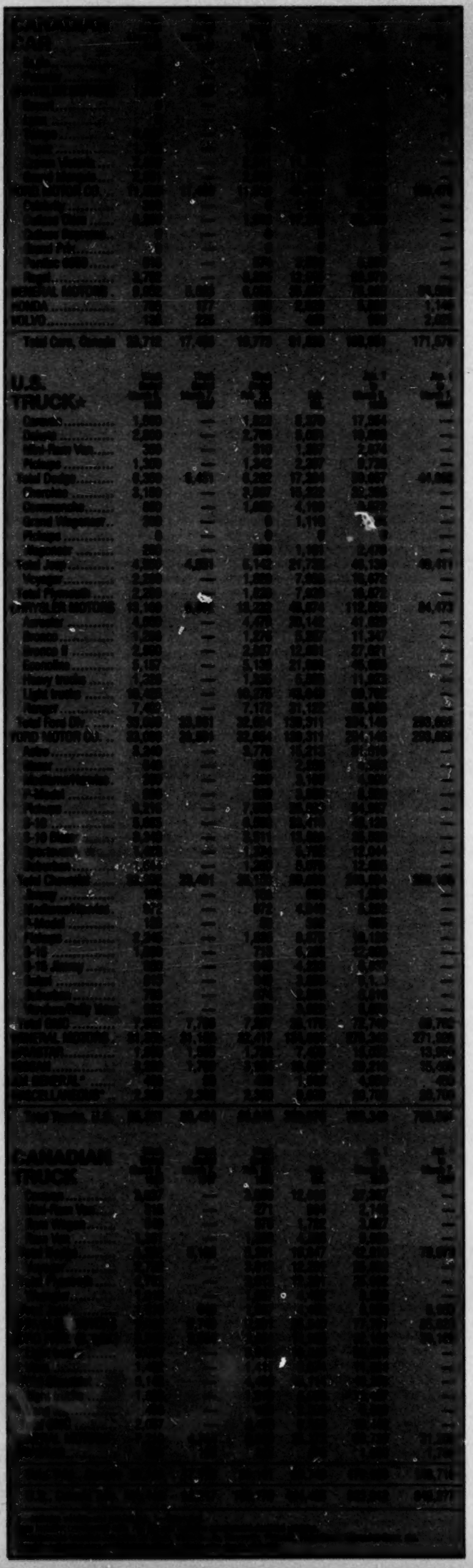
Acura				
Alfa Romeo				
Audi				
BMW				
Chevrolet				
Chrysler				
Colt				
Daihatsu				
Dodge				
Eagle				
Ford				
Hyundai				
Isuzu				
Jaguar				
Lincoln				
Maserati				
Mazda				
Mercedes				
Mercury				
Mitsubishi				
Nissan				
Oldsmobile				
Peugeot				
Plymouth				
Pontiac				
Porsche				
Saab				
Saturn				
Subaru				
Toyota				
Volvo				
VW				
Yugo				
TOTAL				

U.S. CAR SALES BY MARKETING UNITS

Alfa Romeo								
American Honda								
Audi								
Buick								
Cadillac								
Chevrolet								
Chrysler								
Daihatsu								
Dodge								
Eagle								
Ford								
Hyundai								
Isuzu								
Jaguar								
Lincoln								
Maserati								
Mazda								
Mercedes								
Mercury								
Mitsubishi								
Nissan								
Oldsmobile								
Peugeot								
Plymouth								
Pontiac								
Porsche								
Saab								
Saturn								
Subaru								
Toyota								
Volvo								
VW								
Yugo								
TOTAL	884,271	100.00	776,015	100.00	1,844,957	100.00	1,399,319	100.0
TOTAL GM	346,791	39.22	286,771	36.95	623,717	37.92	529,208	37.8
TOTAL FORD	183,732	20.78	167,517	20.39	348,581	21.25	293,197	19.1
TOTAL CHRYSLER	112,219	12.69	99,699	11.69	199,282	11.75	155,276	11.1
TOTAL JAPANESE	170,685	19.30	171,708	22.19	341,227	20.74	315,390	22.5
TOTAL EUROPEAN	48,298	5.46	50,664	6.53	92,329	5.81	90,569	6.5
TOTAL KOREAN	22,536	2.55	18,656	2.40	44,969	2.79	33,679	2.4

PRODUCTION





Year's build hits million, 3 weeks late

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

U.S. automakers built their one-millionth car of the year last Monday, almost three weeks behind 1987.

So far this year, 1,126,700 units have been assembled, 25.33 percent below the 1,508,897 completed last year at this point.

Last week's targeted auto output of 126,497 was 2.33 percent below the prior week's 129,514 and 27.13 percent below the year-ago week's 173,596.

Companies split last week's scheduled production as follows: General Motors, 45.19 percent; Ford Motor Co., 26.67 percent; Chrysler Motors, 15.34 percent; Honda of America Manufacturing Inc., 6.34 percent; New United Motor Manufacturing Inc., 2.57 percent; Volkswagen of America, 1.58 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.25 percent; and Nissan Motor Manufacturing Co. U.S.A., 1.06 percent.

Truckmakers estimated last week's production at 85,351, slightly below (0.81 percent) the previous week's 86,045 but 6.13 percent more than the year-ago week's 80,424.

Year-to-date, 753,349 trucks have been built, 7.54 percent more than the 700,561 assembled last year at this point.

GM will discontinue production of the Fiero, built in Pontiac, Mich., at the end of the model year due to sluggish sales. About 1,100 workers will be affected by the closing of the plant in addition to the 1,241 that were laid off previously.

Production resumed today at GM's Leeds, Mo., and Oklahoma City plants. Both were idle to adjust inventories.

Chrysler's Jefferson Avenue plant in Detroit resumed output today. The plant was closed for inventory adjustment.

As reported earlier, Ford's Wayne, Mich., plant is idle for model changeover to the 1988½ Escort. The plant is expected to reopen March 14.

Overtime was scheduled last Saturday at GM's Detroit-Hamtramck plant.

Ford slated overtime last Saturday at its Wixom, Mich.; Kansas City, Mo.; and St. Louis plants.

All Ford car and truck plants except the Edison, N.J., facility are scheduled for daily overtime this week.

Canadian cars post 20% gain

Canadian automakers produced an estimated 23,712 cars last week, 19.92 percent more than the prior week's 19,773 and 35.61 percent more than the year-ago week's 17,485.

So far this year, 198,051 units have been assembled, 15.43 percent more than the 171,579 completed last year at this point.

Truck output was targeted at 20,145 last week, 14 units more than the previous week's 20,131.

Year-to-date, 170,563 trucks have been built, 14.69 percent more than the 148,716 assembled last year at this time.

3/15/88 C2700-1

Automotive News.

March 14, 1988

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63rd year—$55.00 per year, $1.50 per copy

U.S. deficit worsens in auto trade

1987 imbalance up 2% to $46 billion

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The U.S. automotive trade deficit in passenger cars and light trucks increased 2.2 percent in 1987 to $46.0 billion.

U.S. Commerce Department figures analyzed by Automotive News show that the $1 billion increase over the 1986 deficit resulted primarily from large increases in passenger-car shipments from South Korea, Brazil and Mexico.

The deterioration occurred in spite of a surge of 8.3 percent in export activity by U.S. makers during the year and declines of 7.7 percent in Japanese car imports and 20.8 percent in Japanese truck imports.

Although the U.S. automotive export improvement is a positive development for the overall merchandise trade deficit of $153.0 billion (customs value) for 1987, exports of U.S. cars and trucks are starting from an extremely small base.

The United States exported 2,759 passenger vehicles to Japan in 1986 and increased that number to 4,721 in 1987.

However, Japan shipped 2,417,509 passenger cars to this country last year, down 7.7 percent from 1986. Truck imports from Japan totaled 772,758, down 20.8 percent from a year earlier.

The export drive by U.S. automakers was fueled by a 131.6 percent increase in passenger-car exports to countries other than Japan and Canada and a 70.8 percent increase in car exports to Japan.

Exports of cars to Canada fell

see TRADE, page 60

LANCE BRAVES

ACTION AUCTION

Ford and GE create a new giant; 'captive business' troubles rivals

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Ford Motor Credit's purchase of 20 percent of GE Capital Auto Auctions nearly 18 months ago has some industry officials raising their eyebrows and calling it "Ford's cradle to grave" program to sell and resell cars — making a little profit every step of the way.

General Motors and Chrysler Motors now contribute to Ford's profits by marketing their used vehicles through GE's network of 17 auctions, and neither has plans to withdraw their vehicles from GE.

But that doesn't mean they have to smile about it. Said a Chrysler spokesman, "We're not real happy about putting money into our competitor's pocket, but Chrysler has no plans currently to take our vehicles out of GE now that it's in bed with Ford. We are monitoring the level of service closely, but so far we are satisfied with GE."

And although GM and Chrysler officials add they are not shopping for auctions of their own, the Ford-GE handshake has stirred resentment in another quarter.

Leading independent auction owners and executives at competing auction chains claim that much of their business from Ford's and GE's huge lease fleets has been taken from them and transferred to

see AUCTION, page 64

GM divisions seek increases in production

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — After two years of constant production cuts, General Motors will boost output for the second time in a month as the automaker heads into the spring selling season low on inventory of several models.

Some GM divisions will request increases in certain product lines at this month's scheduling meeting, and they expect their requests to be granted.

They are requesting production increases for Buick LeSabre, Electra, Skylark and Century; Pontiac Firebird, Bonneville, Grand Am and Sunbird; and Oldsmobile Calais, Cutlass Ciera and Delta 88.

Dealers say the unexpected sales surge of the past two months — which is continuing into March — coupled with production cutbacks in late 1987 and early this year have left them with too few cars as spring approaches.

GM's inventory fell to a 62-day supply on March 1, compared with an 84-day supply a month earlier. The five-year average for the industry for this time of year is 68 days. GM's sales at the end of February were up 21 percent for the calendar year.

Mark Herrmann of Mark Buick-GMC Truck, Yonkers, N.Y., said he has a 41-day supply of cars, about half of what he had at this time last year. Sales, meanwhile, have risen about 45 percent, and he said he is concerned about having too few cars for spring.

"It would be a shame to lose this momentum," Herrmann said. "If we don't have the loaf of bread on our shelf, the customer will go to another grocery store."

Late last month, GM announced production hikes for some lines. The corporation said it would boost North American production by about 175,000 cars and trucks, or about 5 percent from early 1988 levels, through the end of the 1988 calendar year.

The increases were accomplished by resuming one shift at an idled plant, adding a second shift at three car assembly plants and scheduling overtime at two truck plants. However, the production pace still lags behind last year's.

Pontiac General Manager J. Michael Losh said his division will ask for production increases for virtually every model. Pontiac's days' supply dropped to 51 on March 1 from 67 last month. Pontiac sales at the end of February were up 23 percent for the calendar year. Pontiac especially wants more Firebirds, Bonnevilles, Grand Ams and Sunbirds.

Losh said that even though Firebird sales have been off and inventories appear healthy, spring is the best selling season for the sporty model. In addition, Pontiac recently extended through April 30 rebates of up to $1,000 on some Firebirds. Pontiac also extended rebates on Bonneville, Fiero, Sunbird, Grand Am and 6000 and added LeMans to the list.

Losh said that the division will take every Grand Prix that GM's

see GM, page 60

Auto workers and drugs, drinks

Labor, management unite to treat growing problem

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

A 43-year-old auto worker with 15 years' seniority has kicked the alcohol-drug habit for the first six-month stretch since his teens. And he has saved his job at Ford Motor Co. in the process.

That troubled worker — one of thousands in the industry — had been fired for excessive absences. Referred for help to the innovative UAW-Ford Employee Assistance Plan, the worker, whose identity is confidential, told his therapist that he had been a beer drinker for years with no visible adverse effects. But as he neared 40, he began to experience hangovers, which caused him to miss work frequently.

The therapist said the worker told him he began snorting cocaine four years ago because "the guys told him the drug minimized hangovers."

Two years ago, the worker moved up to smoking something even stronger — crack cocaine. His absenteeism increased, he was suspended and ultimately fired.

Once in the assistance program, the worker — typical of many — was first hospitalized for 28 days and detoxified. He now receives therapy in his community, something that helped get him reinstated at Ford.

His therapist says the worker is "beginning to understand that his passive, dependent ways" contributed to his addiction.

see TREATMENT, page 58

AUTOMOTIVE NEWS/JOE WILKINS

Worker consuming alcohol on break near plant

New GM victory on X-cars fogs safety probes

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — An appellate court has given some 1.1 million 1980 General Motors X-cars a clean bill of health.

In upholding a lower court ruling made almost a year ago, the three-judge panel unanimously said the federal government had failed to meet its burden of proof showing a class-wide defect known as "premature rear wheel lockup."

The U.S. Court of Appeals for the District of Columbia Circuit ruled against the government on

see X-CAR, page 62

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Porsche to sell 4wd 964 in U.S. next year — Page 2
Cost+ kill '88 ragtop for Chrysler P-car — Page 3
Domestic stocks dip to 62 days — Page 6

Costs kill '88 Chrysler P-car ragtop

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Chrysler Motors has canceled plans to introduce convertible versions of Dodge Shadow and Plymouth Sundance in the 1988 model year because of high conversion costs, but it is evaluating the feasibility of a 1989-model-year launch.

"That program has been put on hold because the costs got significantly out of line," said Charles B. Kitz, Chrysler Motors general marketing manager for Dodge cars. "We are re-evaluating it and looking at other ways to do it to bring the costs in line. We're a year away, probably."

Kitz said anticipated project costs tripled. Conversion of the subcompacts would have been handled by an outside supplier. —

ASC Inc., a major automotive converter in Southgate, Mich., had been working on development, a spokesman said.

Kitz said Chrysler is currently seeking ways to use an outside supplier along with additional company involvement in order to reduce costs.

"There are a lot of things you have to do structurally with a convertible, a lot of changes involved," Kitz said. "It gets very complicated with safety and rollover considerations."

Dodge discontinued the Dodge 600 convertible after the 1986 model year. Now, Chrysler Motors' only convertible is the LeBaron J.

Kitz also said Chrysler plans a January 1989 launch for the A-body Dodge Spirit and Plymouth Acclaim compacts, and that Dodge Aries and Plymouth Reliant, the company's K-car compacts, will be in the 1989 model year lineup.

"It's not in the immediate plan to drop the K-cars," he said. "The A-body is not a replacement for the K-car. It's a different kind of car."

He also said there are no plans for Dodge to carry a version of the coupe that will be produced by Diamond-Star Motors, the Chrysler-Mitsubishi venture.

Kitz also said he is more optimistic about 1988 sales than he was in January and that Dodge expects to sell 500,000 cars in the 1988 model year. The division sold 373,087 cars during the 1987 model year.

AUTOMOTIVE NEWS/JOE WILSDEN

Jerry Tucker, right, and his attorney, Joseph (Chip) Yablonski

U.S. court rebuffs UAW; new regional vote ordered

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — In an unprecedented decision, a federal district judge ordered a new election for a powerful UAW regional directorship and a seat on the union's international executive board.

At a two-hour hearing, involving three U.S. Labor Department suits and a private suit, the judge said an earlier election in the eight-state region was tainted by fraud. The region covers Oklahoma, Colorado, Texas, Missouri, Kansas, Arkansas, Mississippi and Louisiana.

The judge said that his written ruling, to be issued in two weeks, will order a new election, based on evidence that the UAW had misused union funds to influence the election.

This will be the first rerun of a UAW election covering an area as large as a region and comes after the first legal election challenge to a sitting UAW executive officer.

The new election will once again pit Jerry Tucker, a dissident former staff aide to Kenneth Worley, against Worley, director of Region 5, the largest geographical region in the UAW.

It's not clear whether the race will involve other candidates.

Tucker ran against incumbent Worley in 1986 and lost by less than one vote. The fraction of a vote is possible in the UAW delegate election system.

If Tucker wins the new election, ordered by U.S. District Court Judge Richard Suhrheinrich, it will put a vocal dissident in a powerful place within the highest levels of the union.

Suhrheinrich made his decision following a hearing in Detroit on charges by the labor department that the UAW had committed fraud in the 1986 regional election, which took place at a UAW convention in Anaheim, Calif.

The UAW said it would have no comment before it read the judge's written opinion.

The UAW argued that a rerun of the entire Region 5 election would be costly and unfair to delegates validly elected, but the union agreed to hold new elections in locals where irregularities were found.

But the court agreed with Tucker and the U.S. Labor Department that the entire election had been tainted by the irregularities, which included illegal delegates and use of union funds to support Worley. The labor department also charged that a Tucker supporter was beaten at the convention where the election took place, but that charge was not brought out at the hearing.

Tucker claimed his supporters in Anaheim were upset because UAW President Owen Bieber appeared the day before the election wearing a Region 5 jacket with Worley's name on it.

The U.S. Labor Department charged that Worley misused union funds by ordering $13,000 worth of jackets with Worley's name printed on them during an election year. At the court hearing, Jay Whitman,

see TUCKER, page 64

Cadillac's goal: Regain control of top-volume cars

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Cadillac could eventually take control of production for all of its automobiles, making the division a full-fledged car company.

Cadillac General Manager John O. Grettenberger said Cadillac taking additional engineering and manufacturing responsibility under its wing is "a distinct possibility," though no such plan is imminent.

The DeVille and Fleetwood, Cadillac's highest-volume models, are the only Cadillac cars over which the division does not have total engineering and manufacturing control. Those models are built at General Motors' assembly plant in Orion Township, Mich., which also makes the Oldsmobile 98 Regency and is run by the Buick-Oldsmobile-Cadillac Group's Flint automotive division.

In January 1987, Cadillac regained control of the engineering and manufacturing of most of its models as part of an effort to restore Cadillac's image as a world-class carmaker and regain differentiation of its products from other GM cars.

Cadillac took over what was then called the B-O-C Detroit product team. The move gave Cadillac responsibility for engineering and manufacturing of the Eldorado, Seville, Brougham and Allante — cars which represent about 40 percent of Cadillac's sales.

The move last January also put Cadillac in charge of the Detroit-Hamtramck plant, which builds Cadillacs as well as the Buick Riviera and Oldsmobile Toronado; the now-closed Clark Avenue assembly plant in Detroit; and the Reatta Craft Centre in Lansing, which builds the Buick two-seater.

"Our objective right now is to prove to the corporation that it made the right decision in giving us the opportunity to control, engineer and manufacture the products we do have," Grettenberger said.

He said the change has made the division more responsive in resolving product problems brought to its attention by dealers and has cut the time for developing new products.

"There are no handoffs," Grettenberger said. Before, Cadillac, as merely a marketing division, gathered information, then told the B-O-C engineers and manufacturing people what it wanted. Now, engineers, manufacturing and marketing people, steeped in the Cadillac tradition, work together from the start.

"The engineers and manufacturing people understand what we're looking for before we ever write our marketing specs," Grettenberger said.

Grettenberger contends that giving engineering and manufacturing responsibility to the division is not reverting to the pre-reorganization of GM because layers of organizations have been eliminated.

"General Motors assembly division and Fisher Body are gone, and we have their responsibilities now for the Eldorado, Seville, Allante and Brougham that Cadillac didn't even have prior to the 1984 reorganization," he said.

Grettenberger: When "you are building two or three nameplates, there is an opportunity for one nameplate to become . . . similar to another."

The 1984 reorganization divided GM into two major car groups — B-O-C and the C-P-C. The groups were given responsibility for engineering and manufacturing, much of which had previously been handled by GMAD and Fisher Body, and the car divisions were assigned only marketing.

Consolidation of engineering and manufacturing under the wings of the other GM divisions is less likely any time soon, because shared car platforms and assembly plants make it more difficult to divvy up responsibilities. However, there are GM insiders who are arguing that marketing divisions should be in charge of their own products and plants.

INDEX

Around the world	38-41
Auction dates	47
Classifieds	48
Coming events	36-37
Dealing with dealers	30
Extra section	E1
Inventories	6
Legal briefs	32-32
News briefs	8
Obituaries	6
Opinion	10
Personnel	42
Production	65
Sales, truck	24
Service management	14-18
Truck industry	24

63rd year—No. 5224

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TH!NK

Dodge and Aretha Franklin team up to battle drunk driving by teenagers

DETROIT — Dodge is one of three corporate sponsors of a music video starring Aretha Franklin designed to discourage teenagers from driving under the influence of drugs and alcohol.

Franklin, a 17-time Grammy Award winner, is recording a new version of her hit song "Think" for the video, which is called "Th!nk, Don't Drive with Drugs or Drink!"

The video will be distributed to all TV music programs and edited into 30-second and 60-second television and radio public service announcements. Movie trailers, for use in motion picture theaters, will also be produced.

In 1985, Dodge underwrote the Stevie Wonder music video, "Don't Drive Drunk."

Dodge will also promote the message through sponsorship of the Dodge International Star Challenge, a series of regional celebrity auto races, and the National Collegiate Driving Championships.

At a press conference in Detroit last week to kick off the "Th!nk" campaign, Franklin said she was donating her talent because the cause is "very positive and a wonderful thing to be part of." Franklin is honorary chairperson of the National Association of Broadcasters' "Operation Prom/Graduation" campaign against substance abuse.

AUTOMOTIVE NEWS/JOE WILSDEN

Franklin is recording a new version of her hit "Think" for the video

DOMESTIC DAYS' SUPPLIES

	Mar. 1, 1988	Feb. 1, 1988	Mar. 1, 1987
Alliance	71	119	182
Eagle	61	58	117
Premier	193	167	0
Total Eagle	143	137	173
Horizon	79	63	84
Sundance	76	98	95
Turismo	112	143	140
Reliant	43	94	70
Caravelle	80	72	80
Gran Fury	93	80	160
Total Plymouth	57	66	87
Laser	0	0	78
LeBaron K	119	159	87
LeBaron J	58	132	78
LeBaron GTS	191	176	94
Fifth Avenue	68	98	121
New Yorker C	77	87	0
New Yorker E	26	140	93
Total Chrysler	66	124	92
Omni	97	76	78
Shadow	63	88	71
Charger	115	164	120
Daytona	67	73	84
Aries	55	99	61
Lancer	190	209	84
Diplomat	118	148	120
Dynasty	59	73	0
Dodge 600	60	70	81
Total Dodge	69	91	78
CHRYSLER MTRS.	67	101	85
Escort	85	86	89
Mustang	65	84	35
Tempo	48	46	68
Taurus	58	64	84
Thunderbird	90	82	56
Crown Victoria	61	59	74
Total Ford Div.	66	69	66
Lynx	89	66	91
Topaz	62	55	74
Sable	51	63	92
Cougar	96	104	93
Grand Marquis	49	52	60
Total Mercury	67	72	81
Continental	23	26	54
Lincoln	66	82	49
Mark VII	70	74	78
Total Lincoln	58	70	54
Total L-M Division	65	71	75
FORD MOTOR CO.	65	70	68
Skyhawk	78	109	251
Skylark/Somerset	67	114	148
Century	46	73	111
Regal	70	74	121
LeSabre	46	72	95
Riviera	99	67	0
Electra	51	54	107
Riviera	56	60	67
Total Buick	56	75	118
Cimarron	159	145	183
Allante	194	203	184
Seville	55	66	66
Cadillac	86	83	91
Eldorado	80	61	120
Total Cadillac	86	83	94
Chevette	117	148	57
Nova	58	208	162
Cavalier	63	75	50
Camaro	111	186	73
Celebrity	64	96	68
Corsica/Beretta	57	108	276
Monte Carlo	151	191	162
Chevrolet	88	102	94
Corvette	100	141	117
Total Chevrolet	69	110	81
Firenza	45	92	278
Calais	70	89	63
Cutlass Ciera	37	48	87
Cutlass Supreme	71	89	89
Olds 88	61	67	93
Olds 98	65	60	148
Toronado	62	68	97
Total Oldsmobile	56	66	96
Fiero	79	124	130
1000	28	50	80
Sunbird	57	64	98
Firebird	72	116	96
Grand Am	49	59	51
6000	48	51	106
Grand Prix	51	126	148
Bonneville H	37	57	0
Paris./Safari	54	63	107
Total Pontiac	51	67	90
GENERAL MTRS.	62	84	92
HONDA	11	17	6
MAZDA	51	52	0
NISSAN	96	75	85
TOYOTA	39	22	101
VOLKSWAGEN	127	147	123
DOM. TOTAL	62	79	81
Subcompact	54	64	—
Compact	53	68	—
Intermediate	64	87	—
Standard	63	72	—
Specialty	92	133	—

IMPORT DAYS' SUPPLIES

	Mar. 1, 1988	Feb. 1, 1988	Mar. 1, 1987
Chevrolet	140	166	146
Chrysler/Mitsubishi	115	180	109
Acura	24	18	41
Daihatsu	75	45	0
Honda	11	15	15
Isuzu	174	168	176
Mazda	53	57	88
Mitsubishi	111	107	57
Nissan	150	133	61
Subaru	98	83	101
Toyota	23	25	30
JAPAN	71	71	61
Audi	191	133	272
BMW	85	80	54
Mercedes-Benz	45	52	25
Merkur	171	154	159
Porsche	112	139	80
VW	85	75	114
GERMANY	88	78	83
Alfa Romeo	48	77	41
Festiva	108	121	0
Hyundai	50	41	22
Jaguar	48	40	27
Peugeot	187	129	92
Fontiac	179	152	0
Eagle/Renault	51	64	0
Saab	80	90	48
Sterling	67	91	17
Volvo	82	72	42
Yugo	148	140	26
Other Countries	78	73	39
Total Import Cars	75	72	58
Isuzu	110	92	93
Mazda	84	66	66
Mitsubishi	64	65	69
Nissan*	159	96	86
Range Rover	29	34	0
Suzuki	106	63	22
Toyota	43	36	54
Chrysler	111	144	101
Total Imp. Trucks	91	73	73
Total Imp. Vehicles	78	72	62

*—Includes domestic trucks.

Domestic stocks dip to 62 days

Inventories at 5-month low; import car-truck supplies rise

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

Inventories of unsold new U.S.-built cars as of March 1 were at their lowest level since October 1987.

Stronger-than-expected sales, spurred by retail cash-back offers, cut-rate financing and dealer incentives, were credited with the domestic-car stockpile reduction.

The industry stock, totaling 1,608,461 cars and amounting to a 62-day supply at current selling rates, was trimmed from 1,676,858 units, or 79 days, at the beginning of February and compared with 1,869,591 units, an 81-day supply, on March 1, 1987.

As of March 1, Chrysler Motors had an inventory good for 67 days, down from 101 days a month earlier. Ford Motor Co.'s represented a 65-day stock, down from 70 days. The General Motors car stockpile was 62 days compared with 84 days as of Feb. 1 this year.

Stocks of U.S.-built cars were divided this way as of March 1: GM, 51.05 percent; Ford Motor, 28.75 percent; Chrysler Motors, 16.49 percent and Volkswagen 1.26 percent. Nissan accounted for 1.13 percent of stocks; Honda for 0.77 percent; Toyota for 0.32 percent; and Mazda for 0.23 percent.

By market classification, the industry's stocks of domestic cars were divided this way: Intermediates, 42.54 percent; compacts, 23.65 percent; standards, 19.17 percent; subcompacts, 13.37 percent; and specialty cars, 1.27 percent.

There were 25 selling days in February this year, one more than in 1987 because of leap year.

Among cars with an extreme drop in stocks was Chevrolet Nova. The inventory of that line plummeted to a 58-day supply from a 208-day supply with introduction of a new 16-valve, dual overhead-cam engine option and force-feeding from a $1,200 rebate to buyers owning an import and $600 to those owning a domestic model.

Inventories of imported cars as of March 1 totaled 702,748 units, or a 75-day stock, compared with 661,940 units, a 72-day stockpile, a month earlier, and 531,520 units, a 58-day supply, on March 1 last year.

Stocks of unsold new imported light trucks shot up to a total of 208,446 units, a 91-day supply, from 184,158 units, or a 73-day supply a month before, and 222,077 units, a 73-day stock at selling rates on March 1 last year.

The industry's import-vehicle inventory total — cars and light trucks — on March 1 was 911,194 units, a 78-day stock at the current pace of sales. It was 846,098 units, a 72-day supply, a month earlier, and 753,597 units, or 62 days, a year ago.

Vehicle inventory by country March 1 was divided this way: Japan, 63.16 percent; West Germany, 14.31 percent; and other countries, 22.53 percent.

All inventory figures include vehicles at dealerships and in transit in this country. Import tallies include port inventories just as domestic inventories include factory stocks. Nissan truck figures, shown with the imports, include trucks made in this country.

Inventories of imports in this country, expressed in number of units, have grown steadily in recent years.

For example, on March 1, 1984, they totaled just 270,576 cars and trucks. A year later, the total was 337,599, and by March 1, 1986, it had reached 472,693 units. The days' supply figure has grown from 30 days in 1984 to the current 78-day accumulation.

Days-supply calculations are made at then-current sales rates.

Cash incentives grow for buyers and dealers

By Francis J. Gawronski, John A. Russell and Laura Clark
AUTOMOTIVE NEWS STAFF REPORTERS

Hoping to maintain their late-winter momentum, domestic and import automakers will fuel the spring selling season with widespread cash rebates on cars and trucks.

General Motors sources say the company may turn up the incentive fire on its domestic competitors by offering low-interest loans soon.

Ford Motor Co. extended its cash rebate program on selected cars and trucks until May 11 and added a rebate on a Mercury model. Likewise, Oldsmobile and Pontiac added models to their incentive lineups.

Yugo and Mazda announced new consumer rebates on their cars, and Mitsubishi and Mazda are offering dealer incentives.

FORD MOTOR CO.: Ford is extending its car and truck incentives to May 11.

Included are Mercury Tracer, $500; Ford Thunderbird and Mercury Cougar, $500; Thunderbird Turbo Coupe, $1,000; Ford Taurus and Mercury Sable, $750; Ford Tempo and Mercury Topaz with manual transmission or all-wheel-drive, $500; Ford Mustang with 2.3-liter engine, $750; and all other Ford Mustangs, $500 (except California and Hawaii where those models get $750).

Ford trucks: F-150 through F-350 models with manual transmission, $500; Bronco II and Ranger, $500; and Aerostar, $500.

Ford also increased its cash rebate on 1987 and 1988 Ford Escort and Lynx models from $400 to $500 and put a $1,000 rebate on the Mercury Cougar XR-7 V-8. Those incentives also run until May 11.

No dealer financial participation is required. Cars must be delivered before the program ends to be eligible.

MAZDA: Mazda's central and eastern import and distribution arms are conducting programs for dealers and consumers.

Mazda Motors of America (Central) has a truck incentive program for its dealers in 31 states.

The program, which runs March 1-31, pays dealers $200 to $500 per truck, depending on whether the dealer meets his sales quota or by how much he exceeds it.

Mazda Motors of America (East) is offering a U.S. savings bond to motorists who make a purchase after taking a comparison drive in a Mazda car and the designated competition from Toyota, Nissan or Honda.

The motorist receives a $500 bond if he buys the Mazda. If he purchases the competing model, he receives a $250 bond with proof of purchase.

The program runs March 1-31. No dealer participation is required.

MITSUBISHI: Mitsubishi Motor Sales of America has announced a cash incentive program for full-line and limited-product dealers and their sales managers.

Mitsubishi's sales program, which runs March 1-31, offers full-line dealers $500 to $1,000 per unit on sales of 1987 and 1988 Mirage, Cordia, Tredia and Starion models; 1987 Galant models; and 1987 and 1988 trucks, wagons and vans.

Dealers will receive nothing for the first five units sold; $500 per unit for the sixth through 30th unit sold; and $1,000 per unit for the 31st unit and above. An additional $500 bonus will be paid for each Starion sold and $250 for each Cordia.

The program offers limited-product dealers the same targets and cash payments for truck, wagon and van sales. However, they will receive a $500 bonus per unit for wagon sales.

Sales managers will receive a $2,000 bonus if the dealership achieves 100 percent or more of its sales quota.

OLDSMOBILE: Oldsmobile added its 1987 and 1988 Delta 88 and 98 models to its incentive lineup.

The division is offering a $750 rebate on Delta 88 and $1,000 on 98 models. The program runs March 3-31. No dealer financial participation is required.

PONTIAC: Pontiac announced a $500 rebate on 1988 LeMans models delivered through April 30. The program began March 7.

The division is also offering first-time new-car buyers a $600 cash allowance — in addition to the $500 rebate — when they purchase a LeMans during the program period. There is no dealer financial participation.

The $600 allowance for first-time buyers is also available on Pontiac Sunbird, Grand Am, Fiero and Firebird models. No dealer financial participation is required in those programs.

YUGO: Yugo America last week announced a $500 rebate on its GV and GVL models. The program runs March 1-31.

Cars must be purchased from dealer stock before the program expires. Dealers are asked to contribute $250 of the $500 rebate.

Yugo is running behind last year's sales pace. Yugo sold 5,358 cars in January and February, compared with 9,233 during the same period in 1987.

OBITUARIES

Sau-Wing Lam

HARTFORD, Conn. — Sau-Wing Lam, 64, director of Dah Chong Hong Ltd. of Hong Kong, which owns 12 import dealerships in New Jersey, New York and California, died Feb. 18.

Donald F. Valley

ST. CLAIR SHORES, Mich. — Donald F. Valley, 88, retired chairman of the board of National Bank of Detroit, died here Feb. 29. He played a vital role in arranging financing for American Motors when the company was faltering in the 1950s.

Reinhard M. Sarow

BRADENTON, Fla. — Reinhard M. Sarow, 74, owner of Sarow Sales, a Chrysler Corp. outlet in Saginaw, Mich., from 1931 to 1979, died Feb. 13. His son, William R. Sarow, owns Sarow Oldsmobile in Saginaw; his son-in-law, Bob Sellers, owns a Pontiac-GMC dealership in Farmington Hills, Mich.

Poling still sees 15 million sales

LIVONIA, Mich. — Despite last fall's stock market crash and a surprisingly strong start to the new year, Ford Motor Co. is sticking to the 1988 sales forecast it made before October: 10 million cars and 5 million trucks.

"We saw no reason to change our forecast after the stock market decline," said Vice Chairman Harold Poling. "We don't intend to unless we see some substantive change in the future."

U.S. cars and trucks sold at an annual rate of 16 million units during the first two months of the year. During that time, Ford increased its share of the car market to 21.2 percent — up from 20.2 percent at the end of 1987. Its share of the truck market has held nearly steady at 29 percent.

Poling made the comments last week at the company's Livonia Transmission Plant, where he addressed workers and handed out profit-sharing checks.

— David Versical

Aftermarket's survival tied to mastering technology

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

LAS VEGAS, Nev. — Distributors and installers of aftermarket and repair parts must adjust to changes in automotive technology and marketing if they are to survive.

More reliable cars, electronic and advanced technology systems, longer warranties and specialized service shops, such as fast lube and tuneup specialists, are changing the way the traditional aftermarket does business, said Kenneth L. Rogers, vice president, customer relations, Standard Motor Products.

Rogers addressed Automotive Service Industry Association members at the group's convention here. His company, based in Long Island, N.Y., manufactures ignition, fuel system and brake-repair components.

The association counts among its members the traditional "three-tiered" system of aftermarket parts distribution: warehouse distributors who sell to jobbers who sell to parts installers.

Independent installers, said Rogers, will stay in business only if they keep up with current technology.

"Many believe the new technology will make the customer a captive of the dealer, but the automotive aftermarket has mastered every technical challenge from automatic transmissions to solid-state electronics," he said.

"Repairing the new breed of vehicles," he added, "is a specialty reserved only for the dedicated technician who is willing to train and prepare for the high technology that will soon dominate our industry."

The companies that make and distribute aftermarket parts must help train the installers if the aftermarket is to prosper, he said.

"In our diluted industry, there are too many parts manufacturers, jobbers and warehouse distributors," Rogers said. "Those that are prepared to support and reinforce installers with clinics, advanced-technical training and management techniques will be the most successful."

Harold A. Poling, Ford Motor Co. vice chairman, told the group, "In 1965, a technician who read 5,000 pages of technical text had the ability to service any vehicle on the road. By 1987, the number of pages a technician had to master had grown to 465,000."

The Big I Show attracted an international audience -AUTOMOTIVE NEWS/ARTHUR FLAX

About 50 percent of all vehicles on the road have some electronically controlled systems, Poling said.

"Unless you're knowledgeable in these complex systems and unless you keep pace with what is sure to be the growing innovation in cars and trucks, you can't hope to satisfy your customers," he said. "And if you don't satisfy your customers, they won't be your customers for long."

Rogers said changes in technology will eliminate a number of products, but the changes present an opportunity to bring new products to market.

Carburetors and carburetor repair kits will be virtually eliminated, and longer-life spark plugs, power-steering belts and exhaust systems will slow sales of those items, he said. At the same time, a new market will open for such items as sensors and new and rebuilt power steering motors (when power steering becomes electronic).

"The rate of change has gone from evolutionary to revolutionary and those that fail to respond will have to withdraw from competition," said Charles B. Baker, president of Associated Marketing Consultants, Chesterland, Ohio.

Light trucks and import cars represent a growing opportunity for the aftermarket as their numbers increase, Baker said.

He predicted that by 1990, 5.5 million import vehicles including transplants will be sold in the United States, up from 3.6 million in 1985.

"This is the major growth area. But the real question is whether or not the powertrains will be sourced here and whether the opportunity will be there to sell replacement parts," he said.

"We are only starting to see independent garages doing more import work," he said. California is leading the way in shops that service both import and domestic cars.

More reliable cars will reduce the parts replacement rate and longer warranties also have the potential to threaten the aftermarket, Baker said.

"My impression is that the longer warranties were thought through by the sales folks as a marketing device with little thought given to maybe bringing more (non-warranty) service work into the dealer," he said.

Dealers will take advantage of the extended warranties, but the major dealers are more interested in selling cars than developing the service business, he said.

Import customers, however, have to date been comfortable with returning to the dealer for service.

"Collision shops will be a major growth area because import dealers typically don't put in body shops," Baker said. Changes in car design have also resulted in collision shops selling more hard parts like air conditioning and radiator components.

The do-it-yourself market is slipping, he said, particularly with the growth of fast-lube centers. However, there is a new opportunity to sell parts to the semi-professional mechanic who works on cars at home after finishing his regular job.

As the do-it-yourself market declines, the parts retailers will open service bays to recapture customers, Baker said. He added that the higher technology in automobiles will result in technicians being trained in narrower specialties.

The Automotive Service Industry Association convention was held in conjunction with the International Automotive Aftermarket Show.

The U.S. Department of Commerce designated the "Big I" show as one of 18 trade shows (in various industries) with high export potential. It invited a number of foreign delegations to attend, including distributors and manufacturers interested in buying U.S. auto parts or developing joint-business ventures.

William H. Crawford, account executive for the marketing development division of the Commerce Department, estimated that 1,500 representatives from businesses in foreign countries attended the show. U.S. embassies helped arrange the visits, but the U.S. government did not pay for the trips.

South and Central American countries, in particular, sent large delegations. The Commerce Department, however, was not involved in the previously reported meetings between Japanese automakers and U.S. component makers at the show.

The "Big I" show was co-sponsored by the Automotive Service Industry Association and the Motor Equipment Manufacturers Association and was managed by Pacific Automotive Show.

Service Index climbs 4% for month, all 1987

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

The Automotive News Service Index finished 1987 with an increase for December and the year.

In December 1987, the service and parts business at new-car dealerships rose 4.3 percent above the December 1986 figure.

Service volume for all of 1987 matched the December increase, up 4.3 percent over 1986.

Service volume during 1987 was relatively consistent; six months were within a range of 104.0 to 106.1 percent of year-earlier volume.

January and May were low points with the Service Index; both months registered 98.3 percent of year-earlier volume. The high point came in November when service volume climbed 12.8 percent over the November 1986 figure. A service representative for a domestic manufacturer said that a weak showing in November 1986 was a factor in the size of the 1987 gain.

Dealers attributed December's service volume increase to the effects of severe weather on customers' cars, the addition of technicians and efforts to promote sales.

A Rocky Mountain Chevrolet dealer said volume increased as a result of mailers to customers and a severe cold snap.

A Midwestern Buick-Honda dealer said business rose in part because of the addition of productive technicians and the use of shop equipment to aid sales and save diagnostic time. Other dealers also added technicians.

A Western Dodge-Toyota dealer said, "The actual number of vehicles decreased (but the) marginal increase in dollars was due to an emphasis on selling all needed repairs on vehicles already in the shop."

A Western Cadillac dealer attributed his service volume increase to body shop business and an improved holiday schedule compared with December 1986.

An Eastern Chevrolet dealer whose service volume declined said labor sales per repair order fell in comparison with the year-earlier amount.

Shop parts sales (customer paid and warranty) led the business indicators in December with an increase of 8.8 percent over December 1986.

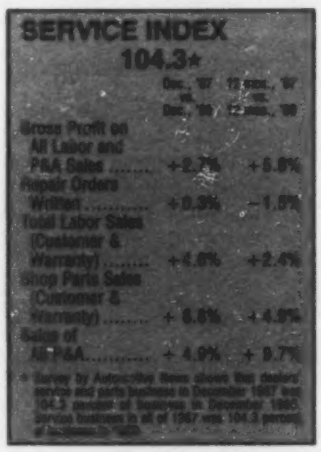
Sales of all parts and accessories rose 4.9 percent over the year-earlier month; total labor sales (customer paid and warranty) climbed 4.6 percent; gross profit on all labor, parts and accessory sales increased 2.7 percent; and repair orders written were up 0.3 percent.

Parts and accessories sales to off-premises customers fell 0.2 percent.

Sales of all parts and accessories led the indicators for the year with an increase of 9.7 percent. Gross profit on all labor, parts and accessories sales rose 5.8 percent; shop parts sales climbed 4.9 percent; and total labor sales were up 2.4 percent.

Repair orders written fell 1.5 percent.

Parts and accessories sales to off-premises customers were up 5.9 percent for 1987, compared with 1986.


SERVICE INDEX
104.3*
Gross Profit on All Labor and P&A Sales ..... +2.7% +5.8%
Repair Orders Written ..... +0.3% –1.5%
Total Labor Sales (Customer & Warranty) ..... +4.6% +2.4%
Shop Parts Sales (Customer & Warranty) ..... + 8.8% + 4.9%
Sales of All P&A ..... + 4.9% + 9.7%

Technicians' dilemma

Hi-tech cars require new service skills

By Wes Raynal
SPECIAL CORRESPONDENT

DETROIT — High-tech options such as anti-lock braking systems, traction control and active suspension promise to improve customer satisfaction, but may also leave today's technicians ill-equipped to perform repairs unless steps are taken to update training methods.

That concern was expressed by a seven-member panel of industry executives speaking at a recent SAE Show press conference here.

Panelists said a complete rethinking of the service technician's training must be implemented immediately.

"The person designing the present day and future car probably has a Ph.D and is running computer-aided-design/computer-aided-manufacturing systems," said Charles Probst, Cybern Systems Co. president. "The marketer of this car is most likely a MBA running a Lotus 1-2-3 spreadsheet program on his IBM personal computer.

"The buyer of the car has maybe a bachelor's degree and an Apple computer at home. But the person we all expect to keep this car on the road on a daily basis probably does not have any degree at all. He or she has a set of tools and a volt meter. If we're lucky, it's a digital volt meter."

Robert Anderson, Ohio Automotive Service Association president, said "Technicians of today and tomorrow will have to be academically able to follow the service business into the '90s." He added the rhetorical question, "Where and when will this educational process take place and at what cost?"

The panelists also agreed on the importance of accurate vehicle diagnosis each time a customer comes in for service.

Artificial intelligence systems will become the key to success in the service bay, said Alan R. Hinkle of Bear Automotive Equipment Co. As automotive technology climbs ever higher, there must be a parallel climb in the diagnostic equipment used by the technician.

"The magnitude of the consumer's concern for accurate vehicle diagnostics has increased sharply recently with the advent of affordable, high-tech cars," Hinkle said.

Bear is currently developing diagnostic equipment that will handle virtually all makes and models, he said. Further, that equipment will only need to be updated, but not replaced, as new vehicles are introduced.

Truck sales set record; imports skid

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

U.S. light-truck sales continued at a record level in February, but imports had a rough month.

All the domestic companies posted records for the month, while all the importers except Range Rover were off. Range Rover wasn't on sale a year ago.

Manufacturers retailed a new monthly high of 399,740 units, up 13.67 percent from February 1987. Their two-month total of 740,546 sales was up 17.92 percent over last year.

Market share for foreign firms dropped more than 6 percentage points to 12.68 percent last month compared with 18.90 percent a year earlier. For the first two months of 1988, foreign firms accounted for 14.74 percent of light-truck sales, down from 19.71 percent a year ago.

The imports retailed 50,701 trucks in February, off 23.70 percent from a year ago. Their two-month total of 109,184 was down 11.80 percent from last year.

Chevrolet had a particularly strong surge in February, based largely on its full-sized pickups. It pulled within 2,600 sales of Ford, after trailing Ford by wide margins for most of last year.

Chevrolet's February sales of 116,920 were up 29.40 percent over last year. Ford continued to lead the industry with 119,510 sales, up 10.52 percent from a year earlier.

Jeep was extremely strong with 19,548 sales, up 34.52 percent from like 1987. Chrysler's 63,433 sales of Dodge and Plymouth trucks were up 28.91 percent.

GMC with 29,628 sales was up 28.89 percent.

LIGHT-DUTY TRUCK SALES

Vans	15,648	13,717	27,747	24,127
Aerostar	15,241	11,788	27,548	20,279
Club Wagon	2,385	2,382	4,210	4,212
Ranger	24,081	25,832	46,432	45,304
Bronco	4,231	3,788	8,453	6,928
Bronco II	9,803	8,388	19,365	17,496
Pickups	49,211	41,442	88,382	70,374
Ford	119,510	105,135	222,139	185,708
Vans	11,480	7,120	20,684	12,975
Sportsvan	1,206	868	2,210	1,736
Astro	14,593	10,781	24,951	19,620
S-10	22,452	21,194	41,208	34,714
S-10 Blazer	12,515	13,487	23,866	23,524
El Camino	115	1,011	280	1,932
Blazer	3,029	2,246	5,401	4,154
Suburban	5,544	3,631	9,582	6,717
Pickups	45,956	29,925	80,246	50,734
Chevrolet	116,920	90,292	208,618	160,166
Vans	5,220	4,622	8,725	8,737
Ram Wagon	2,235	2,472	4,082	4,745
Voyager	14,835	7,413	26,593	12,361
Caravan	17,334	8,961	30,024	14,272
Mini Ram Van	1,380	1,068	2,488	1,943
Ram 50	8,833	8,700	9,561	16,531
Raider	877	1,375	1,595	2,314
Ramcharger	2,274	2,201	3,916	3,550
Dakota	7,269	7,966	14,627	14,226
Pickups	9,376	7,815	13,392	14,279
Chrysler	63,433	46,599	114,963	97,651
Vans	3,966	3,089	6,014	5,614
Safari	2,573	2,247	4,495	4,158
S-15	4,884	4,290	7,744	7,392
S-15 Jimmy	3,018	3,165	5,466	5,680
Jimmy	841	683	1,205	1,162
Caballero	15	120	48	268
Suburban	1,688	1,245	3,124	2,388
Pickups	12,748	7,631	20,703	13,367
P Model	321	385	698	1,077
W-4	97	91	199	208
GMC	29,628	22,967	49,738	41,916
Wrangler/CJ	2,961	2,067	5,163	3,951
Wagoneer	752	922	1,495	2,088
Cherokee	11,028	7,327	21,408	16,419
Grand Wagoneer	1,001	902	2,355	2,184
Comanche	2,971	3,171	5,696	6,066
J-10/J-20	35	159	78	311
Jeep	19,548	14,538	36,195	31,009
Toyota	15,616	20,437	34,200	39,846
Nissan	11,067	15,914	26,700	34,809
Mazda	8,165	8,559	16,424	16,911
Isuzu	5,808	7,236	12,816	15,064
Mitsubishi	4,120	4,421	8,077	7,327
Suzuki	6,085	6,672	10,377	12,331
Subaru	2	214	4	474
Range Rover	270	0	625	0
Imports	50,701	66,452	109,184	123,761
Industry Total	399,740	351,884	740,546	628,812

Mack stresses West as prime sales area

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Mack Trucks has been shoring up its Western U.S. market strength with specially tailored products and a revitalized dealer network, including the sale of some factory-owned branches.

Mack's Western region covers 15 states. Nationally, that region accounts for about 25 percent of all U.S. heavy-truck sales and 15 percent of Mack's sales, said Richard F. Murphy, Mack's vice president of marketing distribution.

The region's particular requirements also dovetail with Mack's niche-oriented marketing strategies and diversified product range.

Mack has created special models for Western operators. They include the Western Contractor, a specially optioned and weight-reduced RD model; a lightweight version of the R model for highway use; a Super-Liner long-nosed conventional; and an Ultra-Liner cabover.

Typically, Western region buyers go for more chrome and lightweight features. They also favor increased horsepower, typically V-8 engines geared to long distances and steep terrains. That led Mack to offer 450- and 500-horsepower V-8s and its new T-200 transmissions.

Mack has 52 fully appointed distributors in its Western region. They equate to what would normally be considered dealers. They have an exclusive contract to sell and service Class 8 trucks. Some also sell and service Mack's medium-duty Mid Liner. Mack has 245 Class 8 distributors.

Mack's definition of a dealer, by contrast, is someone who has an exclusive contract to sell and service its Mid Liner. Out of 245 Mack distributors, 212 sell and service the Mid Liner in the United States.

In addition to its 245 distributors, Mack also has 17 company-owned branches that sell and service its Class 8s and Mid Liner. If converted, they would become distributors. Seven of them are in its Western region.

Murphy said Mack may consider selling some of those factory branches in the future, depending on market conditions.

It has, within the past two years, assigned specially selected distributors for what were factory branches in the Los Angeles basin and the Bay area of Northern California, including San Francisco and Oakland.

Mack's commitment to the West Coast led it to continue operating such factory-owned branches in major Western cities while it sought prospective private franchisees. There are no remaining factory branches in California, though some continue to operate in Oregon and Washington state.

Murphy said Mack has no specific plans to convert any of its remaining factory branches but it would keep them under review.

Mack also has been developing a field network of highly trained sales and service outlets familiar with Western needs, said Joseph P. Rossetti, Mack executive vice president of marketing.

The company has made a sizable commitment to keep distributors up to speed on modern truck distribution practices. It also has special training schools for Western distributors to hone their management skills.

The company has been very careful in assigning new dealers, selecting only those with demonstrated product knowledge and management skills, financial solidity and a long-term commitment to the market.

Allison offers new automatic

INDIANAPOLIS — General Motors' Allison transmission division announced a new automatic transmission, designed specifically for vehicles in the 10,000- to 18,000-pound GVW class.

That is a market niche previously served only by light-truck automatics, which in many cases were not fully up to commercial users' needs, Allison said.

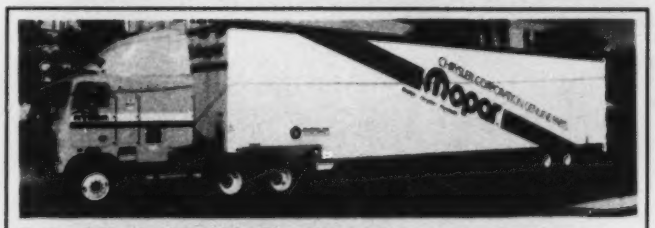
The new unit, the AT 542, is an adaptation of Allison's popular AT 545 and will accommodate gasoline and diesel engines up to 235 net horsepower.

Allison expects the new model to be particularly popular in stepvan-type vehicles and motor homes. Previously, those vehicles offered only passenger-car or light-truck automatics, the GM division said.

The AT 542 is also expected to be popular in 18- to 24-passenger school and shuttle buses; small city buses; and pickup, delivery and utility trucks up to 18,000 pounds GVW.

The AT 542 has a three-element torque converter and spur-type planetary gearing. The range clutches are disk-type, oil-cooled, hydraulically operated and self-compensating for normal wear.

The AT 542 is expected to provide the same reliability as the AT 545, but at significantly less cost.



Ryder inks deal to ship Chrysler parts
Ryder Freight Systems of Salt Lake City signed a three-year contract with Chrysler Motors to deliver car and truck parts to and from Chrysler depots, using new-design tractor-trailers.

U-Haul ups Navistar order

CHICAGO — Navistar International has received a $40 million order from U-Haul Rental Systems for an additional 2,000 of its new International model 1654 S-series "low profile" medium diesel models.

U-Haul, of Phoenix, Ariz., first placed an order for 2,000 model 1654 S-series units last year.

The trucks are being assembled at Navistar's plant in Springfield, Ohio.

U-Haul will match the 1654 low-profile chassis with special 27-foot, 1,500-cubic-foot van bodies.

Called the "Super Mover," the new trucks have special graphics on all sides of the vans.

There will be 50 different designs, each highlighting a nationally known or prominent feature of a particular state.

The 1654 is a special design developed for U-Haul by Navistar and Dana Corp.

It has a rear air suspension system that allows for height adjustments in loading.

The deck can be lowered to just 24 inches off the ground.

The truck is powered by an International 7.3-liter diesel engine, rated at 170 horsepower.

The 236-inch-wheelbase unit features an air-conditioned cab, 7,500-pound front and 15,500-pound rear axles with 4.33 ratio, 14-inch ceramic clutch, five-speed transmission, radial tires and a 51-gallon fuel tank.

GMC has also been a major supplier to U-Haul, which is currently updating its 60,000-vehicle fleet.

New Rockwell axles

Extra-heavy-duty units for Class 8 use

HOUSTON — Rockwell International has a new family of extra-heavy-duty single and tandem axles for Class 8 on- and off-highway trucks and tractors.

The new single- and double-reduction axles, offered by all major truck manufacturers, include six single-drive axles with gross-axle-weight ratings of 23,000 to 38,000 pounds and seven tandem axles rated from 48,000 to 70,000 pounds.

Leonard C. Buckman, vice president of product management for Rockwell's on-highway products organization, said the new extra-heavy-duty axles are based on the hypoid-Generoid gearing design of the new single-drive RS-23-180 axle, replacing the R-170.

Rockwell has not used the 180 design in a tandem axle before.

In using the 180 base, the company increased the size of the ring gear to the largest offered in this commercial class, and it also expanded its offering of gear ratios to provide more flexibility in specification, pulling power and durability.

Gear ratios of the single-reduction axles range from 3.73 to 7.17, while ratios of the double reductions range from 5.52 to 10.62.

The axles also feature a precision forged differential pinion and side gears for greater strength and resistance to shock impacts.

A key option on the single-reduction axles and tandems is the driver-controlled full-locking main differential that improves heavy load-hauling traction.

Rockwell is also phasing out its S/U/W-170 and 270-series single-drive axles and the tandem SR/SU/SW 170, 270 and 280 series.

It also plans to phase out the SFDD 4640 and SUDD double-reduction tandem axles.

Rockwell's new single-drive axles with 23,000- to 38,000-pound ratings include the RS-23-380 double reduction, the RS-26-180 single reduction, the RS-26-380 double reduction, the RS-30-180 single reduction, the RS-30-380 double reduction and the RS-38-380 double reduction.

Tandem axles in the 48,000- to 70,000-pound rating are: RT-48-180 single reduction and RT-48-380 double reduction, RT-52-180 single reduction and RT-58-380 double reduction and RT-70-380 double reduction.

All the tandem axles feature pressurized-filtered lubrication on the inter-axle differential.

FEATURE

IMPORTS ON THE RISE

Imports offer 86 more car models than domestics for 1988 model year

By John K. Teahen Jr.

A year ago imported cars edged domestic makes for the first time in the number of models offered in the United States. It was a close race — the tally was imports 310, domestics 300.

This year it's no contest. The domestics have trimmed their model lists. Many of the imports have expanded their lineups, and a few newcomers have entered the market.

As of Feb. 25, an *Automotive News* tabulation found 337 selections in import-dealer showrooms versus 251 for the domestic makes. (See large table at right.)

The import total is the highest ever; the previous peak was last year's 310. On the other hand, the domestic total is at its lowest since 1960.

The domestic count includes 28 transplant models — cars built in the United States by foreign manufacturers. If those models were subtracted from the domestic tally and added to the totals of their parent firms, the imports' advantage would be even greater.

The transplant makers and the number of models they build in the United States are: Volkswagen, 9; Honda, 7; Nissan, 6; Mazda, 3; and Toyota, 3. VW will retire from the transplant field when it closes its plant in Westmoreland, Pa., at the end of the 1988 model run.

Despite the disparity in total numbers, the statistically minded will note that the domestics have a huge advantage in number of models per make of car. The 251 domestic choices are divided among 17 makes of cars (12 from the Big Three plus the five transplants) for an average of nearly 15 per make. The 337 import models are shared by 40 makes for an average of just under 8.5 per make.

The 40 import makes marketed in the United States include four that have joined the ranks since last year's tabulation by *Automotive News*. The newcomers are Daihatsu (from Japan), Ford Festiva (from South Korea), Mercury Tracer (from Mexico) and Pontiac LeMans (from South Korea).

Three of those are captive imports. Only three of the domestic car divisions lack a captive import at this time. The holdouts are Buick, Oldsmobile and Cadillac, and many of their dealers handle imported cars through duals with Chevrolet, Pontiac or independent foreign makes.

Fourteen of the 40 imported makes sold in the United States are from Japan. West Germany and England have 6 apiece, followed by Italy, 5; South Korea, 3; Sweden, 2; France, 2; Mexico, 1; and Yugoslavia, 1.

Japan dominates the model rundown just as it dominates most everything else involving imported cars in this country. The Japanese makers offer 181 models, not including their transplant cars. West Germany is a distant second with 63. Totals for other nations are England, 21; Sweden, 20; Italy, 18; South Korea, 16; France, 13; Yugoslavia, 3; and Mexico, 2.

Toyota leads the model parade with 35, and Subaru has 30. Nissan has 25 imported models, and Mazda is fourth with 22. Those four makes account for one-third of the import-car selections in this country.

In keeping with their wide edge in total models, the imports have more choices than the domestics in each body style. Their totals aren't [illegible] apart in four-door sedans and station wagons, but the imports have twice as many convertibles as the domestics, and they have 60 more two-door sedans and coupes.

Here's the comparison:

	Imports	Domestics
4-door models	121	113
2-door models	155	95
Convertibles	19	10
Station wagons	42	33
TOTALS	337	251

Note that some automakers on both the import and domestic sides label their hatchbacks as "three-door" or "five-door" models. *Automotive News* counts only the side doors.

Automotive News uses the same criteria in counting import and domestic models. A choice of transmissions or engines does not necessarily constitute a separate model.

Vans and sport-utility vehicles are excluded from the totals for both imports and domestics.

Turbocharged units and four-wheel-drive cars are counted separately when they are priced that way. It is felt that those cars have enough differences in trim, equipment and mechanicals to merit separate-model designation.

Targa-type autos — those with removable solid roof panels — are listed as coupes, not as convertibles. ■

1988 IMPORT-CAR MODELS OFFERED IN U.S.
(As of Feb. 25, 1988)

	4-Door Models	2-Door Models	Convert-ibles	Wagons	1988 Totals	(Totals, Mar. 1, 1987*)
Acura	5	5	0	0	10	(6)
Alfa Romeo	3	0	3	0	6	(6)
Aston Martin	1	2	2	0	5	(5)
Audi	8	0	0	2	10	(8)
Austin Rover Sterling	2	0	0	0	2	(2)
Bentley	2	0	1	0	3	(2)
Bertone	0	2	0	0	2	(1)
BMW	8	6	1	0	15	(17)
Chevrolet Spectrum	2	2	0	0	4	(2)
Chevrolet Sprint	1	3	0	0	4	(4)
Chrysler Conquest	0	1	0	0	1	(1)
Daihatsu	0	3	0	0	3	(0)
Dodge Colt	3	3	0	3	9	(7)
Eagle Medallion**	0	0	0	0	0	(0)
Ferrari	0	4	1	0	5	(5)
Ford Festiva	0	3	0	0	3	(0)
Honda***	0	10	0	0	10	(10)
Hyundai	5	3	0	0	8	(8)
Isuzu	3	5	0	0	8	(5)
Jaguar	2	2	1	0	5	(5)
Lamborghini	0	2	0	0	2	(2)
Lotus	0	2	0	0	2	(1)
Maserati	1	1	1	0	3	(4)
Mazda***	11	9	1	1	22	(20)
Mercedes-Benz	8	3	0	1	12	(13)
Mercury Merkur	1	1	0	0	2	(1)
Mercury Tracer	1	1	0	0	2	(0)
Mitsubishi	3	8	0	0	11	(15)
Nissan***	5	14	0	6	25	(24)
Peugeot	6	0	0	4	10	(13)
Plymouth Colt	3	3	0	3	9	(7)
Pontiac LeMans	2	3	0	0	5	(0)
Porsche	0	10	2	0	12	(9)
Renault Medallion**	2	0	0	1	3	(3)
Rolls-Royce	3	0	1	0	4	(4)
Saab	4	3	1	0	8	(8)
Subaru	7	15	0	8	30	(32)
Toyota***	9	20	1	5	35	(33)
TVR	0	0	0	0	0	(2)
Volkswagen***	4	2	3	3	12	(12)
Volvo	6	1	0	5	12	(11)
Yugo	0	3	0	0	3	(2)
1988 TOTALS	121	155	19	42	337	
TOTALS (March 1, 1987)	116	135	16	43		(310)

NOTES: *—Revised.
**—Renault Medallion will become Eagle Medallion in May 1988.
***—U.S.-built models of Honda, Mazda, Nissan, Toyota and Volkswagen are omitted from the import model count.

Contents

IMPORT MODEL COUNT E2
Once again, imports top the domestics in car model offerings.

IMPORTS TO COME E4
A roundup of what the major imports have in store for us.

HANDY GUIDE TO IMPORT AUTO EXECS E9
A quick reference to the top people in marketing and administration.

CAPTIVE IMPORTS '88 ..... E16
Highlights of Big Three captive import offerings for 1988.

IMPORT CAR PRICES E18
Import manufacturers' suggested retail prices as of Feb. 25, 1988.

LIGHT TRUCK OUTLOOK E24
Devalued dollar, stiff duties spell a dim year for imported light trucks.

LIGHT TRUCK SPECS E24
Detailed specifications for 1988-model import light-duty trucks.

MEDIUM TRUCK OUTLOOK E28
Importers still have niches to fit in the medium-duty truck market.

MEET THE '88s E30
A company-by-company roundup of 1988-model import cars.

IMPORT CAR SPECS E50
Need to know the wheelbase of a Lamborghini Countach? We've got it here.

COMING APRIL 11: AUTOMOTIVE NEWS TRUCK WORLD EXTRA

Industry Editor Al Fleming
Assistant Industry Editor Edward Peabody

CONSUMER EXPENDITURES
Per New Car (1)

Year	Domestic	Import	Average
1967	$ 3,310	$ 2,272	$ 3,212
1968	3,531	2,353	3,406
1969	3,697	2,496	3,557
1970	3,708	2,648	3,542
1971	3,919	2,769	3,742
1972	4,094	2,994	3,879
1973	4,[illegible]	3,344	4,052
1974	4,524	4,026	4,440
1975	5,084	4,384	4,950
1976	5,506	4,923	5,418
1977	5,985	5,072	5,814
1978	6,478	5,934	6,379
1979	6,889	6,704	6,847
1980	7,609	7,482	7,574
1981	8,912	8,896	8,910
1982	9,865	9,957	9,890
1983	10,559	10,873	10,640
1984	11,172	12,354	11,450
1985	11,720	12,697	11,967
1986	12,540	14,044	12,968
1987*	13,255	14,378	13,602

*—Estimated.
(1)—U.S. Department of Commerce, Bureau of Economic Analysis, "Average Transaction Price Per New Car."

IMPORT PERCENT OF NEW CAR SALES IN THE U.S.

1970	15.2
1971	15.2
1972	14.7
1973	15.3
1974	15.8
1975	18.2
1976	14.8
1977	18.5
1978	17.7
1979	21.9
1980	26.7
1981	27.3
1982	27.8
1983	26.0
1984	23.5
1985	25.7
1986	28.3
1987	31.0

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No surprise here (left): new cars have cost consumers more and more over the years. It appears imports were the better bargain until 1982. No surprise here, either (above): import market share has doubled since 1970.

CLEAN CARS SELL

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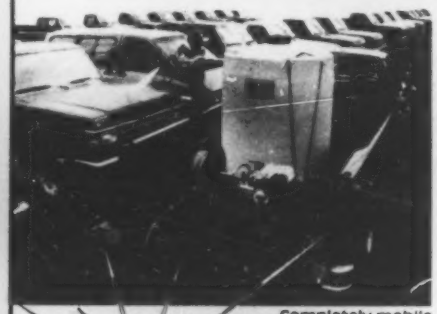
SATISFIED DEALERS COAST TO COAST



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AROUND THE WORLD

Canadian sales climb

Domestics, most imports gain in January

By Bill Vance
SPECIAL CORRESPONDENT

TORONTO — The new year got off to a bright start for all the domestic and the majority of the foreign automakers selling motor vehicles in Canada.

On the domestic side, all manufacturers registered increases in car and truck sales in January compared with a year ago.

Chrysler Canada posted an astonishing 77.1 percent sales increase in trucks. Chrysler's truck total includes the Dodge Caravan and Plymouth Voyager minivans.

General Motors of Canada saw car sales strengthen approximately 15 percent, while Ford Motor Co. of Canada had a more modest 2.3 percent gain.

Imported-car sales, with a few exceptions, also were stronger than a year ago, based on figures provided by the Canadian Importers Association.

Suzuki made the largest percentage advance in car sales, jumping from 72 a year ago to 349 this January, a 384.7 percent hike. The largest imported-car sales increase was recorded by Toyota with 4,223 units vs. 2,612 last year, a 61.7 percent improvement.

Honda, Volkswagen, Mazda, Subaru and BMW also enjoyed gains, while Hyundai, Nissan, Volvo, Mercedes-Benz and Jaguar posted losses. The most spectacular plunge was taken by Hyundai, whose sales dipped almost 50 percent, from 4,298 to 2,195.

Foreign trucks are receiving tough competition from the popular domestics. In spite of this, Toyota managed to more than double sales from 434 to 936 this January. Nissan and Mazda, on the other hand, saw some erosion in truck sales. Suzuki shot up dramatically, from 162 to 316 on the strength of the continuing popularity of its Samurai 4x4.

CANADIAN CAR AND TRUCK SALES

	Jan. 1987	Jan. 1988
GM	17,701	20,372
Ford	11,890	12,027
Chrysler	5,464	9,742
Domestic Trucks (including vans)		
GM	9,140	9,986
Ford	8,888	9,241
Chrysler	3,778	6,696
Foreign Cars		
Toyota	2,612	4,223
Honda	3,294	4,024
Volkswagen	1,511	2,323
Hyundai	4,298	2,195
Nissan	1,966	1,481
Mazda	1,360	1,418
Volvo	585	418
Subaru	75	187
BMW	225	301
Suzuki	72	349
Mercedes-Benz	317	251
Jaguar	170	166
Saab	136	98
Lada	58	61
Skoda	38	42
Foreign Trucks		
Toyota	434	936
Nissan	1,150	872
Mazda	528	427
Suzuki	162	316
Other Foreign	71	45

Production up 45% in Taiwan; 252,518 for '87

By Stephen Vines
SPECIAL CORRESPONDENT

Taiwan's automakers recorded a banner year in 1987 with output of 252,518 units, an increase of 45 percent over 1986.

The slight easing of tariff levels also has encouraged importers, who are believed to have brought in a record 40,000 passenger cars last year, accounting for some 16 percent of sales.

Taiwan's largest motor company, Yue Loong, which once seemed to dominate the market without effort, suffered another significant cut in its market share. The company's share dropped from almost 38 percent in 1986 to 32 percent last year. At the beginning of the decade, it had well over 50 percent of the market.

Yue Loong's highly publicized launch of its Feeling series appears to have had little impact on its fortunes.

The biggest market share gainer in percentage points was Yeu Tyan, which assembles Peugeot vehicles under license from the French manufacturer. The company's market share rose from 8.3 percent in 1986 to 11.6 percent last year.

With the gradual entry of imports into the market, competition has become greater and retailers are having to operate on smaller margins. The high value of the Taiwanese currency is, however, helping to make imports look more attractive.

Nearly all domestically made vehicles are destined for the home market, which remains very buoyant. Until Yue Loong started producing its own models at the end of 1986, all vehicles were produced under license agreements with overseas manufacturers.

Taiwan currently is only a small exporter of engines. However, exports are expected to rise this year.

Taiwanese manufacturers believe that domestic sales will remain good this year, but some doubt whether last year's rate of increase can be maintained.

TAIWAN MOTOR VEHICLE PRODUCTION AND SALES 1986-1987

Company	Production 1987	Production 1986
China Motor (Mitsubishi)	28,663	23,735
Ford Lio Ho	86,848	38,616
Kuo Zui (trucks only)	4,399	2,548
San Fu (Renault)	18,586	13,701
San Yang (Kinglon)	35,057	29,257
Yue Loong (Nissan & own models)	80,725	49,387
Yeu Tyan (Peugeot)	28,255	13,695

DOMESTIC SALES AND MARKET SHARE

Company	Sales 1987	Market share (percent)	Sales 1986	Market share (percent)
China Motor	28,663	11.7	20,884	14.1
Ford Lio Ho	51,512	21.0	26,481	17.8
Kuo Zui	4,448	1.8	2,044	1.4
San Fu	18,710	7.6	13,036	8.8
San Yang	35,099	14.3	20,281	13.7
Yue Loong	78,359	32.0	62,515	37.6
Yeu Tyan	28,275	11.6	13,069	8.8

1987 output rises 25% in China

BEIJING, China — China National Automotive Industry Corp. reported that China produced 445,000 motor vehicles in 1987, an increase of 25 percent over 1986.

The No. 2 Motor Vehicle Plant in western Hubei province, the largest truck manufacturer in China, turned out 105,000 Dongfeng series vehicles, up 20 percent over 1986.

The No. 1 Motor Vehicle Plant in Changchun city produced 62,000 five-ton Jiefang Ca-141 trucks.

The Nanjing Motor Vehicle Plant produced 28,200 light trucks, 38 percent more than in 1986.

The Italian government has agreed to make $110 million in long-term, low-interest loans to help with the technological renovation of the Nanjing plant.

The money will be used to import Fiat technology and equipment so the plant can produce Fiat S-series light vehicles.

Domestic sales during the year exceeded 450,000, one-fifth more than in 1986. Motor vehicles in stock were reduced to 19,000 from the previous year's 30,000 units.

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AUCTION DATES

Chrysler Motors

March 15 — American Auto Auction, Walpole, Mass.; Golden Gate Auto Auction, Fremont, Calif.; Hatfield Auto Auction, Hatfield, Pa.; and Portland Auto Auction, Portland, Ore.

March 16 — Southwest Auto Auction, Phoenix, Ariz.; Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; Minneapolis Auto Auction, Plymouth, Minn.; and Denver Auto Auction, Aurora, Colo.

March 17 — Clanton's Auto Auction, Darlington, S.C.; Northway Exchange, Clifton Park, N.Y.; and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

March 18 — Manheim Auto Auction, Manheim, Pa.

March 22 — South Seattle Auto Auction, Kent, Wash.; Florida Auto Auction of Orlando, Ocoee, Fla.; Arena Auto Auction, Chicago; Hatfield Auto Auction, Hatfield, Pa.; Riverside Auto Auction, Riverside, Calif.; and Dallas Auto Auction, Grand Prairie, Texas

March 23 — Nashville Auto Auction, Nashville, Tenn.; Southern Auto Auction, Warehouse Point, Conn.; and Columbus Fair Auto Auction, Obetz, Ohio

Ford Motor Co.

March 15 — Bay Cities Auto Auction Inc., Hayward, Calif.

March 16 — Lakeland Auto Auction, Lakeland, Fla.

March 17 — Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; Interstate Auto Auction, Mercer, Pa.; Southwest Auto Auction, Phoenix, Ariz.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

March 22 — South Seattle Auto Auction, Kent, Wash.

March 23 — Columbus Fair Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Southern California Auto Auction, Fontana, Calif.; Newburgh Auto Auction Inc., Newburgh, N.Y.; and Salt Lake Auto Auction, Salt Lake City

March 24 — Baltimore-Washington Auto Exchange, Baltimore; Greater Chicago Auto Auction, Chicago; and St. Louis Auto Auction, Bridgeton, Mo.

March 29 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

General Motors

March 15 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas

March 16 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; Mississippi Auto Auction, Hattiesburg, Miss.; and Southern Auto Auction, Fontana, Calif.

March 17 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah

March 23 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

March 24 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville; and Southwest Auto Auction, Phoenix, Ariz.

Used Car Sales
Auction Averages

March 1988	$5,350
Month ago	$5,039
Year ago	$5,747

Model Breakdown
Auction Averages

	MARCH 1988	FEB 1988	JAN 1987
1988	$10,382	$10,741	$8,839
1987	$8,487	$8,443	$8,436
1986	$6,737	$6,732	$6,516
1985	$5,748	$5,731	$5,501
1984	$4,359	$4,363	$4,349
1983	$3,707	$3,689	$3,362
1982	$2,471	$2,454	$2,303
1981	$1,842	$1,817	$1,926
Overall Average	$5,350	$5,309	$4,841

Volvo backs CAFE rollback to 26.0 mpg for 1989-90

By Matt DeLorenzo
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Volvo Cars of North America told NHTSA it backs an industry petition to roll back the government's fuel-economy standard.

The importer wants the standard reduced from 27.5 mpg to 26.0 mpg for the 1989 and 1990 model years.

Volvo said it supports a Feb. 12 petition by the Automobile Importers of America (of which it is a member) to set a lower corporate average fuel economy standard "so as to best balance the goal of fuel economy with other factors the public wants and needs."

Saying its customers prefer safety over fuel economy, the company said it has introduced almost all of the fuel-economy-improving technology envisioned by the U.S. Congress when it set the higher limit, yet its projected CAFE for the 1988-90 model years will be 26.0 mpg.

"These changes have produced a 26 percent gain in CAFE since 1979," the letter said, adding that the improvement has been made in spite of recent weight increases caused by adding new safety-related features.

Among those features are antilock brakes and air bags, which the company said have added 87 pounds to some car models.

Citing stable fuel prices and supply, Volvo said a customer survey showed that "Volvo buyers consistently rate safety well above fuel economy in importance to their purchase decision." The study showed fuel economy dropping from 10th to 21st place in a list of 32 topics customers ranked by importance when making their purchase decision.

Volvo said it found that the majority of its new-car owners are satisfied with the city and highway fuel economy of their cars.

While Volvo has attempted to use diesels as a means of meeting CAFE, it said that increases in diesel fuel prices relative to decreases in gasoline costs, coupled with tighter emission-control requirements for diesels, have forced it to abandon that market.

The company concluded that it has taken all practical steps to improve its CAFE.

"Although we have made substantial gains over the years, and presently offer some models about the 27.5 mpg level, this goal still remains out of reach as a fleet average," Volvo said. "The fuel situation has led consumers to demand more performance and interior room, but without any sacrifice in safety, especially in our case."

Volvo maintained that its information supports the central point in the Automobile Importers of America petition, that the higher standard will restrict consumer choice of new-car models.

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TRADE

FROM PAGE 1

1.7 percent for the year.

In December 1987, U.S. exports of passenger cars and light trucks were 48.4 percent ahead of December 1986.

South Korea, Mexico and Brazil each made big inroads on the U.S. passenger-car market in 1987. Imports of Korean passenger cars climbed 136.2 percent in 1987 to 399,856 vehicles with a value of $2.1 billion. Korea shipped 169,309 vehicles to the United States in 1986 with a value of $797.3 million.

Imports of Mexican passenger cars increased 200.8 percent in 1987 to 126,266 vehicles with a value of $1.2 billion. Mexican passenger car imports totaled 41,983 vehicles in 1986 with a value of $433.2 million.

Brazil exported 48,169 vehicles to the United States in 1987 with a value of $239.2 million. Volkswagen of America's importation of the Fox in 1987 accounted for nearly all of that trade. Brazilian shipments to the United States amounted to only 207 vehicles in 1986.

U.S. AUTOMOTIVE TRADE BY VALUE

(x $1,000)

Passenger cars

Country	Trade	Dec. 1986	Dec. 1987	Jan.-Dec. 1986	Jan.-Dec. 1987
Japan	Export	4,548	8,973	42,336	72,290
	Import	1,687,297	1,923,355	21,080,655	21,304,737
Canada	Export	351,264	427,401	5,827,382	5,727,152
	Import	1,042,241	1,023,194	11,816,660	10,185,353
West Germany	Import	723,474	778,168	8,121,239	8,901,850
South Korea	Import	82,379	244,498	797,282	2,061,457
Sweden	Import	166,572	179,238	1,628,973	1,941,488
Mexico	Import	45,921	86,475	433,249	1,176,374
Yugoslavia	Import	9,351	10,210	96,409	126,242
United Kingdom	Import	45,711	136,609	720,937	1,193,837
Italy	Import	9,566	10,899	174,799	177,965
France	Import	6,050	8,473	123,413	255,998
Brazil	Import	0	41,511	839	239,201
Others	Export	35,186	90,168	384,105	889,772
	Import	4,207	35,074	127,489	293,501
Car Total	Export	390,998	526,542	6,253,823	6,689,214
	Import	3,804,782	4,477,704	45,301,947	47,858,003
Trade Balance		(3,413,784)	(3,951,162)	(39,048,124)	(41,168,789)
Light trucks (up to 10,000 lbs. GVW)					
Canada	Export	68,328	156,005	1,461,929	1,595,619
	Import	124,670	228,476	2,465,760	2,231,020
Japan	Import	291,054	326,419	4,899,587	4,278,125
Mexico	Import	10,698	212	136,281	90,089
Others	Export	10,564	14,548	125,815	207,113
	Import	2,663	11,393	60,027	71,946
Truck Total	Export	78,892	170,553	1,587,743	1,802,732
	Import	429,115	626,500	7,561,656	6,671,181
Trade Balance		(350,223)	(455,947)	(5,973,913)	(4,868,449)
CAR AND TRUCK TOTAL	Export	469,890	697,095	7,841,566	8,491,946
	Import	4,233,897	5,104,204	52,863,603	54,529,184
TRADE BALANCE		(3,764,007)	(4,407,109)	(45,022,037)	(46,037,238)
TOTAL U.S. Merchandise trade (customs value)	Export	18,522,700	24,801,400	226,808,100	252,865,800
	Import	29,853,600	35,443,500	366,083,400	405,900,600
TRADE BALANCE		(11,330,900)	(10,642,100)	(139,255,300)	(153,034,800)

U.S. AUTOMOTIVE TRADE BY QUANTITY

Passenger cars

Country	Trade	Dec. 1986	Dec. 1987	Jan.-Dec. 1986	Jan.-Dec. 1987
Japan	Export	269	656	2,750	4,721
	Import	191,537	219,217	2,618,709	2,417,509
Canada	Export	40,192	41,637	638,732	560,453
	Import	96,031	92,719	1,162,226	926,927
West Germany	Import	36,614	37,410	451,701	377,542
South Korea	Import	16,909	46,721	169,309	399,856
Sweden	Import	12,718	11,422	148,700	138,565
Mexico	Import	4,835	10,116	41,983	126,266
Yugoslavia	Import	3,780	4,027	38,695	49,445
United Kingdom	Import	1,510	4,575	27,506	50,059
Italy	Import	490	253	11,830	8,648
France	Import	475	636	10,869	26,707
Brazil	Import	0	7,900	207	48,169
Others	Export	2,661	6,882	30,116	66,235
	Import	274	2,543	9,563	19,317
Car total	Export	43,122	49,175	671,607	631,409
	Import	365,176	437,539	4,691,298	4,589,010
Trade balance		(322,054)	(388,364)	(4,019,691)	(3,957,601)
Light trucks (up to 10,000 lbs. GVW)					
Canada	Export	7,498	14,975	160,859	163,842
	Import	13,619	25,916	270,624	226,538
Japan	Import	54,717	55,126	976,012	772,758
Mexico	Import	1,425	0	18,107	11,296
Others	Export	828	1,362	10,135	16,617
	Import	9	52	70	486
Truck Total	Export	8,326	16,337	170,794	180,460
	Import	69,780	81,099	1,264,813	1,011,078
Trade Balance		(61,454)	(64,762)	(1,094,019)	(830,618)
CAR AND TRUCK TOTAL	Export	51,488	65,512	842,401	811,869
	Import	434,956	518,638	5,956,111	5,600,088
TRADE BALANCE		(383,468)	(453,126)	(5,113,710)	(4,788,219)

Compiled by Automotive News from official statistics of the U.S. Commerce Department, as reported by the U.S. International Trade Commission. Exports of gasoline, diesel and oil to the Mexico

Ex-commerce official cleared of misconduct

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — A government investigation has found "no evidence" that Robert E. Watkins, former U.S. Commerce Department deputy assistant secretary for automotive affairs, violated federal conflict of interest laws when he sought employment with foreign automakers last fall.

Watkins left the commerce department last year after it became public that he had formally proposed creation of a trade association representing foreign automotive investors and had asked to lead it.

The report was requested by Rep. John Dingell, D-Mich., chairman of the House Energy and Commerce Committee, after Watkins' activities became public. It found fault with Watkins' "participation in one matter affecting foreign-owned vehicle manufacturers (that) violated the Standards of Conduct" prescribed for federal employees by the White House.

Specifically, the General Accounting Office said Watkins should not have co-chaired a Sept. 24, 1987, meeting of an industry advisory group at which confidential information was discussed regarding the U.S. automotive parts industry.

Watkins participated in the meeting after sending letters to a variety of foreign-owned automotive companies seeking employment. The meeting was held to discuss negotiations between the United States and Japan over increased purchases of U.S.-manufactured auto parts.

The General Accounting Office said that before leaving office Watkins discussed employment possibilities with representatives of Mazda Motor Corp., Nissan Motor Co., the Japanese Auto Parts Industry Association, Hyundai Motor America, General Motors, the Automobile Importers of America, Toyota Motor Sales U.S.A., Northern Telecom Inc., Motorola and the American Furniture Manufacturers Association.

"Watkins should have been advised to recuse himself from any matters affecting those to whom he dispatched letters seeking employment . . ."

— GENERAL ACCOUNTING OFFICE

The General Accounting Office report said in part, "In Mr. Watkins' particular case, we believe that he did not receive adequate advice from the (Commerce Department) Office of General Counsel. . . . Mr. Watkins should have been advised to recuse himself from any matters affecting those to whom he dispatched letters seeking employment unless he intended to engage in a mass mailing that did nothing more than forward his resume."

Watkins resigned his post in the Commerce Department following congressional demands that he be fired.

In a letter sent last week to U.S. Commerce Secretary C. William Verity, Dingell said, "While I am appalled at Mr. Watkins' actions in trying to promote a trade association by actively soliciting participation of foreign entities that were within the purview of his official responsibilities, I am even more disturbed that your General Counsel's office was so ill-informed about available ethics guidelines and interpretations."

During Watkins' term as deputy assistant secretary, his office had responsibility for automotive issues pertaining to the U.S.-Canadian Free Trade Agreement, the GATT Uruguay Round of multilateral trade negotiations, review of the Generalized System of Preferences, Harmonized System of Tariff Nomenclature, Foreign Trade Zones, Japanese Voluntary Export Restraints, and Market-Oriented, Sector-Specific talks with Japan on trade in automotive parts.

GM

FROM PAGE 1

Fairfax, Kan., plant can build. However, the plant is on a gradual acceleration schedule.

Buick, meanwhile, is asking for production increases for Electra, Skylark, LeSabre and Century. Buick's sales for the calendar year were up 31 percent at the end of February. The division's inventory was 56 days on March 1, down from 75 a month earlier.

Buick has incentives covering Regal, Park Avenue, LeSabre, Electra, Century and Skylark running through March 31.

In addition, Buick will begin production April 1 of the LeSabre Olympia sedan to commemorate Buick being the official car of the 1988 U.S. Olympic Committee. Special dealer promotions for the car are planned for this spring and summer.

Oldsmobile also is requesting production increases for most of its models. The division wants more Calais, Cutlass Ciera, Delta 88 and Cutlass Supreme models. It is not asking for increases in Toronado or 98 production, General Manager William Lane said, because those cars sell best in the early part of the model year. Firenza production ends later this spring.

Oldsmobile sales at the end of February were up 15 percent for the calendar year, and its inventory was 56 days on March 1, down from 66 on Feb. 1.

Oldsmobile has incentives covering Delta 88, 98, Calais and Ciera running through March 31.

Lane said the division will take all of the Cutlass Supreme models it can get. However, the plant in Doraville, Ga., also is on a gradual acceleration plan.

Cadillac General Manager John O. Grettenberger said that for the first time since 1985, the division has a backlog of orders for Eldorado, which was stretched and restyled for the 1988 model year.

Production at the Detroit-Hamtramck plant already has been increased by 4,700 units through June by scheduling overtime. Grettenberger said no more production will be added, and the plant will not add a second shift anytime soon.

Plants likely to feel the greatest impact from the upcoming production increases are the Willow Run plant in Ypsilanti, Mich., which produces Bonneville and Delta 88; the Buick City plant in Flint, Mich., which produces Buick LeSabre and Delta 88; and the two N-car (Calais, Grand Am, Skylark) plants in Lansing, Mich.

BEST AVAILABLE COPY

Truck output sets record; cars tumble

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

U.S. truck production for February set a record while car output dipped to a five-year low for that month.

Truckmakers built 351,498 units last month, the most ever for February and the highest monthly build since last March when 358,622 trucks were assembled.

Last month's truck production was 6.07 percent more than January's 331,392 and 8.94 percent more than the year-ago month's 322,655.

Last week's targeted truck output totaled 86,782, slightly above (0.68 percent) the prior week's 86,196 and 7.86 percent more than the year-ago week's 80,458.

Car production during February totaled 563,508 units, the lowest for that month since 1983 when 511,981 cars were assembled.

February's car output was 18.11 percent more than January's 477,103 but 19.06 percent below the year-ago month's 696,195.

Automakers scheduled 133,216 units last week, 6.08 percent more than the previous week's 125,578 but 20.30 percent less than the year-ago week's 167,143.

Last week's estimated car production was shared as follows: General Motors, 46.07 percent; Ford Motor Co., 24.78 percent; Chrysler Motors, 17.34 percent; Honda of America Manufacturing Inc., 5.52 percent; New United Motor Manufacturing Inc., 2.44 percent; Volkswagen of America, 1.50 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.24 percent; and Nissan Motor Manufacturing Co. U.S.A., 1.11 percent.

Ford's Wayne, Mich., plant resumed output today. The plant had been idle for changeover to the 1988½ Escort.

Trucks hit peak in Canada, too

Canadian truck output of 80,177 units for February was the highest ever for that month and was the highest total for any month since January 1986 when 81,115 were produced.

Last month's truck output was 8.83 percent more than January's 73,674 and 22.64 percent more than the year-ago month's 65,377.

Scheduled production of 20,163 trucks last week was slightly higher (0.39 percent) than the prior week's 20,085 and 13.89 percent more than the year-ago week's 17,704.

Car output for February totaled 91,922, the highest for that month since 1979 when 93,463 cars were built and the highest for any month since March 1986 when 99,232 cars were assembled.

February's car production was 6.37 percent more than January's 86,420 and 16.14 percent more than the year-ago month's 79,146.

Last week's targeted car output of 22,427 was 3.93 percent below the previous week's 23,344 but 27.33 percent more than the year-ago week's 17,613.

Chrysler Motors' Bramalea, Ontario, plant is idle until March 21 to make a change in the production mix.

U.S. CAR	Week Ended March 12, 1988	Week Ended March 14, 1987	Week Ended March 5, 1988	Feb. Total	Jan. 1 to March 12, 1988	Jan. 1 to March 14, 1987
Alliance	0	730	0	0	0	7,690
Total Eagle	0	730	0	0	0	7,690
Horizon	1,700	0	1,710	7,565	16,988	32,326
Sundance	2,100	2,607	2,129	8,988	21,140	22,786
Reliant	2,300	2,992	1,281	7,488	15,357	27,456
Caravelle	500	1,289	0	1,528	3,381	12,718
Gran Fury	150	0	130	1,216	2,324	4
Total Plymouth	6,750	6,886	5,250	26,785	59,200	95,288
LeBaron K	500	2,284	589	1,091	2,710	18,133
LeBaron J	1,950	1,546	1,907	5,312	8,796	16,088
LeBaron GTS	150	980	193	591	1,554	8,275
N. Yorker E-Class	0	2,315	0	0	0	17,358
N. Yorker C-Class	2,150	0	2,177	9,636	19,761	0
Fifth Avenue	250	1,003	415	4,739	10,471	2,132
Total Chrysler	5,000	8,108	5,281	21,371	43,312	61,906
Omni	1,650	0	1,680	7,512	16,627	27,744
Daytona	1,900	835	1,912	4,539	7,959	8,128
Shadow	2,100	2,214	2,241	9,512	21,958	20,400
Aries	2,300	2,476	664	4,808	12,217	23,173
Dodge 600	400	1,240	0	1,424	2,886	10,547
Dynasty	2,400	0	2,382	10,491	21,754	0
Lancer	200	622	250	1,128	2,414	5,795
Diplomat	400	0	237	1,925	3,637	4
Total Dodge	11,350	7,387	9,336	41,337	89,852	95,791
CHRYSLER MOTORS	23,100	23,113	19,847	89,473	192,184	260,696
Escort	2,352	8,298	2,352	32,756	72,352	76,848
Mustang	4,625	4,539	4,553	16,296	44,860	46,738
Tempo	3,802	4,380	3,769	16,230	40,404	41,463
Taurus	7,953	9,692	7,961	32,952	76,429	101,416
Thunderbird	3,355	3,388	2,897	13,983	32,229	30,588
Total Ford Div.	22,177	30,217	21,532	114,217	289,274	297,053
Lynx	0	1,082	0	0	0	13,157
Topaz	1,593	1,099	1,790	6,289	15,611	12,941
Cougar	2,412	3,366	2,873	10,251	25,466	40,316
Sable	2,632	2,973	2,954	11,694	24,610	30,994
Total Mercury	6,637	8,511	7,287	28,230	65,689	97,410
Continental	936	413	1,073	3,799	8,800	3,825
Mark VII	464	813	547	2,201	5,401	5,714
Lincoln	2,800	3,074	3,240	12,006	29,983	28,808
Total Lincoln	4,200	4,100	4,860	18,006	43,984	38,147
Total L-M Division	10,837	12,611	12,147	46,243	109,673	135,557
FORD MOTOR CO.	33,014	42,828	33,679	160,460	378,947	432,610
Skyhawk	1,099	983	0	1,902	6,109	9,901
Skylark/Somerset	380	1,973	372	1,342	5,002	19,033
Century	1,810	4,426	812	4,752	10,338	43,264
Regal (rwd)	0	1,063	0	0	0	9,933
Riviera	138	0	179	967	1,418	5,231
Electra	1,003	2,420	1,258	5,283	13,257	22,789
LeSabre (fwd)	2,450	2,575	2,409	10,245	24,100	21,127
LeSabre (rwd)	220	327	187	451	1,248	4,639
Reatta	128	0	94	370	676	0
Total Buick	7,238	13,967	5,311	25,312	62,145	135,867
Cimmaron	104	501	230	1,216	2,619	4,617
Eldorado	1,006	0	1,155	3,361	6,018	3,558
Seville	723	0	709	2,487	4,264	8,450
Brougham (rwd)	0	2,193	0	1,066	0	19,808
DeVille (fwd)	4,000	4,026	3,984	16,804	38,832	37,717
Allante	66	49	66	253	401	471
Total Cadillac	5,898	6,769	6,144	25,217	52,134	72,621
Cavalier	6,550	7,948	7,048	28,183	63,883	76,114
Camaro	1,040	0	981	4,823	9,235	21,243
Celebrity	4,450	8,880	0	18,437	29,030	62,631
Corsica/Beretta	8,980	5,124	8,993	34,867	75,545	54,584
Monte Carlo	0	2,518	0	0	0	14,646
Caprice	3,640	5,970	3,486	18,285	41,774	46,543
Corvette	440	846	451	1,893	4,304	8,441
Total Chevrolet	25,080	31,086	20,959	108,488	223,771	302,202
Calais	2,020	2,645	2,106	8,678	20,663	26,123
Firenza	471	294	0	959	2,998	4,706
Cutlass Ciera	0	3,615	0	0	0	42,567
Cutlass Supreme*	1,847	2,535	1,847	11,091	18,110	10,903
Toronado	405	0	509	2,055	3,197	3,601
88 (fwd)	2,560	5,063	3,223	10,441	29,045	49,221
98 (rwd)	170	383	217	1,013	2,595	4,113
Olds 98	1,815	2,259	1,817	7,655	17,329	19,367
Total Oldsmobile	9,088	16,793	9,719	41,892	90,203	160,633
Sunbird	1,691	2,884	2,066	9,438	21,259	25,211
Grand Am	4,800	5,817	4,772	20,248	48,079	53,035
Firebird	1,020	1,012	852	3,320	8,264	16,746
Grand Prix*	1,823	0	1,823	10,204	20,048	0
Pontiac 6000	2,415	2,303	2,086	4,378	8,196	17,823
Bonneville	1,584	3,159	1,972	8,344	17,215	31,758
Safari/Parisienne	125	388	158	582	1,214	2,580
Fiero	610	1,199	572	2,019	3,010	7,644
Total Pontiac	14,068	16,772	14,321	58,529	118,177	154,807
GENERAL MOTORS	61,372	86,087	58,454	255,428	549,430	826,330
HONDA	7,350	7,351	7,393	29,468	70,495	70,206
Civic	1,907	1,738	1,785	6,842	16,848	26,966
Accord	5,453	5,613	5,608	22,626	53,647	43,238
MAZDA	1,652	0	1,504	4,908	11,117	0
NISSAN	1,478	2,972	1,344	5,612	13,516	29,180
NUMMI	3,250	3,853	3,330	13,724	31,529	40,687
Corolla	1,200	848	1,236	5,080	11,064	10,751
Nova	2,050	3,005	2,094	8,644	20,465	29,936
VOLKSWAGEN	2,000	1,939	2,027	4,434	11,799	15,925
Golf/GTI	1,300	1,689	1,327	2,854	7,899	13,975
Jetta	700	250	700	1,580	3,900	1,950
Total Cars, U.S.	133,216	167,143	125,578	563,508	1,258,997	1,675,633
Total Cars, Canada	22,427	17,613	23,344	91,922	220,110	189,064
U.S., Canada Cars	155,643	184,756	148,922	655,430	1,479,107	1,864,697
U.S., Canada Cars and Trucks	282,598	282,918	255,289	1,087,105	2,510,749	2,811,645

Monthly estimates may contain error of one or two units due to rounding.

CANADIAN CAR	Week Ended March 12, 1988	Week Ended March 14, 1987	Week Ended March 5, 1988	Feb. Total	Jan. 1 to March 12, 1988	Jan. 1 to March 14, 1987
Eagle	0	—	0	0	0	—
Premier	0	—	1,735	6,815	14,440	—
CHRYSLER MOTORS	0	139	1,735	6,815	14,440	1,936
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,037	—	4,330	16,453	40,824	—
Topaz	1,723	—	1,345	6,238	15,308	—
Crown Victoria	2,899	—	2,909	11,954	28,315	—
Grand Marquis	2,861	—	2,856	11,851	27,592	—
FORD MOTOR CO.	11,520	11,376	11,445	46,496	112,037	111,875
Celebrity	335	—	320	1,046	3,675	—
Cutlass Ciera	5,295	—	5,234	17,356	41,086	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	580	—	632	3,524	9,376	—
Regal	3,912	—	3,153	13,629	32,252	—
GENERAL MOTORS	10,072	5,658	9,339	35,557	86,389	72,086
HONDA	700	195	701	2,586	6,154	1,317
VOLVO	135	225	124	466	1,120	2,250
Total Cars, Canada	22,427	17,613	23,344	91,922	220,110	189,064

U.S. TRUCK☆	Week Ended March 12, 1988	Week Ended March 14, 1987	Week Ended March 5, 1988	Feb. Total	Jan. 1 to March 12, 1988	Jan. 1 to March 14, 1987
Caravan	2,300	—	2,016	8,312	19,970	—
Dakota	2,800	—	2,774	5,005	22,867	—
Mini-Ram Van	300	—	384	1,394	3,188	—
Pickups	1,300	—	1,356	2,429	11,092	—
Total Dodge	6,700	5,426	6,510	17,140	56,917	49,699
Cherokee	3,150	—	3,180	15,311	35,586	—
Commanche	850	—	869	4,204	9,741	—
Grand Wagoneer	300	—	350	1,120	2,744	—
Pickups	0	—	0	0	0	—
Wagoneer	150	—	259	1,109	2,637	—
Total Jeep	4,450	4,507	4,658	21,744	50,686	44,942
Voyager	2,050	—	2,027	7,910	18,549	—
Total Plymouth	2,050	—	2,027	7,910	18,549	—
CHRYSLER MOTORS	13,200	9,933	13,195	46,794	126,154	94,635
Aerostar	4,455	—	4,435	20,142	46,019	—
Bronco	1,294	—	1,243	5,264	12,586	—
Bronco II	2,951	—	2,982	12,573	30,564	—
Econoline	5,110	—	5,230	21,616	51,139	—
Heavy trucks	1,332	—	1,376	5,555	13,305	—
Light trucks	11,847	—	10,362	43,043	101,286	—
Ranger	7,286	—	7,422	31,132	73,274	—
Total Ford Div.	34,075	32,895	33,050	139,325	328,175	326,519
FORD MOTOR CO.	34,075	32,895	33,050	139,325	328,175	326,519
Astro	3,812	—	3,290	15,204	35,478	—
Blazer	622	—	634	2,213	5,609	—
Mediums/Heavies	375	—	294	1,275	5,275	—
P-Model	0	—	882	3,853	8,502	—
Pickups	6,770	—	6,979	26,416	62,501	—
S-10	5,151	—	5,519	23,241	54,110	—
S-10 Blazer	3,561	—	4,064	13,643	29,823	—
Sportsvan/Van	1,392	—	1,503	5,846	13,511	—
Suburban	1,678	—	1,752	5,921	14,671	—
Total Chevrolet	24,361	23,730	24,917	97,612	229,480	225,650
Jimmy	194	—	198	699	1,792	—
Mediums/Heavies	875	—	961	4,056	9,156	—
P-Model	0	—	149	362	724	—
Pickups	2,650	—	1,863	8,777	21,394	—
S-15	1,945	—	1,724	6,529	15,228	—
S-15 Jimmy	519	—	289	4,160	7,085	—
Safari	977	—	784	3,869	9,068	—
Suburban	770	—	740	2,800	7,573	—
Vandura/Rally Vans	958	—	792	3,540	9,484	—
Total GMC	9,218	8,117	7,500	35,212	81,504	77,857
GENERAL MOTORS	33,579	31,847	32,417	132,824	310,984	303,507
NAVISTAR	1,740	1,613	1,592	7,344	17,564	15,547
NISSAN	1,438	1,820	3,192	13,861	30,599	17,196
AM GENERAL*	450	50	450	1,800	4,500	500
MISCELLANEOUS*	2,300	2,300	2,300	9,660	23,000	23,000
Total Trucks, U.S.	86,782	80,458	86,196	351,498	840,976	780,706

CANADIAN TRUCK	Week Ended March 12, 1988	Week Ended March 14, 1987	Week Ended March 5, 1988	Feb. Total	Jan. 1 to March 12, 1988	Jan. 1 to March 14, 1987
Caravan	3,048	—	3,136	12,746	30,514	—
Mini-Ram Van	336	—	335	976	2,504	—
Ram Wagon	590	—	528	1,719	4,396	—
Ram Van	1,300	—	1,378	4,333	10,995	—
Total Dodge	5,274	8,352	5,377	19,776	48,309	88,606
Voyager	2,760	—	2,799	12,118	28,569	—
Total Plymouth	2,760	—	2,799	12,118	28,569	—
Wrangler	1,018	—	1,044	4,461	10,033	—
Total Jeep	1,018	650	1,044	4,461	10,033	6,301
CHRYSLER MOTORS	9,052	9,002	9,220	38,375	86,911	94,907
FORD MTR. (lt. trks.)	3,648	3,350	3,658	15,013	35,810	33,164
Light trucks	3,707	—	3,102	13,403	31,784	—
Vans	1,478	—	1,316	5,544	12,966	—
Total Chevrolet	5,185	—	4,418	18,947	44,750	—
Light trucks	1,573	—	1,982	6,574	15,373	—
Vans	480	—	600	2,385	5,615	—
Total GMC	2,053	—	2,582	8,959	20,988	—
GENERAL MOTORS	7,238	5,153	6,960	27,906	65,738	36,187
NAVISTAR	225	199	227	863	2,207	1,984
Total Trks., Canada	20,163	17,704	20,085	80,177	190,698	166,242
U.S., Canada Trks.	106,945	98,162	106,281	431,675	1,031,642	946,948

☆—Includes window van production. *—Estimated.
Note: Includes all General Motors' passenger-carrying vehicles, except ambulances, hearses and taxicabs. Ford includes Lincoln-Mercury vehicles. Chrysler includes vehicles for Maxi, Mini-Ram, Sportwagon, Prowler, Freightliner, Mercedes-Benz, etc.

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Is Ford eyeing Rover?

U.K. tax changes may spur company

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Rival bidders for Britain's Rover Group are expected to emerge in the wake of British Aerospace's surprise bid to buy the state-owned car manufacturer.

But to the relief of Honda, Rover's long-standing industrial partner, the political attractiveness of a "British solution" may prove too much for multinational automakers to overcome.

British Aerospace is negotiating to acquire the United Kingdom government's 99.7 percent stake in Rover — in effect short-circuiting the privatization process that has been laid out for the group. The two companies have until the end of April to conclude a deal and, in the meantime, countermoves by other parties are expected to develop.

The most intense speculation surrounds Ford Motor Co. Indeed, the stakes for Ford increased last week as the British government announced a plan to double the levy on company cars as part of a sweeping tax-reform measure.

With a commanding share of the country's vital fleet business, Ford would be particularly hard hit by the tax hike, industry analysts say. But acquisition of Rover and its 15 percent United Kingdom share would give market-leading Ford about 45 percent of British new-car sales.

"I think Ford still will try for Rover because it would make them almost unchallenged in the U.K.," said Sanjay Dabysing of DRI-Europe in London. "Life would become that much easier for them. And if anybody is going to be hit

see ROVER, page 56

Mazda's Schultz with the UAW's Richard Shoemaker, left, and Lofton — GLENN TIBBS

Mazda pact assures jobs

Execs' pay to be cut before layoff; strikes outlawed

By Louisa Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

The first contract between a UAW-represented workforce and a Japanese auto manufacturer in the United States will bring Mazda Motor Manufacturing (USA) workers to wage parity with Big 3 workers by 1991.

The contract also contains better job guarantees than those won by General Motors and Ford Motor Co. workers last year. Mazda workers agreed not to strike for any reason.

As part of the three-year pact, Mazda agreed to cut management and officers' salaries before any hourly worker is laid off.

Auto workers in Japan have similar unspoken guarantees. But Henry Schultz, director of labor relations at Mazda said, "This is America, and that is in writing."

A UAW official said, "The job security language is similar to NUMMI's (New United Motor Manufacturing Inc.) but is perhaps even stronger." NUMMI is the GM-Toyota joint-venture assembly plant in Fremont, Calif.

The Mazda workers had been working under an interim agreement and a letter of intent signed by Mazda and the UAW. Those agreements pledged "the union's long-term cooperation in the commitment to the principles of flexibility, efficiency and the implementation of work practices and production systems similar to those used by Mazda in Japan."

Workers at the Mazda plant in Flat Rock, Mich., who are members of the newly established UAW Local 3000, approved their first contract 1,494 to 174 last Thursday. The UAW represents more than 2,000 workers building the Mazda MX-6 and the Ford Probe.

Ernest Lofton, director of UAW Region 1A and chief UAW negotiator, said the union hopes the ratification will help boost its efforts at organizing other Japanese auto plants in the United States.

The Mazda agreement is in effect from March 7 to March 3, 1991.

Highlights of the contract provided by the UAW include the following provisions:

JOB SECURITY: Mazda agreed not to lay off any worker "unless compelled to do so by economic conditions and financial circumstances so severe that its long-term financial viability is threatened."

Before laying off any workers, the company will reduce the salaries of its officers and management, in-source work previously

see MAZDA, page 58

EDS halts Dealerline installations

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

General Motors' Electronic Data Systems Corp. has advised all dealers with pending purchase agreements for its much-ballyhooed Dealerline computer software system that it will cancel the agreements and return their deposits.

The company said it is not withdrawing from selling dealer communications software and that this action was taken purely to assure quality.

Despite EDS claims that there are no serious flaws in the software, only two Dealerline applications are still being marketed.

From the time that GM acquired EDS in 1984, the company promised to develop a dealership system. That announcement set off quakes of conjecture within the industry, as computer competitors worried about the entrance of such a well-funded player into their arena. They also feared that EDS would have an inside track on GM's 10,000 dealers, even with its inexperience in developing dealership systems.

At the National Automobile Dealers Association convention in early 1988, EDS set up a prominent display and urged dealers to delay their computer purchases until they saw what EDS would offer. It unveiled Dealerline a year later, at the 1987 NADA show, and began marketing it in June 1987, touting it as the answer to all dealer in-house computer needs and as the only system to offer exclusive communication capabilities with GM.

Since then, it has sold 200 Dealerline systems — ranging in price from $150,000 to $190,000, according to dealers — and installed 160.

Now the company says it has "slowed" marketing efforts and notified dealers that it will not install systems sold to them until early 1989.

EDS also told the 40 dealers with pending orders that it will return their deposits and compensate them for all costs related to their purchase of Dealerline.

EDS said its move reflects the "tremendous reception by dealers to the program and the company's inability to install, instruct and support dealerships in a manner that meets with EDS standards."

Two GM dealers who bought the entire Dealerline program and were spokesmen for the EDS system in the company's ads said the system has "bugs" but declined to discuss them specifically. EDS declined to provide the names of other dealers with its system in operation.

see EDS, page 61

GRAND SLAM

New Continental a big winner for L-M; dealer orders exceed scheduled '88 build

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

The new Lincoln Continental, touted as a home run car before its launch, is taking on the look of a grand slam in Ford's 1988 box score.

To date, three months after introduction, dealers have ordered more cars than the company will build in the entire 1988 model year, Lincoln-Mercury says. With 85 percent of current output backed by retail orders, dealers have little chance to build inventory.

L-M is also wrestling with the question of how to appease customers who have to wait three months or more for delivery. As a small token, L-M is giving Cross pen and pencil sets to those who

see CONTINENTAL, page 55

Dealer Kuhn: "This car is turning people into kids in a candy store"

Dealer total slips; 24,938 counted in U.S.

By Edward Lapham and John K. Teahen Jr.
AUTOMOTIVE NEWS STAFF REPORTERS

The number of dealerships selling new cars in the United States declined last year, although more outlets now sell imported cars than domestic cars.

The annual Automotive News dealership census found that on Jan. 1, there were 24,938 new-car dealerships in the United States, down 0.87 percent from the 25,156

see DEALERS, page 38

NEWSPAPER

INSIDE:

Toyota seeks plant to build U.S. trucks — Page 5
Premier hits target market — Page 55
Makers tune incentives; Cadillac aims at Lincoln — Page 60

Grievance plan slated as Chrysler trims jobs

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

ROCHESTER, Mich. — Chrysler Corp. will institute a grievance procedure for all salaried employees, including executives, as it continues to trim its employee levels and levels of management.

Anthony P. St. John, Chrysler Motors vice president — industrial relations, said that later this year, salaried employees will be offered a four-step grievance procedure ending in binding arbitration by a neutral third party.

Specifically, the procedure is likely to be used for "discipline, discharge and employment-opportunity disputes," he said.

The move was sparked by a "dramatic restructuring" currently under way at Chrysler that St. John said "will inevitably lead many employees to question management's decisions and actions."

St. John said Chrysler is seeking to reduce its layers of management as well as its employee level to make it more competitive.

St. John

"The major organizational groups in our company average about eight levels of managers and employees while our Japanese competition has five to six levels," St. John said. "We're working to get our major groups down to six layers as soon as possible, with divisions such as human resources and finance down into the four or five range to match the Japanese."

St. John, speaking at a labor-management forum at Oakland University here, said the process is designed to "improve employee relations and management practices and lessen misunderstandings."

While declining to specify a percentage of workforce reduction, he said the reductions "hopefully will be handled, in the main, through attrition."

Chrysler last year laid off an estimated 3,500 salaried employees from its 38,000-person white-collar workforce, and said at that time it anticipated 3 percent annual cuts in its salaried workforce for the next three calendar years.

Super power readied for Mustang
Jack Roush Performance Engineering has built an engine that is said to outperform Corvette's King-of-the-Hill powerplant. It is rumored to be a 500-horsepower twin-turbocharged, 351-cid V-8 for this 25th-anniversary 1989 Mustang. But Ford has not yet decided to proceed or kill the project, sources say.

GM engine cracks

305-cid V-8s in '87-'88 models targeted

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

Some of General Motors' 305-cubic-inch V-8 engines, which fit into late-model Chevrolet and Pontiac cars and trucks, are developing engine block cracks and porosity due to a manufacturing defect.

A General Motors spokesman said the problem can occur in 1987 and early 1988 models.

GM said it believes the problem will only affect a fraction of one percent of all 305-cid engines. However, an informal survey of 12 dealer service managers or advisors around the country found eight dealers that had experienced the problem or knew of other dealers that had experienced it. All eight were Chevrolet dealers.

A Pontiac spokesman said the problem has not shown up in its cars.

The problem relates to a change in the handling of the rough casting at the foundry early in the 1987 model year, a GM spokesman said. The defective engines were cast at a GM Central Foundry facility in Saginaw, Mich. The facility, however, did not produce all 305-cid engines used in 1987 models.

GM is preparing a technical service bulletin, scheduled for release April 1. it will tell technicians that an otherwise unexplained loss of coolant may indicate a problem in the block casting.

When coolant leaks internally, into the engine oil, the engine eventually is destroyed.

The company did not specify how many vehicles are equipped with the 305-cid V-8.

In 1987, Automotive News estimated the engine was installed in 370,000 rear-drive cars, including Chevrolet Camaro, Caprice, Monte Carlo and Pontiac Firebird models.

GM sold 831,416 light trucks in 1987. The 305-cid V-8 was offered in most of those; however, no installation breakout was available.

Dealers that had experienced the problem said it usually showed up as cracking or porosity in the V-area of the engine, which is hidden by the intake manifold. In one case, a dealer had seen the problem in a 1986 model.

Jack G. McCloskey, service director at Jim Quinlan Chevrolet Co., Clearwater, Fla., had not experienced the block problem, but said, "At the Tampa Bay service manager's club, six service managers out of about 20 had seen the problem.

"There was some confusion because some of us felt we had seen destroyed engines but attributed it to neglected maintenance. When coolant seeps into the oil, it turns it into a gel and it looks as if the oil hasn't been changed."

Cars and trucks with the defect are covered by GM's six-year/60,000-mile powertrain warranty, introduced in 1987. If the defect is found after the one-year/12,000-mile warranty expires, customers have to pay a $100 deductible.

The cost to GM may be high. Labor costs to replace an engine can range from $400 to $800, depending on the vehicle, engine accessories and the dealer's flat rate per repair hour. Also, a dealer makes about $300 parts profit on a 305-cid V-8 replacement engine under warranty, according to sources.

GM has another 5.0-liter V-8, displacing 307-cubic-inches, but that engine is not affected.

Toyota seeks plant to build U.S. trucks

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

TORRANCE, Calif. — Toyota is laying plans for U.S. production of light-duty trucks, although final approval has not been received from the parent company in Japan.

"Eventually we will go ahead with truck production in the United States," a Toyota Motor Sales U.S.A. spokesman said. "Look at the logic. We pay a 25 percent duty on imported trucks, our sales have dropped off and our prices are way out of line, especially on the base models."

Toyota needs U.S. truck sourcing, said Martin Stein, director of the automotive analyst group of Abt Associates, Washington.

The strengthening of the yen, which makes Japanese goods cost more here, plus import duties on trucks, is hurting Toyota badly in the price-sensitive pickup market, Stein said.

Nissan already produces trucks in its Smyrna, Tenn., plant. Mazda is exploring sourcing trucks from Ford Motor Co., and more trucks will come from the Isuzu-Subaru plant under construction in Indiana.

Toyota's search for a suitable U.S. assembly site is on. Last month, Toyota executives toured Volkswagen of America's Westmoreland, Pa., assembly plant, which is scheduled to close at the end of the 1988 model run. But Toyota quickly ruled out Westmoreland.

The most logical remaining choices, according to Toyota, are:

- New United Motor Manufacturing Inc., the sprawling former General Motors car and truck assembly plant in Fremont, Calif., now producing Chevrolet Novas and Toyota Corolla FXs as a GM-Toyota joint venture.
- A greenfield plant.
- An expansion of Toyota's new Georgetown, Ky., assembly plant, due to open this summer.

NUMMI has long been considered a potential site for Toyota manufacturing. The Chevrolet Nova and Toyota Corolla FX models assembled there are officially carried on Toyota's books as knock-down kits.

The 3-million-square-foot complex south of San Francisco produced light-duty trucks and rear-wheel-drive mid-sized cars before closing in early 1982. NUMMI, with a current capacity of 900 cars a day, fills the plant with storage, training and recreational uses but only about half of the space is for manufacturing.

"Obviously, it is a logical option," said a NUMMI spokesman. "But there has been no formal discussion with us."

Toyota's first greenfield foray into U.S. manufacturing is in Kentucky. It is more central than California for shipping to the bulk of U.S. markets.

Toyota's drive to increase U.S. content, for both political and cost reasons, may also be a factor.

If Toyota adds engine and component capacity near its Kentucky plant, that would argue in favor of any truck assembly facility also being within easy shipping distance.

Nissan ad agency eyes PR firm

LOS ANGELES — Chiat/Day is negotiating to acquire Bob Thomas & Associates, the firm that handles public relations for Nissan Division of Nissan Motor Corp. in U.S.A.

Acquisition talks between Thomas & Associates and Chiat/Day Marketing and Communications Inc., the holding company for the advertising firm that won the $150 million Nissan corporate ad account last August, have been in progress "for the better part of three or four months and are moving close to an agreement," a spokesman for the public relations firm said.

According to the spokesman, the contracts are being reviewed by each firm's attorneys. "An agreement could come at any time. However, no date has been set for the formal signing," he said.

Bob Thomas said that he will continue to run the firm under the same name and at the same location in Redondo Beach, Calif. Thomas & Associates has been in business 16 years, and has been Nissan's agency for 15 years.

Chiat/Day replaced William Esty Co. as Nissan's corporate ad agency after Nissan fired Esty amid a growing inventory of cars and a declining market share. Chiat/Day formerly was the national ad agency for Porsche Cars North America.

INDEX

Around the world	27-32
Classifieds	44
Coming events	39
Dealing with dealers	24
News briefs	8
Obituaries	60
Opinion	10
Personnel	18
Production	62
Sales, car	54
Sales, import car	54
Sales, truck	20
Truck industry	20

63rd year—No. 5225

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Automotive News to open Nashville bureau

NASHVILLE, Tenn. — Automotive News will open a Nashville bureau this summer to report on activities in the fast-growing Mid-South region.

"This region has come to represent a cutting edge in automotive manufacturing and technology, and in our continuing drive to provide our readers what they need to know, we must be where the action is," said Automotive News publisher-editorial director Keith E. Crain in making the announcement Wednesday to the Tennessee Automotive Manufacturers Association.

"Just as Automotive News was first to open a Washington bureau to cover government regulation in the industry, first to open a California bureau to report on Japanese importers, first to cover the European importers from a New York bureau, and first to move overseas with full-time bureaus in Frankfurt and Tokyo, we will be the first to acknowledge this region's importance to the future of the industry," Crain added.

Crain pointed out that besides the Nissan plant in Smyrna, Tenn., and the General Motors Saturn facility under construction in Spring Hill, Tenn., other major facilities in the region include Honda plants in Marysville, Ohio; a Toyota facility under construction in Georgetown, Ky.; an Isuzu-Subaru joint venture in Indiana; and the Chrysler-Mitsubishi Diamond-Star joint venture in central Illinois. In addition, hundreds of automotive industry suppliers have opened or are building major facilities in the region.

"We welcome the location of the new Automotive News bureau in Nashville as a confirmation of Tennessee's leadership in the modern automobile industry," said Tennessee Gov. Ned McWherter. "In Tennessee today, we have one major automotive assembly plant already in operation and another major assembly plant under construction. In addition, there are almost 300 automotive suppliers in Tennessee making everything from windshields to rubber hoses to truck bodies.

"We welcome Automotive News as the first industry publication to cover major events in the auto industry's future from Tennessee."

Crain pointed out that within a few years, more than a million vehicles per year will come out of the Mid-South region.

"This clearly makes it a center of world automotive activity and one that must be treated as such," Crain said. "Many of the future ideas and relationships so critical to the industry's future competitiveness will be pioneered right here in the years to come and we want — we need — to be here to report on those events and happenings."

Nashville will become Automotive News' seventh location. Headquartered in Detroit, Automotive News also has bureaus in Washington, Los Angeles, New York, Frankfurt and Tokyo. Nashville personnel have not been named.

TRUCK INDUSTRY

February truck sales by manufacturer and segment

		14,000 & LESS GVW CLASS 1-3	14,001-16,000 GVW CLASS 4	16,001-19,500 GVW CLASS 5	19,501-26,000 GVW CLASS 6	26,001-33,000 GVW CLASS 7	33,001 & OVER GVW CLASS 8	TOTAL 1988	TOTAL 1987
CHRYSLER-PLYMOUTH	MO	14,835						14,835	7,419
	YR	26,593						26,593	12,361
DODGE	MO	48,598						48,598	41,793
	YR	88,390						88,390	74,670
JEEP	MO	19,548						19,548	14,532
	YR	36,103						36,103	31,023
TOYOTA	MO	15,616						15,616	20,437
	YR	34,200						34,200	38,840
NISSAN	MO	11,687						11,687	18,914
	YR	26,780						26,780	34,908
MAZDA	MO	8,105						8,105	8,558
	YR	16,424						16,424	16,918
ISUZU	MO	5,808						5,808	7,236
	YR	12,818						12,818	13,084
MITSUBISHI	MO	4,120						4,120	4,421
	YR	8,077						8,077	7,328
SUZUKI	MO	5,095						5,095	6,672
	YR	10,377						10,377	12,334
RANGE ROVER	MO	278						278	0
	YR	525						525	0
FORD	MO	118,545	985		757	2,723	975	123,965	111,853
	YR	220,577	1,566		1,492	5,038	1,830	230,463	195,894
FREIGHTLINER	MO						2,074	2,074	1,584
	YR						3,815	3,185	2,777
CHEVROLET	MO	116,920		12	805	831	21	118,589	91,570
	YR	208,410		19	1,522	1,456	72	211,479	158,374
GMC	MO	29,620		384	1,598	1,531	133	33,264	26,579
	YR	49,733		733	2,931	1,957	406	55,760	48,659
KENWORTH	MO					83	1,092	1,175	1,070
	YR					92	2,103	2,195	1,970
MACK	MO				140	186	1,168	1,494	1,598
	YR				292	388	2,234	2,914	2,970
MERCEDES	MO				70	140		210	306
	YR				124	273		397	601
NAVISTAR	MO		17	21	1,937	2,387	2,497	6,869	4,508
	YR		33	73	3,357	4,924	5,096	13,496	9,973
PETERBILT	MO					14	1,169	1,183	590
	YR					24	2,066	2,090	1,173
VOLVO	MO					73	1,068	1,141	921
	YR					180	1,784	1,803	1,667
HINO	MO			52	34	55		141	165
	YR			91	70	122		283	266
NISSAN DIESEL	MO			64	28	82		174	132
	YR			112	59	150		321	248
ISUZU TRUCK	MO	354	16	9	327	15		721	336
	YR	521	16	19	335	19		910	692
MITSUBISHI FUSO	MO	90		9	25	41		165	35
	YR	141		10	35	70		256	80
SCANIA	MO						21	21	7
	YR						28	28	30
IVECO TRUCKS	MO	61	30	20	6			112	0
	YR	124	50	30	31			235	0
WESTERN STAR	MO						140	140	0
	YR						325	325	0
OTHER DOMESTICS	MO						41	42	86
	YR				4		94	98	131
GRAND TOTAL	MO	399,278	1,028	556	5,728	8,141	10,416	425,149	371,345
	YR	739,773	1,665	1,090	10,232	14,651	19,832	787,233	666,636
1988 YR to DATE		656,421	0	897	8,271	14,930	16,186		

NOTE: Subaru sales of 2 units included in Class 3 Grand Total and also in 1988 monthly grand total. Sales of 4 Subarus included in year-to-date 1988 Class 3 total and year-to-date 1988 Grand Total. Sales of 476 Subarus included in 1987 Class 3 and 1987 Grand Total.
Class 1-3 sales data reported by individual manufacturers; Class 4-8 data reported by Motor Vehicle Manufacturers Association.

Makers reach abroad

Suppliers also see export opportunities

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Many U.S. commercial truck manufacturers are gearing up to increase their export sales.

Navistar International feels the key to boosting exports is to beef up its overseas distribution system and become consistently competitive, year-in and year-out, in overseas markets.

It may use non-traditional means to achieve those ends, said Neil Springer, company chairman.

"We may create a synergy off another company (that has a) distribution system closely allied to our customer base. We may tandem their distribution base with ours," he said.

For competitive reasons, Springer declined to specify which markets Navistar is targeting.

Volvo GM Heavy Truck believes its biggest export opportunity is in Canada, though it is looking elsewhere as well.

Thage Berggren, company chairman, said his new joint-venture company has established an international sales department.

"The export market looks very promising because of favorable currency exchange rates and the broadness of the White/GMC product line," he said.

He added that there are "many more promising areas than Europe for the export of Class 8 trucks and you can be sure we're investigating them."

GMC is studying export opportunities created by its new line of 1990-model medium-duty trucks and its Volvo tie-in, said John Rock, general manager.

Meanwhile, Eaton has begun supplying Nissan Diesel with its Fuller nine-speed transmissions for use in the company's vehicles for the Japanese market.

Nissan Diesel began offering the Fuller Roadranger nine-speed in its P-CW series 6x4 heavy-duty trucks in February, according to Donald Alles, manager of marketing communications for Eaton's transmission division, Galesburg, Mich.

Nissan has used Eaton Fuller gearboxes since the early 1970s for trucks shipped out of Japan, but it has not offered any foreign-sourced powertrains in its domestic vehicles until now.

Finally, Grumman Olson Division of Grumman Corp., New York, shipped six truck bodies to Isuzu Motors for a walk-through van the latter may offer in Japan.

Phil Belgio, director of vehicle and marine programs for Grumman International, stressed that "we (Grumman and Isuzu) are both in a market-evaluation phase." Isuzu is testing potential Japanese demand for a 2 ½-ton walk-through van in the kind of body configuration that Grumman offers.

Belgio said this was an outgrowth of Isuzu's efforts to market a similar van in the United States.

When Isuzu first sighted the U.S. walk-through van market for its NPR chassis and approached Grumman to help adapt its chassis to Grumman's body, Grumman officials felt there might be a similar market for the vehicle in Japan.

Belgio hopes to find out within three to six months.

Grumman also has been discussing similar U.S. sales — with overseas export potential — with Iveco, which also wants to enter the walk-through van market.

Center to gather truck statistics

ANN ARBOR, Mich. — The University of Michigan Transportation Research Institute has established a new Center for National Truck Statistics to provide authoritative information on truck safety and travel on U.S. roads.

Linda S. Wison, the university's vice president for research, called it an area that has "suffered greatly from misinformation and incomplete analysis."

The university expects the center to be funded by private industry and government.

The center will conduct surveys of truck accidents and truck travel, publish truck accident and travel statistics, provide public access to survey data, and conduct research on factors associated with the risk of accidents involving large trucks.

Kenneth L. Campbell, director of the center, said accountability has been an issue.

"We must not only collect the needed data, but also make it available for analysis by others so that researchers can compare findings in an open area," he said.

The center is an outgrowth of a research program that has been supported by the university's Transportation Research Institute since 1980 through the leadership of the Motor Vehicle Manufacturers Association.

New survey methods were developed under that program for compiling accurate national statistics on all truck accidents and travel. The results of that approach allow statistical estimates of accident risk to be developed, officials said.

Senate approves truck-brake proposal

WASHINGTON — A bill approved by the Senate this month requires the Department of Transportation to report to Congress on methods to improve truck brake performance and to begin rulemaking on the results of the report by Sept. 30, 1989. Companion legislation has not been introduced in the House.

The Senate measure, the Truck and Bus Safety Act (S.861), was sponsored by Sen. John Danforth, R-Mo., and Sen. Brock Adams, D-Wash. Adams was secretary of transportation during the Carter administration.

Danforth said the measure encourages DOT to improve truck brake performance by examining the safety benefits of anti-lock brakes.

The bill also would require DOT to eliminate, within one year of enactment, exemptions from federal safety requirements for trucks operating within commercial zones.

The bill would require DOT to complete a rulemaking one year after enactment on the need for on-board devices that automatically record driver hours and speed.

DEALERS

FROM PAGE 3

dealerships in operation on Jan. 1, 1987.

On Jan. 1, there were 23,436 dealerships selling imports and 19,530 selling domestic makes. Because of dualing, the overall total was 24,938.

In fact, there were only 1,502 dealerships where a car buyer could not consider an imported car of some manufacture, the Automotive News dealer census showed.

One year earlier, there were 19,700 dealerships selling domestic makes and 17,553 selling imported makes. There were 7,603 stores without import makes.

The reason that there are so few domestic-only dealerships today is that all domestic divisions except Buick, Oldsmobile and Cadillac now handle captive imports. And many of the Buick, Oldsmobile and Cadillac outlets have either an independent import or are dualed with Chevrolet and/or Pontiac, giving them a captive.

Although the total number of retail outlets selling new cars declined, the remaining 24,938 dealerships held 72,191 franchises from 12 domestic and 39 import-car makes, for an average of 2.89 franchises per outlet.

One year earlier, on Jan. 1, 1987, there were 25,156 dealerships holding 61,216 franchises from 13 domestic and 35 import-car makes, for a per-outlet average of 2.43 franchises.

Ten years earlier, on Jan. 1, 1978, there were a total of 59,455 franchises and 28,656 dealerships for a per-outlet average of 2.07 franchises.

Thirty-nine years earlier, on Jan. 1, 1949, the Automotive News dealer census showed there were 49,173 dealerships in the United States — an all-time high — handling 56,150 franchises of 22 domestic makes, for a per-outlet average of 1.14 franchises.

All figures in the Automotive News dealer census indicate the net change in the dealership population, for both the individual corporations and car lines, and for the industry as a whole.

Although it is clear that the well-established trend toward multi-franchise dealer operations is increasing, another trend disguises the real extent of industry consolidation into fewer hands: The expansion of new networks that require showroom exclusivity — albeit in a mall or dealership strip owned by an existing, multi-franchise dealer. Such demands dilute the franchises-per-outlet figure.

On Jan. 1, there were 3,964 exclusive import dealerships, up 7.54 percent from the 3,686 exclusive import outlets one year earlier.

The list of completely exclusive franchises currently includes Acura, Mitsubishi and Hyundai and likely will be expanded to include Toyota Lexus and Nissan Infiniti when those premium brands are launched.

Last year, the number of dealerships handling domestic-car makes declined by 170.

The total was 19,530 on Jan. 1, 1988, down 0.86 percent from 19,700 one year earlier. The 1987 decline of 170 dealerships selling domestic makes compares with a loss of 246 retail domestic-car stores in 1986.

Chrysler Motors chalked up its fifth consecutive annual gain, even without the acquisition of American Motors. Its Chrysler-Dodge-Plymouth network showed an increase of 32 outlets for the year.

AMC brought 1,139 more domestic-car dealerships to Chrysler Motors (after deducting those that were already Chrysler-AMC duals), so the Chrysler Motors domestic-car outlet total rose by 1,171 for the year.

As a corollary, the 1,349 dealerships that formerly sat under the AMC-Renault sign ceased to exist in that form. The ones that remain are Chrysler Motors Eagle outlets.

Things were simpler at Ford Motor Co. and General Motors. Ford showed a decline of 24 car dealerships for the year, and GM was down 145.

Ford's loss was lighter than in 1986, when a net 57 stores bowed out. The decline in the total number of GM car dealerships was in the same general range as the 150 outlets it lost in 1986.

The number of Big 3 intercorporate duals dropped significantly in 1987. The reason: Chrysler-AMC stores are no longer intercorporate duals because they are all in the same family.

Conversely, since AMC now is part of Chrysler Motors, there are more duals among Big 3 makes. The former AMC-Ford and AMC-GM locations are now Big 3 duals.

Franchise totals rose for half of the domestic makes during 1987. There were gains of 42 for Chrysler, 46 for Plymouth and 51 for Dodge.

At Ford Motor Co., Lincoln was up 20, Mercury picked up seven, but Ford Division was down 36.

Pontiac's franchise total was unchanged for the year, but the other GM car lines were down: Cadillac, 5; Buick, 15; Oldsmobile 20; and Chevrolet, 65.

Chevrolet had 4,910 franchises on Jan. 1, the highest total in the U.S. auto industry for either a domestic or an imported make. Ford was next with 4,580.

On the import side of the ledger, the number of foreign car makes on the U.S. market, including the captive imports of the domestic makers, increased from 35 to 39 during the year.

Daihatsu was introduced; Ford joined the import ranks with the captive Festiva; and Pontiac took on the captive LeMans. Eagle dealers now sell Medallion. All Mercury dealers now handle Tracer; previously, only about one-fourth of the Mercury outlets had the captive Merkur.

Meanwhile, British specialty maker TVR was withdrawn.

The addition of the full Pontiac, Ford and Mercury dealer groups and the return of Renault to the import ranks pumped the total number of import franchises up to 37,132 from 24,918 on Jan. 1, 1987.

The country of origin ranking also shifted from year to year. Japan, with 14 makes this year compared with 13 makes one year ago, still had the lion's share of franchises, although its 19,865 franchises on Jan. 1 accounted for 53.50 percent of total import franchises, compared with the 77.46 percent share of the total its 19,301 franchises held a year earlier.

The reason was simple: The biggest gain came from Korean franchises — from 161 to 7,779 — because Ford and Pontiac added captive makes from that country. France went from 272 to 1,537 because AMC, and later Chrysler, started importing the Renault-built Medallion. And a whole new country — Mexico — had to be added because of Mercury's captive Tracer.

West Germany and Italy posted slight declines in franchise totals, while the other countries all showed increases.

In addition to the dealerships selling cars, there also were a number of dealerships selling just trucks.

Ford has 109 that carry only Ford heavy-duty trucks, while GM has 530 dealers that handle GMC trucks but no GM cars.

Chrysler Motors has three dealers that sell only Dodge trucks and 127 that handle Jeeps and Renaults but no GM cars.

Among the imports, Range Rover had 60 dealers on Jan. 1. Suzuki had 170, while Isuzu had 161 truck-only dealers, Mitsubishi had 46 truck-only dealers and Saab reported that it had 20 Scania truck dealers without Saab car franchises.

U.S.-CAR RETAIL OUTLETS 1947 to 1988

Jan.	No. of Retail Outlets	Pct. Gain or Loss from Previous Year
Jan. 1, 1947	45,580	
Jan. 1, 1948	46,089	+1.12
Jan. 1, 1949	49,173	+6.69
Jan. 1, 1950	46,821	−4.78
Jan. 1, 1951	47,543	+1.54
Jan. 1, 1952	46,014	−3.22
Jan. 1, 1953	45,191	−1.79
Jan. 1, 1954	41,910	−7.26
Jan. 1, 1955	40,374	−3.66
Jan. 1, 1956	41,018	+1.60
Jan. 1, 1957	37,982	−7.41
Jan. 1, 1958	37,186	−2.09
Jan. 1, 1959	35,077	−5.68
Jan. 1, 1960	33,658	−4.05
Jan. 1, 1961	32,483	−3.49
Jan. 1, 1962	31,391	−3.36
Jan. 1, 1963	30,859	−1.69
Jan. 1, 1964	30,827	−0.09
Jan. 1, 1965	30,681	−0.47
Jan. 1, 1966	30,276	−1.32
Jan. 1, 1967	28,422	−6.12
Jan. 1, 1968	27,784	−2.24
Jan. 1, 1969	27,486	−1.07
Jan. 1, 1970	27,071	−1.51
Jan. 1, 1971	26,129	−3.48
Jan. 1, 1972	25,821	−1.18
Jan. 1, 1973	25,441	−0.79
Jan. 1, 1974	25,249	−0.76
Jan. 1, 1975	24,883	−1.45
Jan. 1, 1976	24,455	−2.11
Jan. 1, 1977	24,269	−0.76
Jan. 1, 1978	24,147	−0.50
Jan. 1, 19[illegible]	24,031	−0.48
Jan. 1, 19[illegible]80	23,379	−2.79
Jan. 1, 1981	21,773	−6.87
Jan. 1, 1982	20,834	−4.31
Jan. 1, 1983*	19,999	−4.00
Jan. 1, 1984	20,076	+0.44
Jan. 1, 1985	20,192	+0.58
Jan. 1, 1986	19,946	−1.22
Jan. 1, 1987	19,700	−1.23
Jan. 1, 1988	19,530	−0.86

*Figures for Jan. 1, 1983 through Jan. 1, 1988 include Renault.

RETAIL OUTLETS, U.S. MAKES OF PASSENGER CARS 1988 vs. 1987

	Jan. 1, 1988 Exclusive (Single Corp.)	Jan. 1, 1988 Multiple (Inter-Corp.)	Jan. 1, 1988 Total Franchises	Jan. 1, 1988 Bid Dealers	Jan. 1, 1987 Exclusive (Single Corp.)	Jan. 1, 1987 Multiple (Inter-Corp.)	Jan. 1, 1987 Total Franchises	Jan. 1, 1987 Bid Dealers
AMERICAN MOTORS/RENAULT		0	0	0	191	2,436	2,627	1,349
AMC		0	0		51	1,219	1,270	
Renault	0	0	0		40	1,217	1,257	
CHRYSLER MOTORS	906	9,593	10,499	8,194	959	8,098	9,057	4,022
Chrysler	0	3,106	3,106		0	3,064	3,064	
Dodge	868	2,113	3,011		950	2,010	2,960	
Eagle	0	1,303	1,303		0	0	0	
Plymouth	8	3,071	3,079		9	3,024	3,033	
FORD MOTOR CO.	2,668	6,287	8,975	5,436	2,719	6,285	9,004	5,486
Ford	2,877	1,693	4,580		2,788	1,908	4,816	
Lincoln	0	1,657	1,657		0	1,617	1,617	
Mercury	11	2,747	2,758		11	2,740	2,751	
GENERAL MOTORS	4,835	10,730	15,565	9,636	4,970	10,720	15,690	9,666
Buick	680	2,255	2,935		780	2,230	2,950	
Cadillac	250	1,360	1,610		250	1,365	1,615	
Chevrolet	2,785	2,125	4,910		2,665	2,110	4,775	
Oldsmobile	595	2,560	3,155		625	2,550	3,175	
Pontiac	525	2,450	2,975		550	2,465	3,015	
TOTALS	8,429	26,630	35,059	20,185	8,779	27,519	36,298	20,512
Minus intercorporate duals				695				812
NET DEALERS				19,530				19,700

NEW-CAR DEALERSHIPS IN UNITED STATES

	Jan. 1, 1988		Jan. 1, 1987	
Domestic cars only:		1,502		7,603
Imported cars only:				
Exclusives	3,964		3,686	
Duals	1,444		1,488	
		5,408		5,174
Domestic-import duals:				
Domestics with captive imports	16,899		3,736	
Domestics with other imports	1,148		2,863	
		18,029		12,401
Total New-Car Dealers in United States		24,938		25,156

NOTES: Captive imports are: Chevrolet Sprint and Spectrum; Chrysler Conquest; Dodge Colt; Eagle Medallion; Plymouth Colt; Ford Festiva; Mercury Tracer; Merkur; and Pontiac LeMans.

IMPORT OUTLETS 1957 to 1988

Jan.	
Jan. 1, 1957	2,930
Jan. 1, 1958	11,409
Jan. 1, 1959	14,031
Jan. 1, 1960	14,674
Jan. 1, 1961	13,135
Jan. 1, 1962	11,864
Jan. 1, 1963	7,136
Jan. 1, 1964	5,248
Jan. 1, 1965	5,858
Jan. 1, 1966	6,013
Jan. 1, 1967	6,598
Jan. 1, 1968	7,158
Jan. 1, 1969	7,269
Jan. 1, 1970	8,311
Jan. 1, 1971	9,860
Jan. 1, 1972	12,375
Jan. 1, 1973	15,332
Jan. 1, 1974	15,248
Jan. 1, 1975	15,468
Jan. 1, 1976	16,411
Jan. 1, 1977	16,387
Jan. 1, 1978	17,374
Jan. 1, 1979	17,760
Jan. 1, 1980	17,114
Jan. 1, 1981	16,815
Jan. 1, 1982	16,661
Jan. 1, 1983	12,116
Jan. 1, 1984	13,807
Jan. 1, 1985	15,177
Jan. 1, 1986	17,118
Jan. 1, 1987	17,553
Jan. 1, 1988	23,436

U.S. NEW-CAR OUTLETS Domestic and Import

Jan.		
Jan. 1, 1958	39,108	−0.1%
Jan. 1, 1959	37,468	−4.2%
Jan. 1, 1960	36,538	−2.5%
Jan. 1, 1961	34,803	−4.7%
Jan. 1, 1962	33,461	−3.9%
Jan. 1, 1963	33,308	−0.4%
Jan. 1, 1964	33,291	−0.1%
Jan. 1, 1965	33,360	+0.2%
Jan. 1, 1966	33,114	−0.7%
Jan. 1, 1967	31,484	−4.9%
Jan. 1, 1968	31,101	−1.2%
Jan. 1, 1969	31,076	−0.1%
Jan. 1, 1970	30,542	−1.7%
Jan. 1, 1971	30,114	−1.4%
Jan. 1, 1972	30,150	+0.1%
Jan. 1, 1973	30,064	−0.3%
Jan. 1, 1974	29,868	−0.7%
Jan. 1, 1975	29,351	−1.7%
Jan. 1, 1976	29,866	+1.8%
Jan. 1, 1977	29,744	−0.4%
Jan. 1, 1978	29,908	+0.6%
Jan. 1, 1979	29,874	−0.1%
Jan. 1, 1980	29,481	−1.3%
Jan. 1, 1981	28,588	−3.0%
Jan. 1, 1982	28,495	−0.3%
Jan. 1, 1983	28,724	+0.8%
Jan. 1, 1984	28,883	+0.6%
Jan. 1, 1985	29,369	+1.7%
Jan. 1, 1986	29,064	−1.0%
Jan. 1, 1987	28,798	−0.9%
Jan. 1, 1988	28,966	+0.6%

IMPORT FRANCHISES

	Jan. 1, 1988	Jan. 1, 1987
JAPAN	10,089	19,301
Chevrolet Sprint		
Spectrum	4,910	4,975
Chrysler Conquest	3,106	3,064
Plymouth Colt	3,079	3,033
Dodge Colt	3,011	2,960
Eagle	1,106	1,106
Toyota	1,023	1,082
Honda	813	826
Nissan	806	801
Mazda	794	771
Isuzu	517	538
Acura	213	156
Mitsubishi	149	116
Daihatsu	137	1
KOREA	7,779	161
Pontiac LeMans	2,975	1
Ford Festiva	4,580	—
Hyundai	224	160
WEST GERMANY	3,187	3,201
Volkswagen U.S.	872	876
Merkur	747	744
Mercedes-Benz	423	432
BMW	419	428
Audi	409	412
Porsche	317	309
MEXICO	2,759	—
Mercury Tracer	2,759	—
FRANCE	1,537	272
Eagle Medallion	1,305	—
Peugeot	232	272
SWEDEN	768	778
Volvo	418	414
Saab	350	364
ITALY	517	538
Bertone	158	158
Alfa Romeo	141	136
Maserati	65	73
Ferrari	42	42
Lamborghini	19	19
BRITAIN	484	493
Jaguar	178	185
Rover	149	156
Lotus	67	66
Aston Martin	40	40
Bentley	30	30
Rolls-Royce	20	16
SPAIN	327	334
Yugo	327	334
CZECHOSLOVAKIA	13	13
Skoda	13	13
TOTAL	25,865	25,301

TV ad spending by makers, dealers rises 20% for 1987

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

The nation's automakers and their dealers spent $2.4 billion on television advertising during the 1987 calendar year, up 20 percent from $2 billion in 1986.

According to the Television Bureau of Advertising, spot television advertisements — market-by-market advertising — represented the largest share of automotive television spending. Factories and dealers spent $1.1 billion on spot television advertising in 1987, up 20.09 percent from $916 million in 1986.

William G. Moll, president of the Television Bureau of Advertising, attributed the increase in spot advertising to the use of target marketing and regional marketing practices by automakers and dealers.

Advertising expenditures by the automakers for network television totaled $933 million in 1987, up 13.09 from the $825 million spent in 1986. Moll called the growth in network spots "solid," saying automakers are using network television buys for "mass reach." On the other hand, spot television is being used by dealers and dealer groups for image enhancement and awareness.

Individual dealers spent $371.4 million for television advertising in 1987, up 9.56 percent from $339 million in 1986.

General Motors was the largest new-car and truck advertiser in 1987. GM and its dealer associations spent $500 million on television ads in 1987, up 24.60 percent from $401.3 million spent on those ads in 1986.

Those figures do not include advertising for GM's non-carmaking subsidiaries such as General Motors Acceptance Corp.

More than half of GM's television spending was devoted to spot television ads. GM spent $261.4 million on spot ads, up 32.69 percent from $197 million in 1986. Network television accounted for 47.72 percent of GM's spending. GM spent $238.4 million on network television ads in 1987, up 16.69 percent from $204.3 million in 1986.

Chevrolet received the largest portion of the corporation's television expenditures and had the largest car advertising budget of any single nameplate in 1987.

Chevrolet and its dealers spent $117 million on television advertising for its cars in 1987, up 25.81 percent over the $93 million spent by the division in 1986. Chevrolet introduced its Corsica and Beretta models in early 1987 and ran a heavy schedule of television ads.

Chevrolet spent $74 million on television ads for its trucks in 1987, up 20.92 percent from $61.2 million spent on those ads in 1986. The 1987 truck expenditure was the second highest for the industry. Chevrolet introduced its new full-sized C/K pickup truck in the spring of 1987.

Although Chevrolet and its dealers outspent other GM divisions on television ads, they did not top total television expenditures for Ford Division. Ford and its dealers spent $193 million on car and truck television advertising in

see TV SPENDING, page 41

AUTOMOBILES — LEADING TV ADVERTISERS BY NAMEPLATE

	1986			1987			
	Network TV	Spot TV	Total TV	Network TV	Spot TV	Total TV	% Change
Chevrolet	$54,172,500	$38,676,700	[illegible]	[illegible]	[illegible]	$116,572,800	+ 25.1
Ford	75,433,400	42,197,600	117,631,000	82,696,300	31,942,100	114,638,900	– 2.5
Pontiac	31,413,600	41,144,400	72,558,200	44,256,400	53,087,700	97,344,100	+ 34.2
Toyota	19,818,200	56,595,300	76,413,500	31,246,900	64,857,400	96,104,000	+ 25.8
Nissan	26,273,700	39,295,300	65,569,000	23,001,900	67,109,700	90,111,300	+ 37.2
Honda	30,797,300	25,939,000	56,717,300	36,577,900	40,966,400	79,544,300	+ 40.2
Hyundai	4,077,300	39,519,600	43,280,900	13,266,200	65,500,600	78,714,800	+ 80.8
Mazda	21,479,500	16,313,400	39,312,900	40,633,200	33,053,500	73,682,000	+ 82.4
Mitsubishi	26,222,600	29,705,700	55,928,300	21,046,750	52,067,200	73,113,900	+ 10.9
Subaru	14,072,000	25,687,200	39,759,200	11,603,150	34,672,700	46,275,800	+ 66.7
Buick	23,042,400	24,720,300	47,762,700	37,698,700	27,747,800	65,447,500	+ 37.0
Volkswagen	33,612,400	19,093,600	52,906,000	32,842,000	22,212,300	55,054,300	+ 4.1
Mercury	31,433,600	15,797,900	47,231,500	38,305,400	16,222,600	54,527,400	+ 15.4
Dodge	22,839,800	20,257,800	42,706,500	28,241,100	20,400,400	48,781,500	+ 14.2
BMW	17,589,600	16,560,600	34,170,200	27,474,900	18,023,800	45,498,700	+ 33.2
Cadillac	14,084,700	12,985,100	27,069,800	17,082,700	18,245,600	35,328,300	+ 30.5
Isuzu	4,903,200	8,867,200	13,770,400	23,818,500	10,660,000	34,478,500	+150.3
Chrysler	16,078,300	4,912,300	20,990,600	17,787,300	13,[illegible]	31,586,800	+ 50.5
Plymouth	—	14,219,900	14,219,900	1,476,800	27,144,700	28,621,500	+101.3

LEADING TV ADVERTISERS — CAR, TRUCK & VAN MAKERS AND DEALER ASSOCIATIONS

	1986			1987			
	Network TV	Spot TV	Total TV	Network TV	Spot TV	Total TV	% Change
General Motors	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	+ 24.2
Ford Motor Co.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	– 1.1
Chrysler Corp.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	+ 10.6
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	+ 21.1
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	+ 8.1
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	+ 9.1
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	+ 6

LEADING AUTO DEALER TELEVISION ADVERTISERS

	1988	1987	Percent Change
Cal Worthington, Los Angeles	4,020,000	4,586,600	+ 14.1
Wilson Ford, Los Angeles	2,508,200	3,423,200	+ 36.5
Foothill Nissan, Los Angeles	1,066,200	2,778,500	+160.6
Frontier Ford, Dallas	2,874,900	2,541,600	- 11.6
Pete Ellis Motors, Los Angeles	1,550,000	2,517,800	+ 62.4
Cal Worthington, Seattle	2,538,800	2,433,600	- 4.1
Rosenthal Autos, Washington	798,900	2,319,700	+190.4
Cal Worthington, Sacramento	2,515,600	1,979,000	- 21.4
Senoya Suburu, Phoenix	1,089,400	1,803,500	+ 65.5
Piemonte Ford, Chicago	904,100	1,559,300	+ 72.5
Calozzi-Ettleson Chevrolet, Chicago	1,635,200	1,502,600	- 8.1
Ocean Cadillac, Miami	1,128,000	1,308,100	+ 16.0
Nationwide Motor Sales, Baltimore	189,400	1,299,900	+586.3
Long-Lewis Ford, Birmingham	1,560,500	1,239,700	- 21.6
Jerry's Chevrolet, Baltimore	1,018,300	1,225,200	+ 20.3
Kott Ford, Los Angeles	265,800	1,215,600	+357.3
Tousley Ford Suburu, Minneapolis	935,020	1,162,300	+ 24.3
Potamkin Enterprises, Miami	735,000	1,117,900	+ 52.1
Ken Johns Motors, Albuquerque	582,200	1,107,700	+ 90.3
Ed Mullinax Ford, Cleveland	1,012,000	1,060,600	+ 4.8
CATEGORY TOTAL	$339,001,500	$371,410,700	+ 9.6

SOURCE: Television Bureau of Advertising from analysis of Broadcast Advertisers Reports data in the top 75 markets.

TV SPENDING

FROM PAGE 40

1987 compared to $191 million for Chevrolet and its dealers.

Ford Motor Co.'s car-advertising expenditure for television was the second highest of all automakers in 1987. Ford Motor Co. and its Ford, Lincoln-Mercury and Merkur dealers spent $305 million on television in 1987, up 1.3 percent from $301.1 million in 1986.

Ford Division and its dealer advertising groups spent $115 million to advertise their cars on television in 1987, down 2.54 percent from $118 million spent in 1986.

Last year, Ford was the top spender among all truckmakers for television advertising. Ford spent $78 million to advertise its trucks on television, up 11.43 percent from the $70 million spent in 1986. Ford introduced a reskinned full-sized pickup truck in the 1987 model year.

Toyota Motor Sales and its dealers spent more money on television in 1987 than any other importer. Toyota spent $164.7 million in 1987, up 2.74 percent over the $160.3 million spent in 1986.

Toyota and its dealers spent $96.1 million on television ads advertising its cars, up 25.79 percent from $76.4 million spent on those commercials in 1986. The company and its dealers also spent $67.4 million on television ads for trucks.

In the individual dealer category, megadealer Cal Worthington's Los Angeles dealership was the largest purchaser of television advertising last year.

Saturn launches recruiting drive

TROY, Mich. — General Motors' Saturn Corp. has begun nationwide recruiting of the 3,000 workers needed to staff its new facility in Spring Hill, Tenn.

Both active and laid-off GM-UAW workers will be considered for Saturn jobs.

UAW-GM Human Resource Centers are scheduling visitation times for local employees. The first stop was in Buffalo, N.Y., to meet with employees of western New York state plants. The next stops were the Buick-Oldsmobile-Cadillac plant in Willow Springs, Ill.; the Electro-Motive plant at LaGrange, Ill.; and the Hydra-matic plant at Three Rivers, Mich. Parts or all of those three plants are being closed.

The Spring Hill complex is scheduled to open in mid-1990.

AUCTION DATES

General Motors

March 22 — Florida Auto Auction of Orlando, Ocoee, Fla.

March 23 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

March 24 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville; and Southwest Auto Auction, Phoenix, Ariz.

Ford Motor Co.

March 22 — South Seattle Auto Auction, Kent, Wash.

March 23 — Columbus Fair Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Southern California Auto Auction, Fontana, Calif.; Newburgh Auto Auction Inc., Newburgh, N.Y.; and Salt Lake Auto Auction, Salt Lake City

March 24 — Baltimore-Washington Auto Exchange, Baltimore; Greater Chicago Auto Auction, Chicago; and St. Louis Auto Auction, Bridgeton, Mo.

Chrysler Motors

March 22 — South Seattle Auto Auction, Kent, Wash.; Florida Auto Auction of Orlando, Ocoee, Fla.; Arena Auto Auction, Chicago; Hatfield Auto Auction, Hatfield, Pa.; Riverside Auto Auction, Riverside, Calif.; and Dallas Auto Auction, Grand Prairie, Texas

March 23 — Nashville Auto Auction, Nashville, Tenn.; Southern Auto Auction, Warehouse Point, Conn.; and Columbus Fair Auto Auction, Obetz, Ohio

Used Car Sales
Auction Averages

March 1988	$8,238
Month ago	$5,178
Year ago	$5,794

Model Breakdown
Auction Averages

	MARCH 1988	FEB 1988	JAN 1987
1988	$11,385	$10,741	$8,839
1987	$8,482	$8,443	$8,435
1986	$6,806	$6,732	$6,516
1985	$5,731	$5,731	$5,501
1984	$4,344	$4,363	$4,349
1983	$3,704	$3,689	$3,362
1982	$2,516	$2,454	$2,303
1981	$1,864	$1,817	$1,926
Overall Average	$8,238	$5,309	$4,841

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CONQUEST High-Top Van
$4495.00 FREIGHT FREE 700 MILES!*
*This van is complete and ready for retail.

Village Ford, Dearborn, Michigan
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Chuck Brainard

Behlmann GMC, St. Louis, Missouri
"Conquest is the #3 pool company in 1988, and a top-selling van for me!"
Ken Behlmann

Ricart Ford, Columbus, Ohio
"Conquest vans sell, and warranties are paid promptly. They're nice people to work with."
Fred Ricart

Jay Kline Chevrolet, Minneapolis, Minnesota
"If you don't carry Conquest vans, you're missing sales. The quality and price are phenomenal!"
Larry Allen

Standard Features
☐ Raised roof with vista bay windows ☐ Rear air and heat ☐ Full paint scheme ☐ Euro-design seating ☐ Lots of oak ☐ Television ☐ Mini-blinds and Much, Much More!

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SALES

Sales rise 16.5% for U.S. cars

Early-March total climbs to 211,772

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

Sales of new cars built in the United States climbed 16.47 percent from the year-earlier total in the first 10 days of March.

Sales totaled 211,772 cars compared with 181,820 in 1987.

The daily selling rate in early March this year averaged 23,530 units compared with 22,728 in 1987. There were nine selling days in the sales span this year compared with eight last year.

Gains were widespread in the most recent sales period. Only General Motors, Nissan and Volkswagen reported declines.

Almost all the domestic car builders are offering incentives in one form or another this year as they were in March of last year.

Retail incentives include the now-customary discount financing and money-back deals and, most recently, three months of delayed car-purchase payments, an offer being made in some states by General Motors Acceptance Corp.

Dealer incentives also are in play as sales-boosting devices by several manufacturers, including Toyota, which was not using retail incentives in the period.

Toyota reported the largest percentage sales gain in the 10 days — an increase of 122 percent. Sales of U.S.-built Toyotas rose to 1,110 units from 500.

Honda dealers delivered 93.35 percent more cars this year than last in early March, and Ford Motor Co. dealers delivered 36.61 percent more.

Chrysler Motors dealers turned over the keys to buyers of 33.10 percent more new cars in the 1988 period than they did in the corresponding 1987 sales span.

Mazda reported 10-day sales of 560 cars built in this country. Mazda began building cars in Flat Rock, Mich., in September.

Nissan had a retail sales decline of 9.64 percent for domestic cars. VW's decline amounted to 8.48 percent and GM's to 2.17 percent.

There is a new entry from Ford this month. Dealers are selling Probe models as they receive them, although the official introduction date is May 12. Sales totaled 580 for March 1-10.

DOMESTIC SALES

	March 1-10, 1988	March 1-10, 1987
Eagle	1,097	760
Chrysler	10,892	6,310
Plymouth	9,180	9,127
Dodge	13,498	9,849
Chrysler Motors	34,667	26,046
Ford	47,730	37,712
Mercury	15,902	10,284
Lincoln	5,227	2,411
Ford Motor Co.	68,859	50,407
Buick	13,458	16,200
Cadillac	7,006	5,866
Chevrolet	40,749	40,050
Oldsmobile	15,405	18,881
Pontiac	18,754	18,484
General Motors	95,372	97,487
Volkswagen	777	849
Honda	8,496	4,394
Nissan	1,931	2,137
Toyota	1,110	500
Mazda	560	—
U.S. Industry Total	211,772	181,820

CANADIAN CAR AND TRUCK SALES

	Feb. 1988	Feb. 1987	2 Mos., 1988	2 Mos., 1987
Domestic Cars				
GM	24,690	25,779	44,983	43,488
Ford	14,231	13,734	26,259	25,534
Chrysler	10,337	9,640	20,094	18,094
Domestic Car Total	49,258	49,153	91,336	87,116
Import Cars				
Honda*	4,423	4,687	8,447	7,981
Toyota	4,357	3,779	8,580	6,391
Volkswagen	2,593	1,946	4,922	3,457
Mazda	2,433	1,520	3,912	2,680
Hyundai	2,011	3,511	4,206	7,809
Nissan	1,621	2,413	3,102	4,379
Suzuki	516	153	865	225
Subaru	486	560	945	1,010
Volvo*	483	477	881	1,042
BMW	303	251	655	478
Mercedes-Benz	282	300	493	617
Jaguar	255	179	415	349
Saab	95	100	188	238
Lada	78	61	157	120
Skoda	46	54	94	92
Import Car Total	19,919	19,961	37,872	37,666
TOTAL — ALL CARS	69,177	69,134	129,177	124,174
Domestic Trucks (including vans)				
GM	11,283	11,554	21,253	20,694
Ford	10,042	9,769	19,256	18,457
Chrysler	7,505	4,221	14,194	7,997
Domestic Truck Total	28,810	25,544	54,703	47,148
Import Trucks (including vans)				
Toyota	1,001	796	1,936	1,230
Nissan	982	1,562	1,855	2,712
Mazda	678	803	1,103	1,331
Suzuki	441	190	757	352
Other Import	101	83	141	154
Import Truck Total	3,203	3,434	5,792	5,779
TOTAL — ALL TRUCKS	32,013	28,978	60,495	52,927

*—Honda and Volvo sales include cars built in Canada.

Canadian car sales match last year's total in February

By Bill Vance
SPECIAL CORRESPONDENT

TORONTO — Car sales in Canada in February almost matched those of the year-ago month. Domestic cars were up 105 units and imports were down 62. The combined totals were 69,177 this year and 69,134 in 1987.

Two-month sales were 3,000 ahead of last year's total.

Ford Motor Co. and Chrysler Motors posted year-to-year increases in February, just as they did in January. General Motors was off 4.2 percent after a 14.5 percent rise in January.

On the import side, Toyota was up 15.3 percent over a year ago but it was not enough to take first place for February. Honda, aided by its new Acura Division, edged ahead even though its sales slipped 5.6 percent from a strong February in 1987. Volkswagen held on to third place with a solid 33.2 percent gain.

The greatest percentage gain in sales was shown by Suzuki with a whopping 237.3 percent increase over a year go. It climbed from 12th to seventh place.

As was the case the previous month, the big loser in February was Hyundai, which suffered a 42.7 percent drop in sales compared with February last year. It followed a 48.9 percent fall in January.

Truck sales, domestic and import, totaled 32,013 in February, up 10.5 percent from 28,978 last year.

Chrysler was the big story in trucks with sales of 7,505, a 77.8 percent increase over last year. The Dodge Caravan and Plymouth Voyager minivans paced the surge. They are now in their fifth model year and are still back-ordered.

Chrysler Canada said February set an all-time monthly record for truck sales and was the 12th consecutive month of record truck sales.

Other domestic truck sales held up well. Among the imports, Suzuki was again the big winner with sales of its Samurai 4x4 up 132.1 percent. Nissan slipped the most, with a dip of 37.1 percent from February 1987.

IMPORT SALES BY MODEL

	Feb. 1988	Feb. 1987	2 Mos., 1988	2 Mos., 1987
ACURA	8,988	7,056	18,025	12,723
Integra	3,779	4,428	7,991	7,961
Legend	5,209	2,628	10,134	4,762
ALFA ROMEO	522	587	783	1,096
GTV-6	0	0	3	0
Milano	322	0	436	0
Spider	200	0	325	0
AUDI	1,992	1,972	3,431	4,044
4000S	38	369	78	720
4000CS Quattro	19	161	39	368
5000S	364	969	965	2,028
5000CS Turbo	88	170	177	345
5000CS Turbo Quattro	95	221	334	406
80	997	0	1,067	0
90	634	0	962	0
Coupe GT	37	82	89	179
BMW	5,769	6,580	10,359	11,573
316i	6	3	6	4
524 TD	1	7	1	12
325	3,281	4,797	5,992	8,267
528e	797	790	1,341	1,576
535i/535iS	426	512	747	888
6-Series	115	151	178	283
7-Series	914	285	1,896	496
M3	140	0	269	0
M5	33	0	58	1
M6	50	40	71	40
CHEVROLET	11,300	8,815	21,007	16,743
Spectrum	6,457	5,205	12,023	11,261
Sprint	4,813	3,610	8,984	7,482
CHRYSLER/MITSUBISHI	11,156	9,690	18,455	16,393
Colt	8,284	5,819	13,757	11,838
Conquest	893	1,973	1,442	1,721
Vista	1,979	2,798	3,256	4,834
DAIHATSU	760	0	1,783	0
EAGLE/RENAULT	2,244	0	4,899	0
Medallion	2,244	0	4,899	0
FORD Festiva	6,080	0	11,166	0
HONDA	18,812	21,797	41,273	42,270
Civic/CRX	10,348	8,728	20,960	18,482
Accord	3,299	7,228	10,421	13,933
Prelude	5,173	5,841	9,892	9,884
HYUNDAI	22,536	18,536	44,960	36,882
ISUZU	1,448	1,622	3,009	3,572
I-Mark	841	1,124	1,878	2,139
Impulse	607	498	1,124	1,433
JAGUAR	1,400	1,468	2,368	2,523
XJ6	1,048	1,063	1,953	1,882
XJS	352	405	615	641
MASERATI	58	65	145	125
MAZDA	16,413	10,949	32,409	21,092
323	7,362	4,643	15,018	8,015
626	5,272	3,957	10,107	8,415
MX-6	1,360	0	2,863	0
929	1,972	0	3,756	0
RX-7	2,447	2,149	4,665	4,662
MERCEDES-BENZ	5,860	6,068	11,669	14,174
190	1,774	1,772	3,134	3,434
260E	113	417	267	888
300	1,635	2,156	3,264	5,023
300SDL Turbo	4	68	67	1,113
300SEL	887	0	1,119	0
420SEL	783	1,202	1,944	2,198
560SEL	420	517	844	1,053
560SL	826	1,050	1,540	1,884
560SEC	130	161	291	279
Tourist	28	46	44	84
MERKUR	774	486	1,583	896
XR4Ti	471	486	968	896
MITSUBISHI	5,203	5,314	10,483	7,640
Starion	251	613	446	947
Cordia	439	452	884	632
Tredia	111	469	203	863
Mirage	899	1,596	1,893	2,324
Galant	837	1,504	1,747	2,214
Precis	2,062	0	4,349	0
Van/Wagon	580	680	961	960
NISSAN	24,826	41,661	52,627	77,626
Sentra	10,882	13,022	21,402	23,681
Pulsar	3,252	6,039	6,304	11,508
Stanza	3,140	6,306	8,000	11,648
Maxima	4,490	7,991	10,177	15,218
200SX	1,062	3,510	2,445	6,743
300ZX	1,727	4,457	3,851	8,261
Hawaii	273	336	448	570
PEUGEOT	331	632	684	1,568
PONTIAC LeMans	3,574	0	7,153	0
PORSCHE	1,417	1,815	2,554	3,468
924S	166	178	261	305
944	361	420	654	838
944S	90	241	100	457
944 Turbo	208	221	328	417
911 Coupe	289	323	505	617
911 Turbo	90	87	181	153
911 Cabriolet	132	183	253	332
928S	134	162	254	332
SAAB	3,076	3,295	5,795	6,844
900	535	633	1,080	1,418
900S	797	985	1,512	2,108
900 Turbo	666	610	1,261	1,282
9000S	283	321	573	321
9000 Turbo	752	681	1,341	1,699
Tourist	11	17	48	66
STERLING	1,166	1,043	2,117	1,043
SUBARU	12,500	12,347	22,547	21,061
Hatchback	518	610	1,151	1,327
3-Door	570	999	1,046	1,752
4-Door Sedan	2,337	3,038	3,717	5,062
XT	1,020	1,700	1,848	2,688
Station Wagon	5,365	5,144	9,518	9,050
Justy	2,790	856	5,267	1,170
TOYOTA	42,187	34,713	84,316	64,018
Corolla	11,143	6,437	22,249	11,592
Tercel	6,423	5,602	12,652	9,971
Celica	4,499	5,426	8,924	9,884
Supra	1,751	2,321	3,278	4,255
Camry	13,535	8,887	28,547	16,823
Cressida	1,059	1,689	1,977	3,373
Land Cruiser	597	261	1,149	548
Van	577	1,157	1,078	2,130
4Runner/SR 5	1,353	116	2,852	216
MR2	853	1,296	1,814	2,342
Hawaii	0	325	0	650
VOLKSWAGEN	12,784	7,254	23,854	12,511
Cabriolet	1,127	975	1,631	1,653
Jetta	6,127	3,948	10,123	7,191
Vanagon	570	704	1,079	1,321
Quantum	250	464	512	882
Carocco	314	564	570	1,022
Fox	4,796	598	9,731	1,322
VOLVO	7,101	9,043	15,830	21,652
240 Series	2,873	4,507	6,583	10,670
740 Series	3,380	3,491	7,302	9,111
760 Series	747	431	1,666	1,350
780	100	0	200	0
Tourist	97	114	84	181
YUGO	2,744	5,089	3,333	3,272
IMPORT TOTAL	238,312	218,082	464,673	414,132

PRODUCTION

Car output up 5%, but trails 1987

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Domestic automakers planned to build 144,416 cars last week, 5.77 percent more than the prior week's 136,534 but 15.62 percent less than the year-ago week's 171,149.

So far this year, 1,406,731 units have been assembled, 23.72 percent below the 1,844,187 completed last year at this point.

Companies split last week's scheduled output as follows: General Motors, 46.90 percent; Ford Motor Co., 25.40 percent; Chrysler Motors, 15.75 percent; Honda of America Manufacturing Inc., 5.60 percent; New United Motor Manufacturing Inc., 2.25 percent; Nissan Motor Manufacturing Co. U.S.A., 1.45 percent; Volkswagen of America, 1.38 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.27 percent.

Truck output totaled 84,971 units last week, a 2.81 percent dip from the previous week's 87,429. However, output rose 5.17 percent from the year-ago week's 80,185.

Year-to-date, 926,594 trucks have been built, 7.65 percent more than the 860,735 assembled last year at this point.

The second shift at GM's Van Nuys, Calif., plant resumed last week. The shift had been dropped Feb. 8.

The Pontiac Fiero plant in Pontiac, Mich., resumes output today. The plant had been idle for inventory adjustment.

GM slated overtime last Saturday at three plants: Detroit-Hamtramck; Baltimore (truck); and Pontiac, Mich. (truck).

Overtime also was scheduled last Saturday at Ford's Wixom, Mich., and Kansas City, Mo., plants.

All Ford car and trucks plants except the Edison, N.J., facility are slated for daily overtime this week.

Daily overtime is scheduled this week at Chrysler's St. Louis No. 2 plant.

Canadian cars 17% above '87

Canadian automakers scheduled production of 22,503 cars last week, 2.78 percent more than the previous week's 21,895 and 28.31 percent more than the year-ago week's 17,538.

So far this year, 242,081 units have been assembled, 17.13 percent more than the 206,677 completed last year at this point.

Truck output was slated at 19,675 units last week, 1.83 percent below the prior week's 20,042 but 13.36 percent more than the year-ago week's 17,356.

Year-to-date, 210,220 trucks have been built, 13.83 percent more than the 184,672 assembled last year at this time.

The second shift at General Motors' Oshawa, Ontario, plant was scheduled to resume today. It was dropped last November due to slow sales.

Chrysler Motors' Bramalea, Ontario, plant resumed production today. The plant had been idle to make a change in the production mix of Premier models.

U.S. CAR	Week Ended March 19, 1988	Week Ended March 21, 1987	Week Ended March 13, 1988	Month to Date	Jan. 1 to March 19, 1988	Jan. 1 to March 21, 1987
Alliance	0	763	0	0	0	6,374
Total Eagle	0	763	0	0	0	6,374
Horizon	1,400	0	1,725	4,466	18,423	32,324
Sundance	2,100	2,643	2,115	5,916	23,255	25,272
Reliant	2,500	2,977	2,510	6,035	13,057	30,256
Caravelle	500	1,046	506	1,006	3,897	14,007
Gran Fury	150	0	199	357	2,427	4
Total Plymouth	8,650	8,366	8,939	17,000	66,059	101,857
LeBaron K	500	2,266	486	1,451	3,208	20,417
LeBaron J	1,880	2,197	1,933	5,252	16,572	16,514
LeBaron GTS	199	939	178	482	1,732	9,235
M. Yorker E-Class	0	2,007	0	0	0	10,873
M. Yorker C-Class	2,200	0	2,224	5,166	22,063	0
Fifth Avenue	250	1,214	370	961	10,850	8,336
Total Chrysler	4,909	6,626	5,263	14,312	48,415	71,374
Omni	1,400	0	1,576	4,427	18,052	27,744
Daytona	1,800	1,097	1,949	5,276	9,806	9,369
Shadow	2,200	2,233	2,285	6,276	24,343	22,714
Aries	2,300	2,599	2,219	5,050	14,436	25,848
Dodge 600	400	1,823	479	875	3,366	11,997
Dynasty	2,400	0	2,450	6,740	24,204	6
Lancer	200	998	228	610	2,840	6,917
Diplomat	500	0	484	1,194	4,431	4
Total Dodge	11,200	7,540	11,777	30,448	101,278	109,679
CHRYSLER MOTORS	22,750	22,232	23,930	62,587	215,753	286,483
Escort	4,482	8,222	2,382	8,716	76,634	85,104
Mustang	4,594	5,239	4,470	12,706	49,296	52,000
Tempo	4,488	4,404	3,987	11,470	44,987	46,052
Taurus	7,942	9,365	7,948	22,259	87,396	110,583
Thunderbird	3,466	3,372	3,352	9,138	35,894	33,415
Total Ford Div.	24,974	30,592	22,109	64,289	294,190	327,157
Lynx	1	1,023	0	0	0	14,198
Topaz	1,935	1,997	1,645	4,998	17,466	13,840
Cougar	2,299	3,377	2,418	7,015	27,773	43,155
Sable	2,617	3,477	2,639	7,376	27,231	34,424
Total Mercury	6,851	8,944	6,597	19,278	72,540	105,617
Continental	1,079	419	943	2,880	9,648	4,229
Mark VII	548	997	448	1,436	5,934	6,328
Lincoln	3,244	3,049	2,809	8,845	33,238	31,656
Total Lincoln	4,872	4,066	4,200	12,960	48,856	42,213
Total L-M Division	11,723	13,010	10,797	32,238	121,396	147,830
FORD MOTOR CO.	36,677	43,602	32,906	96,526	415,516	474,987
Skyhawk	1,088	860	1,106	2,169	7,188	10,758
Skylark/Somerset	360	2,052	346	1,024	5,348	21,006
Century	2,435	4,348	1,875	4,960	12,898	47,598
Regal (rwd)	0	785	0	0	0	11,166
Riviera	156	329	130	429	1,574	5,530
Electra	1,278	2,414	1,253	3,537	14,785	25,289
LeSabre (fwd)	2,500	2,885	2,400	6,827	25,520	24,602
LeSabre (rwd)	225	320	219	594	1,472	4,912
Reatta	134	0	97	306	776	0
Total Buick	8,171	13,794	7,426	19,845	70,504	150,962
Cimmaron	146	424	117	447	2,778	5,114
Eldorado	1,224	486	1,010	3,158	7,246	4,276
Seville	732	401	586	1,807	4,871	7,083
Brougham (rwd)	0	1,857	0	0	0	22,001
Deville (fwd)	4,000	3,951	3,967	11,154	42,796	41,743
Allante	65	56	65	183	498	540
Total Cadillac	6,167	7,185	5,757	16,839	58,190	80,757
Cavalier	7,232	8,038	7,275	20,145	71,840	63,988
Camaro	2,325	1,115	974	3,084	11,484	17,984
Celebrity	3,965	8,983	4,498	9,461	33,041	91,734
Corsica/Beretta	8,920	7,917	9,132	25,288	84,677	61,545
Monte Carlo	0	2,019	0	0	0	16,998
Caprice	3,335	5,053	3,152	9,276	44,821	82,430
Corvette	440	642	449	1,250	4,753	7,057
Total Chevrolet	26,257	33,767	25,478	68,502	250,426	391,757
Calais	2,020	2,767	2,020	5,725	22,693	26,788
Firenza	497	318	482	879	3,506	5,021
Cutlass Ciera	0	3,567	0	0	0	46,211
Cutlass Supreme	2,216	1,671	2,219	5,918	20,696	12,088
Toronado	402	343	403	1,302	3,697	4,256
88 (fwd)	3,361	5,140	3,210	8,149	33,056	53,809
88 (rwd)	285	312	152	611	2,882	4,472
Olds 98	1,838	2,018	1,827	5,119	19,379	21,190
Total Oldsmobile	10,709	16,176	10,310	28,784	105,134	175,816
Sunbird	2,162	2,996	1,963	5,834	23,733	28,054
Grand Am	4,809	6,126	4,858	13,474	52,935	61,098
Firebird	1,795	1,022	972	3,449	10,011	16,479
Grand Prix	2,041	0	2,041	5,540	22,307	0
Pontiac 6000	2,710	2,273	2,527	6,998	11,030	20,196
Bonneville	2,977	3,096	2,982	5,857	19,710	34,909
Safari/Parisienne	285	276	177	508	1,471	2,993
Fiero	618	1,131	613	1,661	3,622	8,744
Total Pontiac	16,420	16,883	15,171	43,048	135,709	172,412
GENERAL MOTORS	67,724	87,805	64,142	177,023	619,924	811,604
HONDA	8,095	7,379	7,088	21,087	78,298	77,557
Civic	2,213	1,808	1,929	5,570	19,088	28,706
Accord	5,872	5,573	5,139	15,497	58,295	46,851
MAZDA†	1,840	0	1,888	4,711	12,973	0
NISSAN	2,089	2,946	1,484	4,640	15,012	32,152
NUMMI	3,250	4,111	3,331	9,245	34,888	44,549
Corolla	1,200	652	1,203	3,302	12,287	9,088
Nova	2,050	3,259	2,128	5,953	22,593	35,441
VOLKSWAGEN	2,000	2,014	1,998	5,618	13,785	17,884
Golf/GTI	1,300	1,764	1,298	3,658	9,196	15,884
Jetta	700	250	700	1,960	4,600	2,000
Total Cars, U.S.	144,416	171,149	136,534	381,412	1,406,731	1,844,187
Total Cars, Canada	22,503	17,538	21,895	63,073	242,081	206,677
U.S., Canada Cars	166,919	188,687	158,429	444,485	1,648,812	2,050,864
U.S., Canada Cars and Trucks	271,585	268,228	265,900	741,827	2,795,698	3,096,271

Monthly estimates may contain error of one or two units due to rounding.
*—Subaru. †—Total includes Mazda-U.S. and Ford Aerostar.

CANADIAN CAR	Week Ended March 19, 1988	Week Ended March 21, 1987	Week Ended March 13, 1988	Month to Date	Jan. 1 to March 19, 1988	Jan. 1 to March 21, 1987
Eagle	0	—	0	0	0	—
Premier	0	—	0	1,366	14,440	—
CHRYSLER MOTORS	0	199	0	1,366	14,440	1,690
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,402	—	4,364	12,220	45,543	—
Topaz	1,356	—	1,341	3,776	16,280	—
Crown Victoria	2,880	—	2,794	8,001	31,090	—
Grand Marquis	2,880	—	2,826	7,902	30,407	—
FORD MOTOR CO.	11,518	11,280	11,315	31,989	123,329	123,291
Celebrity	333	—	241	830	3,914	—
Cutlass Ciera	5,285	—	5,440	14,882	46,526	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	580	—	496	1,562	9,872	—
Regal	3,997	—	3,579	10,099	35,916	—
GENERAL MOTORS	10,155	5,592	9,756	27,382	96,228	77,744
HONDA	680	201	602	1,933	6,826	1,512
VOLVO	140	225	142	361	1,287	2,476
Total Cars, Canada	22,503	17,538	21,895	63,073	242,081	206,677

U.S. TRUCK*	Week Ended March 19, 1988	Week Ended March 21, 1987	Week Ended March 13, 1988	Month to Date	Jan. 1 to March 19, 1988	Jan. 1 to March 21, 1987
Caravan	1,900	—	2,429	5,942	21,989	—
Dakota	2,800	—	2,885	7,884	25,532	—
Mini-Ram Van	200	—	141	692	3,229	—
Pickups	1,300	—	1,406	3,733	12,500	—
Total Dodge	6,200	5,469	6,843	18,251	63,250	54,919
Cherokee	3,800	—	3,797	10,141	40,013	—
Commanche	1,000	—	1,082	2,757	10,953	—
Grand Wagoneer	300	—	348	928	3,092	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	303	710	2,980	—
Total Jeep	5,300	4,436	5,510	14,536	57,046	49,419
Voyager	1,700	—	2,094	5,416	20,293	—
Total Plymouth	1,700	—	2,094	5,416	20,293	—
CHRYSLER MOTORS	13,200	9,899	14,447	36,203	140,601	104,336
Aerostar	4,465	—	4,363	12,368	50,362	—
Bronco	1,275	—	1,294	3,583	13,853	—
Bronco II	2,968	—	2,967	8,311	33,536	—
Econoline	5,158	—	5,146	14,482	56,327	—
Heavy trucks	1,366	—	1,364	3,830	14,702	—
Light trucks	10,411	—	11,036	30,340	111,089	—
Ranger	7,433	—	7,286	20,557	80,707	—
Total Ford Div.	33,055	32,302	34,043	93,536	361,196	368,767
FORD MOTOR CO.	33,055	32,302	34,043	93,536	361,196	368,767
Astro	3,830	—	3,706	10,176	38,204	—
Blazer	523	—	592	1,622	6,102	—
Medium/Heavies	340	—	240	824	5,469	—
P-Model	0	—	0	706	8,502	—
Pickups	6,389	—	6,801	18,773	68,921	—
S-10	6,589	—	6,312	17,296	60,840	—
S-10 Blazer	3,522	—	3,430	10,209	33,214	—
Sportsvan/Van	1,392	—	1,624	4,218	15,136	—
Suburban	1,410	—	1,630	4,442	16,053	—
Total Chevrolet	23,975	24,287	24,346	68,256	253,440	249,876
Jimmy	183	—	223	544	1,984	—
Medium/Heavies	956	—	1,043	2,770	10,282	—
P-Model	0	—	0	119	724	—
Pickups	2,503	—	2,042	6,035	23,289	—
S-15	1,450	—	1,809	4,638	16,542	—
S-15 Jimmy	858	—	882	1,971	8,006	—
Safari	959	—	1,108	2,894	10,156	—
Suburban	647	—	808	2,049	8,236	—
Vandura/Rally/Vans	988	—	743	2,365	10,227	—
Total GMC	8,539	7,918	8,656	23,185	89,471	86,726
GENERAL MOTORS	32,501	32,185	33,005	91,440	342,911	335,602
NAVISTAR	1,785	1,618	1,653	4,722	19,272	17,169
NISSAN	1,670	1,594	1,531	5,755	22,362	19,018
AM GENERAL*	450	50	450	1,285	4,950	550
MISCELLANEOUS*	2,300	2,300	2,300	6,440	25,300	25,300
Total Trucks, U.S.	84,971	80,185	87,429	241,357	926,594	860,735

CANADIAN TRUCK	Week Ended March 19, 1988	Week Ended March 21, 1987	Week Ended March 12, 1988	Month to Date	Jan. 1 to March 19, 1988	Jan. 1 to March 21, 1987
Caravan	3,048	—	3,092	8,609	33,586	—
Mini-Ram Van	336	—	349	953	2,853	—
Ram Wagon	580	—	532	1,544	4,928	—
Ram Van	1,330	—	1,428	3,839	12,323	—
Total Dodge	5,274	9,178	5,381	14,937	53,670	67,428
Voyager	2,760	—	2,811	7,810	31,389	—
Total Plymouth	2,760	—	2,811	7,810	31,389	—
Wrangler	1,018	—	1,098	2,911	11,081	—
Total Jeep	1,018	643	1,098	2,911	11,081	6,951
CHRYSLER MOTORS	9,052	9,821	9,290	25,658	96,141	104,379
FORD MTR. (L. Ste.)	3,648	3,242	3,806	10,179	39,415	39,514
Light trucks	3,376	—	3,400	9,257	34,822	—
Vans	1,470	—	1,280	3,803	14,238	—
Total Chevrolet	4,846	—	4,680	13,060	49,060	—
Light trucks	1,425	—	1,647	4,642	16,872	—
Vans	480	—	654	1,814	6,269	—
Total GMC	1,905	—	2,301	6,256	23,141	—
GENERAL MOTORS	6,750	4,188	6,981	19,315	72,201	41,586
NAVISTAR	228	185	228	633	2,433	2,183
Total Trks., Canada	19,675	17,356	20,042	56,765	210,220	184,672
U.S., Canada Trks.	104,646	97,541	107,471	297,142	1,136,814	1,045,407

—Includes station van production. *—Estimates; also includes commercial cars. All General includes Geo/Isuzu/Suzuki vehicles. Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc. Miscellaneous may include some of the U.S. and Canada totals.

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DEALER TAX HEADACHE:

One man's defeat creates a bugaboo: When is incentive trip business, too?

By Matt DeLorenzo
AUTOMOTIVE NEWS STAFF REPORTER

Dealers who mix business with pleasure on sales incentive trips better have a well-documented business plan for the trip if they expect their income tax deductions to hold up.

Nathan Wade, owner of Wade Subaru in Salt Lake City, knows that all too well. Earlier this month, a U.S. Tax Court there said it would not regard a 1984 trip by Wade and his wife to Paris as a business-related trip even though the couple made a side trip to Germany to purchase five BMWs for resale in the United States.

It's impossible to know how often dealers take such business deductions on their taxes, but an industry expert said it happens occasionally.

"A trip will not be regarded as business-related if it is primarily for pleasure and in the nature of a vacation," the court ruled. "A mere casual connection to one's business does not justify treating the cost of the trip as a business expense."

Wade had argued that the amount the trip represented in income should be offset by an imputed business expense when he and his wife traveled to Germany and purchased the five BMWs. Wade drove one of the vehicles from Aachen to the port for delivery to the United States and his wife followed in another of the cars for the return trip to Aachen.

"The mere fact that petitioner's wife

see TAX, page 50

Mazda Motor chief blasts U.S. part firms

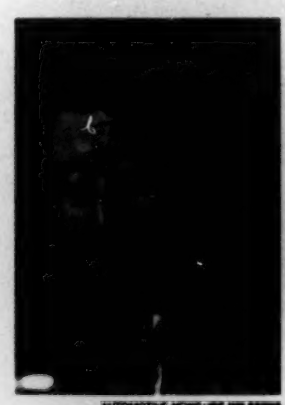
By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

ANN ARBOR, Mich. — Only six months into United States car-building, Mazda Motor Manufacturing (USA) President Osamu Nobuto harshly criticized U.S. auto parts manufacturers for not meeting Mazda's quality and delivery requirements.

In a severely worded address, Nobuto last week told the University of Michigan's eighth annual International Automotive Industry Conference that the lack of organization in American parts firms and inadequate communication — both within the parts firms and between them and their suppliers — contribute to the problems.

He said problems with American parts makers also result from Ameri-

see NOBUTO, page 50



AUTOMOTIVE NEWS/JOE WILKENS

Mazda's Osamu Nobuto

Lawsuit bares shop secrets of Nissan, supplier

By Charles M. Thomas and Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTERS

The fiery dispute between a major automaker and its service-contract supplier has ended up in federal court, providing a rare public glimpse into the controversial manufacturer-dealer-insurer relationship — and revealing a plethora of data on warranty costs and profits and car failure rates.

Nissan Motor Corp. in U.S.A. has sued its in-house vendor of extended service contracts, Oklahoma-based Adesco Corp., in a feud that has sparked a morass of lawsuits between the two companies, dealers and Adesco's accountants.

Adesco has accused some Nissan dealers in Florida of incidents of fraud in their filing for payments on claims for service and parts. And one Adesco official charged that Nissan may be trying to bankrupt Adesco so Nissan can start its own extended service contract unit.

Adesco, which also administers and insures service contracts for Isuzu and Mazda, said its loss ratio on claims by Florida Nissan dealers was 165.8 percent, compared with 118.3 percent for Nissan nationwide. That means that for every $1 paid into service contract reserves, $1.658 was paid out in claims in Florida, while $1.183 was paid out nationally.

In contrast, the loss ratio for the two other Japanese makers handled by Adesco was 69.3 percent, it says.

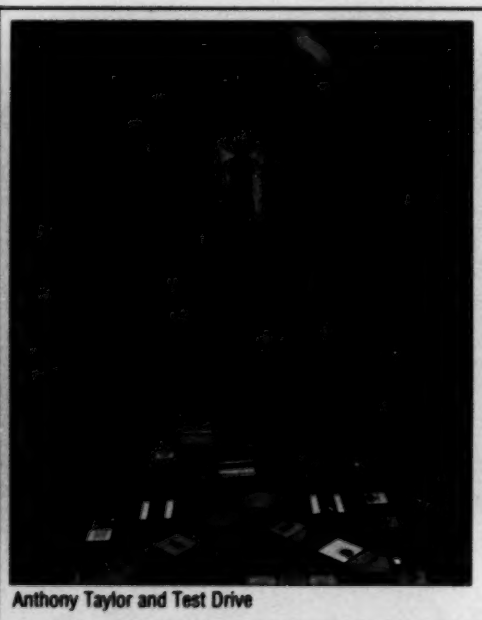
Adesco, through its affiliate — Oklahoma-based Minnehoma Insurance Co. — had threatened earlier in the year to terminate as many as 100 dealers after it audited five Florida dealerships and allegedly found instances of fraudulent claims filed by dealers. Both Adesco and Minnehoma are owned by K. George Paganis.

Nissan won a temporary restraining order from a U.S. District Court judge in Los Angeles, halting Minnehoma from notifying the Japanese importer's customers and dealers in Florida and elsewhere that it will terminate dealers from the program.

A hearing on making the injunction permanent is scheduled for April 5.

Meanwhile, Minnehoma has sued five Nissan dealers in Florida on charges of fraud and civil theft

see NISSAN, page 48



Anthony Taylor and Test Drive

Cars-R-Us

Nashville salesman turns auto biz into board game

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

If anyone needs proof that people who sell cars are among the world's most steadfast optimists, consider this: A Tennessee salesman is betting that Americans will spend $29.95 for a chance to haggle over car prices during their leisure time.

The gimmick is Test Drive, a board game created by salesman Anthony Taylor at Frank Davis Buick-Jeep-Eagle in Nashville, Tenn.

Taylor hopes that by capitalizing on the nation's love affair with automobiles, Test Drive might be 1988's answer to Trivial Pursuit and other hot board games of years gone by. In the process, he promises, the game will save players a few bucks on their next car deal.

"Once they play the game, they'll never buy a car the same way again," Taylor says.

see GAME, page 46

Hyundai again swamps all in sales-per-dealer ratings

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

For the second year in a row, the average Hyundai dealer in this country delivered almost twice as many new cars as any other franchise.

The sales figure for the average Hyundai dealership in 1987 was 1,369 cars compared with 693 for the average Honda dealership, which was second in the rankings.

Foreign nameplates took the first six places in car sales per outlet and the first five spots in combined car-truck sales per dealership. Ford was the domestic leader in both categories.

It was the second year in a row that Hyundai captured the top spot and the accomplishment gains in significance in light of the fact that the first Hyundai cars went on sale in the United States in February 1986. The average Hyundai dealership delivered a record 1,431 cars in 1986.

see SALES, page 46

CAR-TRUCK SALES PER OUTLET

1. Hyundai	1,369	1,431
2. Toyota	857	947
3. Mitsubishi	831	701
4. Honda	693	716
5. Nissan	673	667
6. Ford	612	603
7. Acura	566	562
8. Suzuki	575	574
9. Chrysler	551	538
10. Jeep	514	491
11. Dodge	523	356
12. Volvo	287	275
13. Pontiac	234	224
14. Isuzu	229	235
15. Oldsmobile	228	331
16. Subaru	220	218
17. Volkswagen	219	247
18. Mercedes	213	234
19. Buick	208	227
20. Saab	161	157

Canada finds 'no injury' in Hyundai dumping case

By Jim Kenzie
STAFF CORRESPONDENT

OTTAWA — Hyundai Auto Canada may have been guilty of selling cars in Canada at prices lower than those charged in South Korea, but that action "has not caused, is not causing and is not likely to cause injury to the production in Canada of like goods."

The ruling by the Canadian Import Tribunal may greatly diminish the likelihood that the Big 3 will file similar dumping charges in the United States.

The tribunal's finding in the Canadian case means that Hyundai will not be liable for fines nor will it have to raise prices. The dumping charges against Hyundai were brought by General Motors of Canada and Ford of Canada.

The tribunal's finding was released last week.

Trade observers in the United States said GM's and Ford's inability to demonstrate injury in Can-

see HYUNDAI, page 46

...sport utilities win ...ound with Customs Page 3

Kenosha engine pact splits Chrysler, UAW Page 6

Shun protectionism, Smith tells Europe Page 45

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Chrysler speeds up car work

New platform due; engineering pushed

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Chrysler Motors is accelerating its development of a new car platform. The speedup comes as the company is substantially boosting its spending for engineering and fundamentally altering its product development method.

Robert A. Lutz, Chrysler Motors president of operations, said the new platform will be an addition to the company's product lineup and is not expected to replace the K-car platform, which is likely to remain in use through hybrid variations well into the 1990s.

In addition, he said, Chrysler in the next two to three years will reduce vehicle body sheet metal changes as it concentrates on engineering improvements.

"The new platform will be a net additional, much larger, much more substantial platform," Lutz said.

Lutz declined to specify the timetable for introduction of a new platform. However, sources have said the company plans a 1992 introduction.

Chrysler's extensive use of the front-wheel-drive K platform, which carried the company from near-bankruptcy to profitability in the 1980s, has been criticized with some regularity, particularly in the motoring press.

AUTOMOTIVE NEWS/JOE WILKINS

Lutz: the new platform is not expected to replace the K-car platform

Lutz said the company has also developed a "hybrid-K platform," which will debut in the 1989 model year in the A-body Dodge Spirit and Plymouth Acclaim.

Lutz said the company earlier this month increased substantially its spending for advanced engineering research and development although he declined to specify the amount. Chrysler last year spent $800 million on engineering research and development.

Chrysler will develop a "supermarket" of engineering hardware available for future products. The company hopes to shorten product development cycles and gain niche marketing flexibility.

"The advanced engineering group will work on a number of engine configurations, gearbox configurations, drives, adaptive suspension systems, active, semi-active suspensions and other technology," Lutz said. "We will build one or two prototypes. Some of it may remain on the shelf forever."

Lutz said results from the effort, particularly in the area of suspensions, may reach the market in two years.

He also said Chrysler may work with Mitsubishi as it develops new technology.

But, he added, "I don't want to become dependent on a company we don't own for our technology."

Chrysler has also asked Lamborghini, which it owns, "to take a look at some advanced engine concepts," Lutz said. However, he added, that it is unlikely the Italian auto company would be involved in high-volume projects.

The engineering program is part of a product development strategy that allows each marketing division under Bennett E. Bidwell, president of product and marketing, to determine future product needs.

It is Lutz' job to style, engineer and manufacture the desired products. Having engineering hardware available will permit faster and more flexible product development, he said, and allow the company to respond more quickly in the market.

Sport utilities win round with Customs

By Matt DeLorenzo
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Sport/utility vehicles imported without rear seats will continue to be treated as trucks by the U.S. Customs Service, the agency announced Friday.

In letters to Suzuki of America Automotive Corp., Mitsubishi Motor Sales of America and American Isuzu, Customs has upheld previous letters of understanding allowing these vehicles to be imported as trucks.

While permitting the companies to continue the practice, it is expected that Customs will seek public comment to develop new guidelines covering these imports.

But the rulings represent a first round victory for several of the smaller Japanese companies that have been importing the vehicles without limit as trucks subject to a 25 percent tariff.

If the multi-purpose vehicles were determined to be passenger units by the service, they would fall under the 2.3 million voluntary export restraint car quota among Japanese manufacturers.

About 200,000 of the vehicles were sold last year, and sport/utility units represent one of the fastest growing segments in the auto industry.

Suzuki, which imported more than 90 percent of the 80,000 Samurais it sold last year as trucks, would have been virtually shut out of the U.S. market if the decision had gone the other way. American Isuzu, which imported more than 40,000 Trooper II sport/utility vehicles last year, relies on this category for about a third of its total sales.

"We are certainly very happy with the ruling," N. Douglas Mazza, Suzuki's executive vice president said. "We had consistently maintained that we were living up to everything we were asked to do by Customs. We are happy to have the issue settled for the time being."

Customs was asked to re-evaluate the status of the vehicles at the request of Rep. John Dingell, D-Mich., who charged that the Japanese manufacturers were evading car quotas by importing the vehicles as trucks and later installing rear seats to turn them into passenger vehicles. Dingell also ordered a Government Accounting Office investigation into the practice.

Richard Recchia, executive vice president of Mitsubishi's U.S. unit, said the ruling "means we can go back to a normal sales program for our Montero" sport/utility vehicle. The company suspended shipments last fall when the issue surfaced and planned to resume imports of car versions April 1. The ruling means that the company will also begin importing truck units at that time as well.

Recchia added, however, "What the letter leaves unanswered is what is going to happen in the future."

Customs is expected to solicit public comment on its rulings and formulate new guidelines to cover these vehicles.

At stake are considerable revenues. Sport/utility vehicles imported as trucks generate about $200 million a year under the 25 percent truck tariff. If imported as a car, the vehicles would be subject to a 2.5 percent duty.

In response to Dingell's inquiry last fall, William von Raab, who heads Customs, replied that it was legal to bring in the vehicles as trucks but said area inspectors were being notified to watch for vehicles that were outfitted with rear passenger comfort items such as arms rests, seat belt anchors and carpeting and to reclassify those units as passenger vehicles. However, the importers were unaware of the new policy.

A Customs agent in Long Beach determined that a small number of the sport/utility vehicles imported by Toyota, Isuzu and Mitsubishi were for passenger use and reclassified them as passenger vehicles. The manufacturers appealed the decision and requested that customs issue a definitive ruling on whether or not these vehicles can be imported as trucks.

At that time, Toyota Motor Sales U.S.A. and Mitsubishi Motor Sales of America halted the import of sport/utility vehicles and vans as trucks. Toyota imports the 4Runner, while Mitsubishi's model in this segment is the Montero. Suzuki continued imports, while American Isuzu shipped a number of its units to foreign trade zones and later resumed shipments.

Not all manufacturers are equally affected by the classification issue. Larger manufacturers with higher quotas under VRA have the option of importing these sport/utility vehicles, as well as vans, as passenger cars.

Grand jury eyes Roman Motors

MIAMI — A federal grand jury in Miami apparently is investigating Roman Motors Corp., the Florida-based company that claimed import rights to Romanian-built motor vehicles throughout last year despite the denials of both the manufacturer, Auto Dacia of Romania, and various Romanian embassy officials.

Several dealers said they paid Roman Motors thousands of dollars for parts, signs and franchise rights for the Romanian imports. Several civil lawsuits are now in progress as a result.

The Roman Motors saga began in early 1986 when the company and its Swiss partner, Sveltec, claimed rights from Auto Dacia to import the Dacia and Olcit cars as well as the Aro four-wheel-drive vehicle — claims quickly denied by Romanian embassy officials in the United States.

In 1987 at the National Automobile Dealers Association convention in Las Vegas, Roman Motors mounted an extensive dealer recruiting campaign and signed as many as 60 dealers, collecting as much as $1.7 million in deposits.

However, by last spring, two other importers for the United States were appointed by Auto Dacia and a key middleman in the complicated dealings, Joseph Constantine Dragan, chairman of Marimex, a Paris-based trading affiliate, admitted Roman Motors' claim for the U.S. "was in doubt."

A document signed by most of the key players revealed that the contract upon which their claims had been based was "null and void." This document was signed in May 1986, well before Roman Motors made its push to sign dealers and collect deposits.

Automotive News first revealed the controversy in January 1987 and covered developments extensively throughout the year, with reporter John Russell winning a coveted Jesse H. Neal certificate of merit for editorial achievement for his coverage.

In the Miami federal probe, the U.S. attorney in Miami is attempting to have Automotive News officials appear before the grand jury.

INDEX

Around the world	16-18
Auction dates	43
Classifieds	34
Coming events	22
Dealing with dealers	44
Engineering	20
Legal briefs	43
News briefs	8
Obituaries	45
Opinion	10
Personnel	28-29
Production	51
Sales, car	50
Truck industry	12

63rd year—No. 5226

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Estes dies; was GM president

Elliott M. "Pete" Estes, the former General Motors president who guided the company through two energy crises and led the program to downsize GM cars, died Thursday in Chicago of an apparent heart attack. He was 72.

Estes collapsed at O'Hare International Airport and was pronounced dead on arrival at Resurrection Hospital. He was traveling from his winter home near Phoenix for a Friday meeting of the Kellogg Co. board of directors.

Estes retired from GM on Feb. 1, 1981, after six years as president. During his 47 years with GM, Estes served with the Research Laboratories and three car divisions, including stints as general manager of Pontiac and Chevrolet. He had been in charge of all car and truck divisions and had headed GM's overseas operations.

Estes was GM president during the turbulent 1970s when the industry endured two energy shortages, the subsequent onslaught of Japanese imports and massive government regulations. As president, he oversaw GM's conversion to smaller, front-wheel-drive, fuel-efficient cars, now the core of GM's product line.

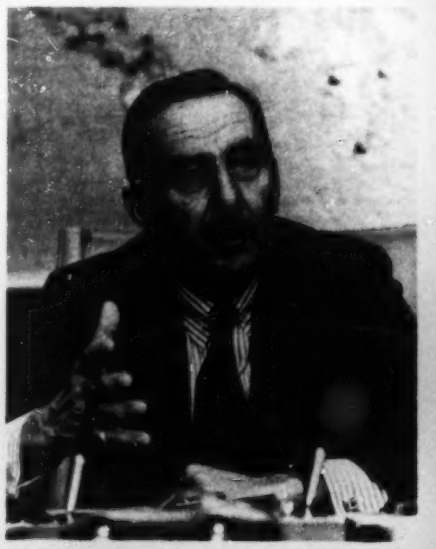
Friends and colleagues described Estes as "a product guy," and Estes was often quoted as saying he was "born to be an engineer." Chief among his mentors was the late Charles F. "Boss" Kettering, GM's legendary engineer, scientist and inventor.

Born in Mendon, Mich., Estes joined the GM Research Laboratories in 1934 as a student at General Motors Institute in Flint, Mich. He also held a mechanical engineering degree from the University of Cincinnati.

In 1946, he joined Oldsmobile as a development engineer as a member of the Kettering team that introduced the Olds Rocket, the division's first V-8 engine.

GM's official biography said Estes was a member of the Kettering team that developed the industry's first high-compression engine. When he was asked by Automotive News, "What about his predecessor as president, Ed-

see ESTES, page 45



Elliott M. "Pete" Estes

AROUND THE WORLD

REGISTRATIONS

WEST GERMANY
Cars

	12 mos., 1987	12 mos., 1986
Alpina	231	187
AMC	1,920	644
BMW	148,922	147,826
Bertone	211	364
Daihatsu	12,[illegible]	11,970
Fiat Auto	133,205	131,395
Fiat	113,850	111,607
Lancia	12,671	12,718
Alfa Romeo	6,249	6,703
Ferrari	435	367
Ford	301,041	297,007
GM-Opel	454,535	421,114
Honda	41,515	45,881
Isuzu	5,656	5,692
Jaguar	2,175	1,793
Lada	10,878	10,807
Mazda	90,969	86,172
Mercedes-Benz	289,399	303,044
Mitsubishi	68,579	62,909
Nissan	84,540	82,472
Peugeot SA	123,265	132,524
Citroen	43,392	46,855
Peugeot/Talbot	79,873	85,669
Porsche	8,465	10,469
Renault/Matra	89,598	90,925
Rover Group	11,144	13,056
Saab	5,476	4,698
Skoda	2,622	3,380
Subaru	16,714	15,832
Suzuki	27,123	22,880
Toyota	93,348	91,740
VW Group	872,207	815,122
Volkswagen	650,912	658,752
Audi	210,834	150,901
Seat	10,461	5,469
Volvo	17,301	17,325
Others	1,626	2,210
Total	2,915,654	2,829,438

NORWAY
Cars

	12 mos., 1987	12 mos., 1986
BMW	1,876	4,405
Chrysler/Dodge	67	34
Daihatsu	771	1,626
Fiat Auto	5,424	7,342
Fiat	4,777	6,630
Lancia	541	500
Alfa Romeo	106	212
Ford	16,169	25,052
GM/Opel	12,160	20,080
Honda	3,115	4,683
Isuzu	141	98
Jaguar	57	60
Lada	1,951	2,786
Mazda	6,459	12,695
Mercedes-Benz	2,352	4,112
Mitsubishi	4,955	5,958
Nissan	7,049	10,214
Peugeot SA	7,698	9,877
Citroen	3,225	3,138
Peugeot	4,473	6,739
Porsche	14	26
Renault	856	1,199
Rover Group	40	8
Saab	3,055	3,055
Skoda	414	452
Subaru	2,553	3,133
Suzuki	837	982
Toyota	15,574	19,194
VW/Audi	11,664	16,381
Volvo	9,168	13,790
Others	104	90
Total	115,097	167,352

UNITED KINGDOM
Cars

	2 mos., 1988	2 mos., 1987
BMW	8,104	7,210
Daihatsu	351	839
Fiat Auto	13,509	12,138
Fiat	12,308	11,407
Lancia	648	521
Alfa Romeo	553	210
Ford	101,154	92,938
FSO	728	706
GM/Vauxhall	59,174	55,080
Honda	3,142	2,946
Hyundai	1,627	1,054
Isuzu	475	214
Jaguar	2,616	2,050
Lada	4,489	2,986
Lotus	95	73
Mazda	2,952	2,215
Mercedes-Benz	4,955	4,414
Mitsubishi	2,064	2,319
Nissan	17,379	10,419
Panther	0	20
Peugeot SA	28,552	22,675
Citroen	11,588	7,612
Peugeot/Talbot	16,964	15,263
Reliant	22	24
Renault	16,937	16,012
Rolls-Royce	237	212
Rover Group	57,879	58,652
Austin Rover	56,705	57,644
Range Rover	1,174	1,008
Saab	1,985	1,687
Skoda	2,595	1,687
Subaru	982	849
Suzuki	1,131	507
Toyota	5,962	5,034
Volkswagen	21,086	21,834
VW-Audi	20,036	20,518
Seat	1,050	1,316
Volvo	13,380	12,530
Zastava	1,237	1,114
Others	204	119
Total	375,654	341,361

SWEDEN
Cars

	2 mos., 1988	2 mos., 1987
BMW	715	603
Chrysler/Dodge	0	4
Dacia	1	0
Daihatsu	204	78
Fiat Auto	1,143	880
Fiat	932	550
Lancia	4	244
Alfa Romeo	204	186
Ferrari	3	0
Ford	5,930	4,491
GM-Opel	4,284	4,163
Honda	795	363
Isuzu	44	15
Jaguar	30	0
Lada	276	231
Maserati	5	0
Mazda	3,174	1,550
Mercedes-Benz	1,585	875
Mitsubishi	894	287
Morgan	3	1
Nissan	2,870	1,204
Peugeot SA	2,139	1,261
Citroen	752	440
Peugeot/Talbot	1,387	821
Porsche	25	40
Renault	728	571
Rolls-Royce	1	2
Saab	3,676	4,691
Skoda	6	13
Subaru	306	262
Suzuki	394	170
Toyota	3,730	3,433
Volkswagen Group	5,408	5,101
VW	3,709	3,119
Audi	1,699	1,982
Volvo	9,562	10,696
Others	1	2
Total	47,960	39,997

BRAZIL (sales)
All vehicles

	2 mos., 1988	2 mos., 1987
Agrale	113	286
Engesa	3	56
Fiat	10,325	13,729
Ford	18,944	20,004
General Motors	30,512	24,313
Gurgel	272	287
Mercedes-Benz	5,213	5,537
Saab-Scania	655	361
Santa Matilde	0	12
Toyota	678	456
Volkswagen	34,022	27,852
Volvo	363	245
Total	101,100	93,138

JAPAN
Cars

	1 mo., 1988	1 mo., 1987
Daihatsu	3,921	4,077
Fuji	2,887	3,360
Honda	18,631	13,877
Isuzu	2,712	3,020
Mazda	10,972	11,947
Mitsubishi	8,040	6,076
Nissan	39,618	36,088
Suzuki	3,391	2,478
Toyota	80,048	89,258
Imports (all)	5,958	4,170
Total	176,178	154,331

Vans, trucks, buses

Daihatsu	24,820	23,087
Fuki	11,933	13,252
Hino	3,140	2,472
Honda	29,033	10,183
Isuzu	8,892	7,370
Mazda	10,866	9,522
Mitsubishi	20,777	20,248
Nissan	16,953	15,186
Nissan Diesel	1,961	1,458
Suzuki	24,931	21,765
Toyota	24,064	21,992
Imports (all)	11	9
Total	158,450	146,374
Total vehicles	334,628	300,705

AUSTRIA
Cars

	1 mo., 1987	1 mo., 1986
BMW	615	472
Daihatsu	199	81
Fiat Auto	1,071	784
Fiat/Lancia	12,679	694
Alfa Romeo	1,839	90
Ford	1,279	1,231
GM-Opel	1,883	1,631
Honda	647	306
Jaguar	17	17
Lada	18	51
Mazda	1,590	1,116
Mercedes-Benz	982	803
Mitsubishi	280	352
Nissan	580	592
Peugeot SA	1,025	916
Citroen	519	420
Peugeot/Talbot	506	496
Porsche	22	16
Renault	737	525
Rover Group	5	12
Saab	32	17
Skoda	0	34
Subaru	191	345
Suzuki	131	86
Toyota	1,375	917
Volkswagen	2,826	3,388
VW	2,072	2,693
Audi	715	635
Seat	39	60
Volvo	180	227
Others	5	12
Total	15,415	13,749

DENMARK
Cars

	1 mo., 1988	1 mo., 1987
BMW	114	162
Dacia	8	2
Daihatsu	95	56
Fiat Auto	470	440
Fiat	414	413
Lancia	8	7
Alfa Romeo	48	20
Ford	1,319	759
FSO	21	19
GM-Opel	1,302	1,162
Honda	240	136
Jaguar	2	1
Lada	163	231
Mazda	989	804
Mercedes-Benz	131	142
Mitsubishi	96	102
Nissan	504	335
Peugeot SA	1,089	980
Citroen	552	364
Peugeot/Talbot	537	296
Renault	37	29
Rover Group	54	8
Saab	40	80
Skoda	79	124
Subaru	33	21
Suzuki	39	7
Toyota	971	854
Volkswagen Group	958	685
VW	575	507
Audi	53	137
Seat	30	41
Volvo	188	341
Wartburg	19	32
Zastava	32	52
Total	8,691	7,320

PRODUCTION

WEST GERMANY
Cars

	12 mos., 1987	12 mos., 1986
BMW	442,776	432,285
Daimler-Benz	595,765	591,916
Ford	560,582	562,253
Opel	897,071	915,532
Porsche	48,520	52,935
VW-Audi	1,810,454	1,774,364
Volkswagen	1,393,220	1,421,629
Audi	417,234	352,735
Total	4,273,829	4,310,828

Vans, trucks, buses

Auwarter	870	852
Daimler-Benz	121,564	122,399
Faun	128	212
Iveco-Magirus	10,803	10,390
Kassbohrer	2,031	2,001
MAN	17,864	15,321
Opel	6,294	28,465
Volkswagen	80,560	87,810
Total	240,204	267,450
Total Vehicles	4,634,073	4,596,993

SPAIN
Cars

	12 mos., 1987	12 mos., 1986
Fasa/Renault	237,736	231,405
Ford	263,382	256,873
General Motors	294,090	304,090
Peugeot SA	220,955	171,222
Peugeot	107,970	101,072
Citroen	112,985	70,150
Seat	386,421	318,303
Total	1,402,574	1,281,899

JAPAN
Cars

	Jan., 1988	Jan., 1987
Daihatsu	10,577	9,585
Fuji	19,584	25,506
Honda	82,670	81,165
Isuzu	10,512	16,019
Mazda	57,277	59,609
Mitsubishi	49,525	41,135
Nissan	127,435	140,900
Suzuki	24,230	23,754
Toyota	208,869	195,568
Total	590,687	593,241

Vans, trucks, buses

Daihatsu	34,684	31,880
Fuji	27,825	26,867
Hino	5,231	4,382
Honda	7,896	16,587
Isuzu	27,723	23,700
Mazda	29,079	28,634
Mitsubishi	49,051	55,352
Nissan	31,113	35,003
Nissan Diesel	3,555	2,307
Suzuki	42,619	41,863
Toyota	68,051	75,089
Others	24	11
Total	327,661	343,686
Total Vehicles	918,348	936,916

FRANCE
Cars

	Jan., 1988	Jan., 1987
Peugeot SA	150,400	129,292
Citroen	60,872	50,963
Peugeot/Talbot	89,528	78,329
Renault	117,368	105,229
Total	267,768	234,521

Vans, trucks, buses

Heuliez	1	11
Iveco-Unic	5	0
Peugeot SA	14,640	10,974
Citroen	7,510	3,719
Peugeot/Talbot	7,130	7,255
Renault/RVI	29,242	22,515
Sovam	2	0
Total	43,890	33,500
Total Vehicles	311,658	268,021

American Sunroof Company Licensed Sales and Service Centers

Alabama
Birmingham
Custom Auto Vinyl Tops
Tuscaloosa
Tom-Line of Meridian

Arizona
Mesa
Sunroof & Specialties
Phoenix
Arizona Sun Tops
Scottsdale
Arizona Auto Restyling
Tucson
James Auto Upholstery

California
Alhambra
The Sunroof Factory
Compton
Midway Vinyl Tops
Daly City
San Francisco Sunroof
Emeryville
East Bay Sunroof
Fresno
D & D Kustom Vans
Hayward
San Francisco Sunroof
Irwindale
Arizona Auto Restyling
Los Angeles
ASC-Customcraft L.A.
Pacheco
Dealer Support Industries
Sacramento
Sierra Coach Sunroof
San Diego
ASC-San Diego
United California Sunroof
San Jose
Quality Sunroofs
San Marcos
Precision Auto Sunroof of San Diego
Santa Ana
ASC-Britax
ASC-Orange County
Santa Clara
San Francisco Sunroof
Southgate
International Sunroofs, Inc.
Stockton
Stockton Sunroof
Van Nuys
ASC-Valley
Ventura
Ventura Sunroof

Connecticut
E. Hartford
Automotive Styling Concepts Inc.
Milford
Knight Coach Systems, Inc.

Delaware
New Castle
Auto Port Inc.

Florida
Boca Raton
Kelley's Custom Auto Trim
Fort Meyers
Florisun Custom Coach
Longwood
Sunroof Corp. of Orlando
Oakland Park
Sunroof-of Florida, Inc.
Orlando
American Sunroof of Orlando
Florida Dealer Services
Pensacola
Precision Auto Works
Pinellas Park
ASC Florida
Sarasota
ASC of Florida

Georgia
Conyers
Kiser Upholstery Shop

Illinois
Evanston
Broadway Auto Top
Lombard
Uni-Sun Incorporated
Northbrook
Lang's Auto
Palatine
Tucker Automotive Corp.

Indiana
Fort Wayne
Fabini's Auto Trim Co., Inc.
Indianapolis
Indy Auto Sound

Iowa
Davenport
Spectrum Automotive

Kansas
Kansas City
Top King, Inc.

Kentucky
Lexington
Car Customizing Co.
Louisville
Car Customizing Co.

Louisiana
New Orleans
Automotive Specialty of New Orleans
Shreveport
Fanks Top & Trim

Maine
S. Portland
Automotive Enhancements

Maryland
Capital Heights
Creative Customs, Inc.
Glen Burnie
American Auto Classics
Rockville
Adler & Mandel
Sure Fit Seat Covers

Massachusetts
Brockton
ADI-Automotive Designs
Chicopee
ADI-Automotive Designs Inc.
Woburn
ADI-Automotive Designs Inc.

Michigan
Flint
Kelley's Custom Trim
Grand Rapids
Romeo Auto Parts

Michigan
Lansing
Romeo Auto Parts
Novi
Ideal Customizing
Troy
Auto Sunroofs & Accessories

Minnesota
Mendota Heights
Sunroof Etc.
Minneapolis
E & G Classics

Missouri
St. Louis
Central Service Co.

Nebraska
Omaha
Spectrum Automotive Center

Nevada
Las Vegas
Glorified Bodies
Reno
Trim Line of Reno

New Hampshire
Hooksett
Automotive Customizing

New Jersey
Absecon
Auto Styling Center
Allaire
Coastal Sunroof Incorporated
Bellmawr
Craftsman Automotive
Bogota
Purich Inc.
Cinnaminson
Auto Sunroof Inc.
Dover
Eastern Sun Auto Top
Middletown
Autobahn Custom Car

New Mexico
Albuquerque
Silver Tint Industries

New York
Albany
American Auto & Plate Glass Co.
Bohemia
Superior Auto Glass
Brooklyn
Classic Auto Co.
Mac Gregor's Auto Restyling Center
Buffalo
J.R. Pride Auto Center
Huntington Station
Metro Coach & Sunroof Ltd.
Moravia
Superior Auto Glass & Trim
New Rochelle
Auto Sunroof of Larchmont
New York
Liberty Glass Co.
Rochester
Tim's Trim

North Carolina
Charlotte
Charlotte Sunroofs, Inc.
Fayetteville
C & C "T" Top Shop
Kernersville
Tops and Trends

Ohio
Akron
J.R. Pride Auto Center
Cincinnati
Jim Hayden Inc.
Cleveland
Ultratech Distributors
Columbus
Auto Options
Toledo
Keystone Auto Glass
Warren
Warren Auto Seat

Oregon
Portland
Western Sunroof

Pennsylvania
Exton
Automotive Concepts Inc.
Gibsonia
Executive Motors Inc.
Horsham
Automotive Concepts Inc.
Pittston
Custom Trim

Rhode Island
Providence
H.M. Howe Co. of New England

Tennessee
Nashville
Tennessee Auto Tops

Texas
Dallas
Texas Auto Tops
Houston
Ochterbeck Distributing Co.
Top King of Houston
Midland
Morrison Seat Cover
San Antonio
Automotive Concepts & Accessories, Ltd. Inc.

Virginia
Arlington
Sure Fit Seat Covers
Chesapeake
Automotive Restyling Concepts Inc.
Roanoke
Maxey Seat Cover Center Inc.

Washington
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West Virginia
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VW, Wagons-Lits merge rental firms

PARIS — Volkswagen AG and Internationale des Wagons-Lits have combined their car-rental units to form Europe's largest rental group.

The venture calls for merger of VW's wholly owned Interrent car rental subsidiary with Europcar, the rental-car group acquired by Wagons-Lits from Renault.

The two rental businesses had combined sales of about $500 million in 1987. The combined fleet has 34,000 cars.

Europcar is currently Europe's third-largest rental-car group and is the market leader in Great Britain. Interrent is the largest rental company in West Germany.

Both companies have links to North America. Europcar is affiliated with National Car Rental in the United States and Tilden in Canada, and Interrent is linked with the Dollar Rent-A-Car network in the United States.

Capital for the new group will be split evenly, but management will consist primarily of Europcar executives.

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AROUND THE WORLD

European sales on record track

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Demand for new cars in Europe continues to grow from already record levels, with no sign of the slackening that had been predicted.

After reaching record volume of 12.4 million units 1987, Western European sales through February were nearly 12 percent ahead of last year, with all major markets still humming, according to industry estimates compiled by Automotive News.

Buoyant Italian sales pushed Fiat Auto into first place for January-February. Fiat also led Europe through the first half of 1987 before giving way to Volkswagen AG, sales leader for the past three years.

However, with its new Tipo subcompact being introduced throughout Europe this spring, the Italian maker's early lead may hold up in 1988.

Industrywide sales in the first two months totaled 2,067,000 units, up 11.5 percent from the first two months of 1987. All six volume manufacturers registered gains, led by Peugeot SA, which climbed nearly 20 percent to 258,600 sales and 12.5 percent of the European market.

The French manufacturer improved 16.5 percent in its home market, while rival Renault was relatively flat in France during the first two months. Peugeot SA sales also grew faster than the overall market in Italy, the United Kingdom and Spain in January and February.

The Peugeot group, including Peugeot and Citroen, now has a firm grasp on third place in Europe behind the Fiat and VW groups.

Fiat's 13.7 percent increase to 337,000 sales in January-February was good for 16.3 percent of the market. The group rode the crest of strong sales in Italy, Europe's No. 1 passenger-car market through February at 399,400 units. With Alfa Romeo and Lancia, Fiat now controls about 60 percent of the Italian market.

Volkswagen-Audi-Seat chalked up 282,000 sales through February, an 8.9 percent improvement over last year and a 13.6 percent share of the market.

VW's performance is linked closely to the West German market, where sales were up 6.3 percent to 356,300 in the first two months. VW remains West Germany's leader with just under 28 percent of the market, down slightly from 1987.

Ford captured 11.7 percent in Europe through February with sales of 240,900, an 11.8 percent pickup. General Motors was at 10.7 percent on volume of 221,400, an 8.6 percent rise. Renault was next at 10.3 percent, improving 6.9 percent to 212,800 units.

Among major European manufacturers, only Volvo suffered a sales decline in Western Europe. The Swedish maker dropped 2.5 percent to 43,900. Volvo was down 10 percent in its home market, where a strike by white-collar workers affected all industries in the country.

Japanese manufacturers are off to a fast start in 1988, with combined sales up 20 percent through February. Nissan boosted its European volume 30 percent to 55,400 and a 2.7 percent share. Toyota was up 15.3 percent to 52,300 and Mazda climbed 21.6 percent to 36,300.

Japanese sales in Europe reached 1.4 million units last year, though combined market share fell to 11.3 percent from 11.6 percent in 1986.

Lada, the Soviet automaker, has moved into the top 15 on Western Europe's sales table, ahead of such notables as Honda and Saab. Boosted by its new Samara subcompact, Lada sales surged nearly [illegible] percent in the first two months [illegible],000, good for 1 percent of the [illegible]ern European market.

[illegible]la's biggest gain was register[illegible] in the United Kingdom, where sales increased 51 percent in January and February to nearly 4,500 cars.

Overall sales in the United Kingdom rose 10 percent in the first two months to 375,700, second only to Italy. Sales in France sales were also up 10 percent, to 320,600.

The Spanish market continues to surge with a volume rise of 28.7 percent to 164,900. Spain surpassed 900,000 units in 1987 and may be on course for its first million-car sales year.

Ultrasonic injection for diesels

TOKYO — Toa Nenryo Kogyo has developed an ultrasonic fuel injector for diesel engines. The company hopes to be ready for production next year.

The purpose of the ultrasonic injection, as opposed to the usual pressurized atomizing, is to produce a "perfect combustion" that would be more efficient and more powerful.

Toa Nenryo is a refinery company affiliated with Exxon and Mobil. It came up with the new combustion mechanism during research on methods of producing lubricating oil.

When the company first announced a prototype in 1984, it was swamped with inquiries from the United States and Europe and requests for more research. Future development, according to a company spokesman, depends on racing tests, possibly in conjunction with automakers and engine makers.

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LEGAL BRIEFS

Odometer disconnects cost Pa. dealer $17,000

HARRISBURG, Pa. — An Allegheny County car dealership that disconnected the odometers of two demonstrator vehicles, will pay $17,000 in penalties and costs under an agreement with state Attorney General LeRoy Zimmerman.

The dealership is Wexford Dodge, Wexford. The agreement was signed by Mary L. Palmer, dealership president.

A complaint filed with the petition charges that the dealership disconnected the odometers of two demo vehicles — a 1988 Dodge Caravan SE and a 1988 Dodge Dynasty. Zimmerman said the vehicles were assigned to and driven by dealership employees.

According to the complaint, the dealership's actions violated the federal Motor Vehicle Information and Cost Savings Act and the state's Vehicle Code, Unfair Trade Practices and Consumer Protection Law.

Under terms of the agreement, the dealership will pay the state $15,000 in civil penalties and $2,000 in costs.

When Wexford ultimately sells the two demos, it is required to disclose to the purchasers that the odometer reading is not the actual mileage.

Deputy Attorney General Caren L. Mariani said Wexford must inform the state Bureau of Consumer Protection within five days of selling the two vehicles and provide the bureau with copies of the transfer documents.

Florida legislators may toughen lemon law

TALLAHASSEE, Fla. — A legislative proposal to make Florida's five-year-old lemon law more effective will be considered by state lawmakers this spring.

The current law needs revision, Attorney General Bob Butterworth said, "because it is not giving new-car buyers the protection all of us want."

A significant section of the proposed revision would convert the arbitration process to a state-run program to resolve disputes between consumers and automakers.

Current law calls for manufacturers' arbitration panels, "and very few lemon purchasers have received refunds or vehicle replacements in disputes settled by manufacturer arbitrations," Butterworth said.

The new measure would also allow consumers to appeal decisions made by manufacturer panels without the expense of taking the case to court.

Decisions of the state-run arbitration program would be final unless appealed within 30 calendar days.

New-car buyers would receive, at time of sale, a written statement from the attorney general's office, advising them of their rights and listing a toll-free number for consumer inquiries.

Another provision would extend the time for taking action under the lemon law from 18 months to two years.

Manufacturers would have 30 calendar days in which to correct warranty problems instead of the current 25 working days.

The attorney general's office would take on responsibility for preparing brochures explaining the new law, application forms, adopting rules for implementation, investigations and enforcement.

Operating costs would come from a $2 fee on each new motor vehicle purchased after Jan. 1, 1989. Additional funds would be derived from a $100 arbitration fee shared equally between the consumer and manufacturer.

The proposal, sponsored by Sen. Gwen Margolis (D-North Miami) and Rep. Tom Drage (R-Winter Park) would take effect Jan. 1, 1989, if approved.

Wyoming high court upholds GM in belt case

CHEYENNE, Wyo. — The Wyoming Supreme Court ruled that General Motors was not negligent in the case of a family that suffered burns when its car caught fire and a seat-belt buckle jammed.

The plaintiffs failed to meet their burden of proof that GM was at fault, the high court justices said in upholding a Sheridan County District Court ruling on the incident.

On July 28, 1978, flames coming from the left rear of a 1974 Chevrolet Chevelle Malibu prompted Marjorie Sims to hit the brakes and order her daughters Margo and Lara out of the car.

But as the family tried to escape, Lara could not get her seat-belt buckle to release. By the time Marjorie was able to free her daughter, the two had received serious burns, according to the court records.

The court records also said Margo suffered burns in helping move Lara away from the car.

Lawyers representing the Sims family had argued that the trial court erred in assigning them the burden of proving negligence on the part of GM.

The state Supreme Court rejected that argument.

"A plaintiff claiming direct negligence on the part of a defendant must prove that the defendant's action or inaction was negligent and that such negligence proximately caused the injury sustained," Justice Richard Macy wrote for the court.

The plaintiffs presented evidence of other seat-belt buckles in GM automobiles failing to open. But the trial court excluded use of that evidence.

In upholding the lower court, the justices said that "mere proof that the seat-belt buckle malfunctioned was not sufficient to create an inference of a defect."

Although a jury in the trial court found GM was negligent in the case, the Supreme Court ruling supported the district judge's final decision that negligence was not the cause of injuries.

— The Associated Press

Chrysler Motors wins pension lawsuit

CINCINNATI — A federal appeals court ruled in favor of Chrysler Motors and the company's pension plan in a lawsuit filed by three salaried employees of Chrysler's former defense operations division.

A three-judge panel of the 6th U.S. Circuit Court of Appeals upheld a lower court's ruling that Chrysler and the pension plan satisfied federal requirements in selling Chrysler's defense operations and its pension plan to General Dynamics Corp. in March 1982.

The appeals judges unanimously affirmed a ruling by U.S. District Judge John Feikens of Detroit, who upheld Chrysler's position.

Three employees covered by the pension plan that was sold to General Dynamics said in their suit that benefits under the General Dynamics plan had not increased since 1982, while benefits under an existing pension plan for other Chrysler employees had risen.

The lawsuit accused Chrysler of breaching its fiduciary duty by failing to ensure that benefits under the two plans would be equally likely to increase.

But the appeals court agreed with Feikens' conclusion that sale of a business or part of a business does not require an employer to guarantee future non-vested benefits.

The three employees who filed the suit were Thomas P. Cotter, Warren, Mich.; Robert H. Dougherty, Royal Oak, Mich.; and David F. Robinson, Farmington, Mich.

— The Associated Press

Independents form ServNet ad co-op to fight auction chains

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Independent auto auction owners, threatened by the economies of scale that large chains can offer, are forming a cooperative advertising effort called ServNet.

Previous attempts at forming such a venture among independent auction owners have foundered.

"Each time we got a group together, the (auction) chains would step in and buy some of them," joked Alexis A. Jacobs, vice president of ServNet and owner of the Columbus Fair Auto Auction in Ohio.

She said the cooperative now has eight members and will launch its first print ads in automotive trade magazines April 1. Jacobs said the group has a 1988 advertising budget of about $100,000.

Eventually, ServNet hopes to attract 30 independent auction owners from across the nation. For a franchise fee, members can display the ServNet trademark.

Because the ServNet co-op is just getting off the ground, it has no full-time employees. Jacobs declined to disclose the amount of the franchise fee.

Not all auctions are eligible to join. Independent auctions will be judged on their commitment to quality service, orientation to fleet business, geographical location, full-service capabilities and membership in the National Auto Auction Association, Jacobs said.

In its advertising, ServNet is expected to fire not-so-subtle salvos at the auction chains. GE Capital Auto Auctions, owned by GE and Ford, may be a prime target. Both parent companies send thousands of their vehicles through GE Capital Auto Auctions.

The independents' ad message is: "Because we don't own our vehicles, we can pay our full attention to selling your vehicles. . . ."

Dealers keep their used-car stocks current by selling and buying cars at auctions. If a vehicle languishes on a dealer's lot for 30 days, he may decide to sell it and replace it with a vehicle that is more salable.

Hence, companies like GE, which sells cars coming off leases through GE auctions, and Ford, which sells vehicles the company buys back from fleets through the GE auctions, can be perceived as competing with dealers who bring cars to sell at those auctions.

Jacobs explained that a vehicle can be given preferential treatment by placing it at a good time during the sale or by getting bodywork or detailing done in a timely fashion so the vehicle makes the sale requested by the dealer.

For example, vehicles first in line at a sale may not receive the best price, so auctions employ various methods of setting a vehicle's number in the sale. Usually, they allow dealers to reserve numbers on a first-come basis.

And it is a common auction policy to offer sellers the option of running early cars through a sale.

Larry Brasher, president of ServNet and owner of Brasher's Sacramento Auto Auction, Sacramento, Calif., and Salt Lake Auto Auction, Salt Lake City, said that "independent auctions offer more than just big numbers, and we want our customers to know it."

Jacobs said ServNet hopes to offer a network of independent auctions where company fleets and lease vehicles can be distributed and sold nationwide.

Currently, only the auction chains can offer companies like General Motors, Chrysler Motors or Hertz package deals with as many as 20 locations.

High-volume sellers like the multiple locations because they prevent flooding any regional used-car market and thereby reducing prices. They also can choose to sell certain models in the regions that traditionally pay most them.

ServNet also hopes to develop sources for buying business supplies in bulk and, therefore, at lower prices than independents can now obtain.

Both Brasher and Jacobs cautioned that ServNet is not a replacement for the National Auto Auction Association.

"We've formed ServNet to increase the visibility of our marketing efforts," said Jacobs. "We hope to match the exposure of the auction chains while stressing the advantages of doing business with the independents."

Other members are Southern Auto Auction in East Windsor, Conn.; Greater Kalamazoo Auto Auction, Schoolcraft, Mich.; Statesville Auto Auction, Statesville, N.C.; State Line Auto Auction, Waverly, N.Y.; and Pennsylvania Auto Dealers Exchange, York, Pa.

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AUCTION DATES

Ford Motor Co.

March 29 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

March 30 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Lakeland Auto Auction, Lakeland, Fla.

March 31 — Greater Houston Auto Auction, Houston, and Minneapolis Auto Auction, Plymouth, Minn.

April 5 — South Seattle Auto Auction, Kent, Wash.

April 6 — Northway Auto Auction, Clifton Park, N.Y.; Atlanta Auto Auction, Red Oak, Ga.; and Southern California Auto Auction, Fontana, Calif.

April 7 — Dallas Auto Auction, Grand Prairie, Texas; Brasher's Sacramento Auto Auction, Rio Linda, Calif.; and Skyline Auto Exchange, Fairfield, N.J.

Chrysler Motors

March 29 — American Auto Auction, Walpole, Mass.; Hatfield Auto Auction, Hatfield, Pa.; and Golden Gate Auto Auction, Fremont, Calif.

March 30 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; Minneapolis Auto Auction, Plymouth, Minn.; Denver Auto Auction, Aurora, Colo.; and Southwest Auto Auction, Phoenix, Ariz.

March 31 — Ark-La-Tex Auto Auction, Shreveport, La.; Northway Exchange, Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C.; and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Used Car Sales
Auction Averages

March 1988	$5,499
Month ago	$5,255
Year ago	$5,822

General Motors

March 29 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

Model Breakdown
Auction Averages

	MARCH 1988	FEB 1988	JAN 1987
1988	$11,415	$10,741	$8,839
1987	$8,596	$8,443	$8,435
1986	$6,849	$6,732	$6,518
1985	$5,756	$5,731	$5,501
1984	$4,375	$4,363	$4,349
1983	$3,711	$3,689	$3,382
1982	$2,529	$2,454	$2,383
1981	$1,929	$1,817	$1,926
Overall Average	$5,499	$5,309	$4,841

March 30 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; Southern California Auto Auction, Fontana, Calif.; and Omaha Auto Auction, Omaha, Neb.

SALES

FROM PAGE 1

Third place in 1987 went to another relative newcomer to the United States. Acura, with an average of 595 cars sold per point, succeeded Toyota in that slot. Acura cars went on sale here in March 1986. Its average dealership delivered 352 cars that year.

Hyundai sells only cars in this country but its sales-per-dealer average in 1987 was again well above those of makes that sell cars, pickups, vans and sport-utility vehicles.

Toyota was second to Hyundai in total vehicles per dealer and was the leader among outlets selling both cars and trucks. Toyota dealers in 1987 averaged sales of 578 cars and 279 trucks for a total of 857 units. That was down from a 1986 average of 947, made up of 716 cars 231 trucks.

Mitsubishi ranked third in car and truck sales in 1987 with an average of 831 units, including 521 cars and 310 trucks. It also was third in 1986 a per-dealership average of 791 — 489 cars and 302 trucks.

Mitsubishi has a relatively small dealer body, totaling 148 on Jan. 1, and relatively high sales.

In the top 10 makes in car sales per dealership, six were Japanese, two were American, one was Korean and one was Swedish.

Following Hyundai, Honda, Acura and Toyota in the car standings were Mitsubishi and Nissan.

Ford Division led the domestics and ranked seventh with Chevrolet a close eighth in average new-car sales per outlet.

Mazda was ninth, and Sweden's Volvo leaped ahead of Pontiac to take 10th place as Pontiac dropped to 11th.

Oldsmobile tumbled out of the top 10 to 12th place from the eighth position it held a year before.

There were 24,938 new-car dealers in this country on Jan. 1 this year, down from 25,156 a year before, according to an Automotive News analysis.

As of Jan. 1 this year, Hyundai had 224 franchise holders, up from 161 at the start of 1987. In comparison, Honda had 916 and Acura had 218 dealerships at the beginning of this year. That was up from 900 for Honda and up from 150 for Acura a year earlier.

New-car deliveries per dealership last year averaged 388 for General Motors, down from 464 in 1986. For Ford Motor Co. dealers, the average was 378, compared with 365 new cars delivered in 1986. Chrysler Motors points sold an average of 238 units against 292 in 1986.

The Chrysler average was influenced by several factors. They included interruption of Omni/Horizon production for several months, lower sales over-all and inclusion of American Motors dealerships with their relatively low sales in the Chrysler Motors average computation for 1987.

The strength of truck sales is put into perspective by a look at the average number of deliveries per dealership in comparison with car deliveries. The average Ford dealer sold 308 cars and 304 trucks. For Chevrolet dealers, the averages were 304 cars and 237 trucks.

Minivans make up a large portion of truck sales for Dodge dealers and also are included in the Ford and Chevy truck averages.

In the Automotive News sales-per-dealer rankings, captive imports are included in the figures for their parent makes. Likewise, figures for the foreign nameplates include cars and trucks built in the United States.

At Hyundai headquarters in Garden Grove, Calif., Art Meissner, vice president, national sales director, said the company is pleased with sales and expects the high averages to continue. "With the Y-2 compact being added to our product line later this year, I believe Hyundai will continue to be the benchmark for dealer success in this industry," he said.

"The Hyundai dealer body is highly experienced and a hard-working group. On top of that, they have an excellent product to sell. That's a combination that's pretty tough to beat," he said.

CAR-TRUCK SALES PER OUTLET

Final 1987	1987	1986
1. Hyundai	1,399	1,431
2. Toyota*	857	947
3. Mitsubishi	831	791
4. Honda*	869	716
5. Nissan*	673	657
6. Ford	612	605
7. Acura	595	352
8. Suzuki	578	569
9. Chevrolet	541	565
10. Mazda*	424	464
11. Dodge	323	336
12. Volvo	257	276
13. Pontiac	234	263
14. Isuzu	229	236
15. Oldsmobile	226	334
16. Subaru	220	226
17. Volkswagen*	219	247
18. Mercedes	213	236
19. BMW	209	229
20. Buick	199	299
21. Mercury	174	184
22. Yugo	166	173
23. Cadillac	162	188
24. Plymouth	159	178
25. Jaguar	159	150
26. GMC	129	121
27. Saab	124	137
28. Lincoln	102	116
29. Audi	101	146
30. Chrysler	99	117
31. Sterling	85	—
32. Porsche	74	94
33. Range Rover	53	—
34. Alfa Romeo	42	54
35. Peugeot	34	51
36. Eagle	33	—
37. Maserati	14	28

—Domestic plus imports.

Note: Captive imports are included in totals for the six months ended.

CAR SALES PER OUTLET BY MAKE

	1987	1986	1985	1984	1983
Hyundai	1,399	1,431	—	—	—
Honda*	693	716	840	616	484
Acura	595	352	—	—	—
Toyota*	578	592	572	515	511
Mitsubishi	521	489	506	477	436
Nissan*	477	495	520	439	476
Ford	308	301	295	276	239
Chevrolet	304	343	292	305	261
Mazda	286	290	277	223	228
Volvo	257	276	257	248	229
Pontiac	234	263	265	235	187
Oldsmobile	226	334	334	331	320
Volkswagen*	219	247	246	197	177
Subaru	219	226	219	196	196
Mercedes-Benz	213	236	207	190	177
BMW	209	229	204	170	145
Buick	199	299	295	316	288
Mercury	174	184	192	195	156
Yugo	166	173	—	—	—
Cadillac	162	188	185	200	168
Jaguar	159	150	120	96	81
Dodge	136	178	188	148	136
Saab	124	137	115	102	81
Plymouth	112	141	122	111	113
Lincoln	102	116	103	87	67
Audi	101	146	182	172	115
Chrysler	99	117	124	110	94
Isuzu	89	134	119	89	89
Sterling	85	—	—	—	—
Porsche	74	94	79	61	66
Alfa Romeo	42	54	31	27	17
Peugeot	34	51	53	64	47
Eagle	33	—	—	—	—
Maserati	14	28	24	—	—
Renault*	—	51	87	136	135
AMC	—	6	9	14	29

*Domestic plus imports.

Note: Captive imports are included in totals for domestic makes.

HYUNDAI

FROM PAGE 1

ada may cause both companies to abandon any hope of winning a dumping case in the United States.

Instead, the Big 3 may throw more support behind trade legislation now before the U.S. Congress. Democrats want the trade measure completed by April 1.

Prior to the Canadian decision, the U.S. Motor Vehicle Manufacturers Association had been studying a possible dumping case against Japanese light-truck importers, and trade lawyers said the Big 3 have expressed interest in a possible case against importers of entry-level subcompacts to the United States.

Hyundai had to put up a bond of $10 million (Canadian) when the finding of dumping was announced nine months ago. The bond would have covered fines or mandated price increases. The bond has been canceled.

Washington lawyers said GM and Ford considered the Canadian anti-dumping action a "test case" for a similar filing in the United States and wanted to wait for a successful outcome before proceeding in Washington.

The attitude expressed by import industry representatives in Washington was one of relief. Their reasoning: If the Big 3 cannot win in Canada — where Hyundai was found to have dumping margins averaging 26 percent — it is very doubtful they can win in the United States, where profits are high and total domestic market share has remained fairly constant for several years.

Hyundai Auto Canada officials were ecstatic.

"For the past nine months, we've had a cloud hanging over our heads," said a spokesman for the Canadian importer. "Now, we have a task, and it's a formidable one, to regain our share of the market."

In announcing the finding to his employees, company president B.J. Park specifically thanked them all for their hard work during the past troubled year.

Officials of Ford of Canada and General Motors of Canada, the plaintiffs in the case, were surprised by the tribunal's decision.

George Peapples, president of GM of Canada, said, "We are extremely disappointed. Given the deputy minister of revenue's finding of dumping margins in excess of 26 percent, it is difficult to comprehend that the tribunal did not find any injury whatsoever.

"It has been, and remains, our concern, that continued unrestrained dumping by Hyundai will result in lost jobs and investment in the Canadian automotive industry," Peapples said.

Ford spokesman Jim Hartford complained of flaws in Canada's trade law and said the case set a bad precedent for the Canada-U.S. free trade agreement due for ratification by the Canadian Parliament and U.S. Congress later this year.

Hartford said the law forced the tribunal to look at Ford production and sales only in Canada, where small-car output has been phased out, instead of examining Ford's integrated operations throughout the continent.

"We're alarmed by the implications the decision has for other industries that may become rationalized under the free-trade agreement," Hartford said. The shortcoming must be fixed in the first years of the free-trade treaty or more industries will come in for "predatory dumping," he added.

A "rationalized" industry is one in which production to serve both Canada and the United States is spread over both countries in proportion to sales in each country. A participant in the Auto Pact, such as Ford or GM, must build cars in Canada of a value equal to those it sells in Canada, but they need not be the same cars.

To date, only the brief announcement of the tribunal's findings has been released.

An appeal process called a judicial review is available to the plaintiffs. Ford of Canada will reserve judgment on whether to pursue that course until it reviews the Statement of Reasons, a spokesman said.

GM of Canada's Peapples added, "As the reasons for the finding have not yet been issued, we are unable to comment further at this time."

Hyundai had argued throughout the case that differences in marketing systems between Canada and Korea were responsible for the differences in pricing structures. It pointed out that the Canadian operations of Ford and GM have been profitable despite Hyundai's recent sales successes, and that the Ford Tempo, built in Oakville, Ontario, was Canada's best-selling car in 1986 and 1987, displacing Hyundai's Pony, which was No. 1 in 1985.

Hyundai noted that Ford and GM have been importing cars from Asia to compete with Hyundai products. Ford has been selling the Mercury Tracer from Taiwan and Mexico; GM has the Passport Optima from Korea and the Passport I-Mark and Chevrolet Sprint from Japan.

Hyundai said that those actions proved that Hyundai had only spurred competition in the low-priced market and had not caused material damage to the Canadian manufacturing facilities of either Ford or GM.

Staff Reporter Geoff Sundstrom in Washington and The Associated Press contributed to this report.

GAME

FROM PAGE 1

Though Test Drive has been sold on a limited basis in test markets so far, Taylor has reason to be optimistic. Toys-R-Us will begin selling the game in its 313 stores nationwide this summer. And Taylor is negotiating with other retailers — including K mart, Dayton Hudson and J.C. Penney — for distribution at those chains.

The game is aimed at giving a glimpse of what goes on behind a transaction that involves millions of U.S. consumers each year: buying a car. But despite the nation's appetite for automobiles, most buyers are ill-prepared for the deal, Taylor insists. Some are putty in the hands of the dealer; others have inflated notions about how much dealers pocket on a sale.

Just as in real life, Test Drive's buyers and sellers are on the prowl for the best deal for themselves. In the game, however, players get to sit on both sides of the sales table.

In the process, they get a lesson in Taylor's theory of enlightened car retailing.

Honest salespeople, he argues, would rather deal with someone who has an idea of what goes into the price of a car. And buyers can only benefit from more knowledge about how the transaction works.

To that end, the game is designed to reward players who can cooperate and reach a happy medium. Pushovers and the bullheaded are penalized.

The object is to buy enough models in a particular car class — used, domestic, Japanese, European — to form a "dealership." More than 400 cars "from Fords to Ferraris" — are available.

The game can be played with one of two definitions of victory. In one version, the first player to create a dealership wins. In the other, the one with the most assets claims the title.

As players move their game pieces around the board, they are directed to buy or sell cars with their opponents. In the process, sellers can employ some tricks of the trade — like quoting a wildly low figure just to get the customer in the door.

If players can't reach a deal, they consult a stack of "T.O." cards — named for the salesman's practice of "turning over" a customer to the manager when the parties can't agree on a price.

In Test Drive, the T.O. card is akin to having an arbitrator set the terms of the deal. They're not necessarily fair. One might order the seller to unload the car at cost. Another might reveal that the buyer has a bad credit rating and nullify any chance for a sale.

Taylor, who is 35, says he came up with the idea when a fellow salesman recalled a bad dream wherein customers played a game about buying cars and became adept enough to trim dealers' income.

Taylor took it from there. A former teacher and artist, he developed the game with the help of a friend and had it produced at a Nashville printing company. Since then, he's formed his own firm, A.C. Taylor and Co., to manage the venture.

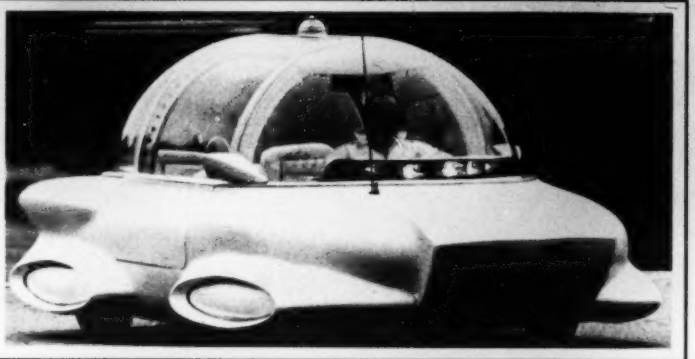
He concedes that Test Drive will hardly make him a hero among his peers. But he argues that the profession can benefit by changing its ways.

If buyers can shed their anxiety about car showrooms, they'll be inclined to visit more often, Taylor says. As for dealers: "They'll make less profit on each car, but I think they'll sell more cars."

Special correspondent Jim Henry of the Nashville Banner contributed to this story.

Give him some space

Ed Taschner of Paradise Valley, Ariz., designed his street-legal "Space Car" after the car used in Woody Allen's movie, "Sleeper." The car was built for about $50,000 and is built on a 1950 Volkswagen chassis. Taschner, a Phoenix-based developer and builder, said the car matches his round garage.



Honda to pay $6 million in bias probe

By Matt DeLorenzo
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Honda of America Manufacturing has agreed to pay $6 million in compensation to 370 blacks and women denied jobs at the company's Marysville, Ohio, assembly plant between 1983 and 1986.

The payment settles a federal discrimination investigation, the U.S. Equal Employment Opportunity Commission announced last week.

In addition to the compensation, the backpay recipients who had been refused jobs had to be employed by Honda as of Feb. 29 of this year. The investigation began in September 1984.

Honda's response to the settlement was limited to a prepared statement from Al Kinzer, vice president and senior manager of administration for the U.S. plant.

"We are pleased to reach this agreement with the EEOC," the statement said. "Honda of America is known for its commitment to personal growth and development. Honda's participation in this agreement underscores our continuing commitment to these principals."

Other elements of the agreement include expansion of the company's recruitment efforts to include Columbus, Ohio, and specific recruitment efforts among blacks; changes in promotion procedures to promote more black and female production workers; implementation of a management training program to provide a clear understanding of U.S. anti-discrimination laws; and creation of monitoring mechanisms to ensure compliance with the agreement.

It is Honda's second such discrimination agreement with Equal Employment Opportunity Commission in less than a year, the commission reported. An agreement last June on an age discrimination investigation provided backpay of $461,610 and employment and seniority adjustments for 85 workers age 40 and over who unsuccessfully applied for jobs in 1984 and 1985.

Separately, Toyota Motor Sales U.S.A. last week told the Los Angeles Times that it reached an agreement with the equal employment commission a year ago that required the company to change its minority hiring practices. The company agreed to add five minority workers to its 2,600-member staff. A Toyota spokesman said there was no fine or financial settlement involved.

Nissan Motor Corp. in U.S.A. said it was under investigation by the commission for its hiring and promotion practices and a settlement is expected within a couple of months.

NOBUTO

FROM PAGE 1

cans having accepted late deliveries as a way of life.

"The parts defect rate for local American firms is anywhere from 3 to 5 times higher than among Japanese firms," Nobuto said, and American parts firms often are content "if something is 90 percent right."

Suppliers have told Mazda that they might have to abandon business with the Japanese if they insist on greater quality improvement instead of accepting replacements for defective parts, Nobuto said.

Candace Howes, a UAW economist attending the conference, said that American parts firms are not all as inefficient as Nobuto depicted them. Howes, who studies American parts firms, said top suppliers to the Big 3 have achieved lower defect rates than 10 percent and have made significant changes in their organizations to make them more responsive to customers.

Other conference speakers, referring to the growing number of Japanese parts makers in the United States, said they doubted the transplant automakers would significantly increase their purchases from American parts firms.

But, Nobuto said, "Those who believe that Japanese firms are avoiding the use of American suppliers are sadly misinformed about both the economic necessity for us to source more and more components locally — and the difficulty that we have in educating these new business partners in our way of doing things."

Nobuto said that the local content of the Mazda MX-6 and the Ford Probe, which went into production at the Mazda plant in Flat Rock, Mich., in January, is now about 50 percent and that it is targeted at over 70 percent "by the time of our next model change."

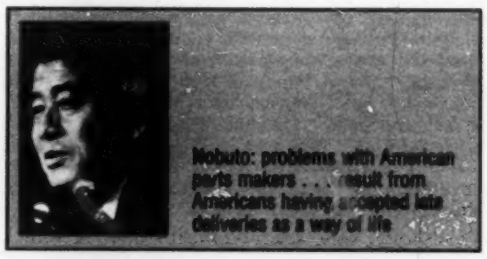
A Detroit-based Honda spokesman at the conference said that Mazda's problems with suppliers are probably due to the fact that Mazda is the newest transplant producer.

"We've worked out most of our difficulties with our American suppliers," the Honda spokesman said.

Honda has said its vehicles, produced at Marysville, Ohio, will have about 75 percent local content by 1991.

Rep. Marcy Kaptur, D-Ohio, speaking in a panel at the conference, said that though Honda "is trying harder than the other (transplants), I don't believe all their press releases."

"I know how many local suppliers can bid on Honda business," she said. Kaptur, who has been seeking legislation to increase American access to Japanese markets, has said that if an Ohio firm is not Japanese-affiliated, it doesn't get far in attempts to sell to Honda. Several Japanese component plants were established in Ohio to supply Honda. The Honda spokesman questioned Kaptur's "knowledge of our operations."



Nobuto: problems with American parts makers . . . result from Americans having accepted late deliveries as a way of life

A Honda spokesman in Marysville said that Honda has about 500 U.S.-based suppliers. About 150 of those make vehicle parts, and about 350 supply materials used in the production of cars and motorcycles.

Honda has released a list of its 28 major U.S.-based suppliers. But Honda does not break out the number of its U.S. suppliers that are Japanese-owned or affiliated. The Honda spokesmen said they did not have that information.

Speaking at the same panel, Lee Kadrich of the Automotive Parts and Accessories Association said that two-thirds of Japan's biggest auto parts makers are either established in the United States or planning operations here. That is a sign the transplants intend to source parts with those firms, with which they have links in Japan, Kadrich said.

Kadrich said exports of American auto parts to Japan have declined 9 percent since Japan agreed last year to encourage those exports.

But Kadrich said it is difficult to determine how American parts suppliers — as distinguished from Japanese-owned parts firms in the United States — are faring with the transplants. He said the Japanese government refused to break out data that would show the amount of business the transplants are doing with American parts suppliers.

Both Kadrich and Kaptur count on the current trade bill to demand trade reciprocity and require disclosure of Japanese investments in the United States.

Yoshiji Nogami, economic counselor at the Japanese embassy in Washington, said that the cost of American parts is still a problem for the transplant operations.

Nogami said he has not heard complaints from Japanese transplant manufacturers about the quality but rather about the price of American auto parts.

He said that if costs of American parts were "1 or 2 percent or even 5 percent" higher than parts from Japan, it would make sense for transplants to source here. But when American parts cost more than that, Nogami said, the transplants do not find it justifiable to source them here.

TAX

FROM PAGE 1

helped drive one of the BMWs an hour or two from Aachen, Germany, to the port city does not establish that the cost of her trip to Paris was business-related," the court said. "In the absence of his wife, petitioner could have purchased a train ticket to return to Aachen."

The court concluded, "The airplane trip to and from Europe and the time spent in Paris were primarily personal in nature and not business-related. On the facts before us, we hold that no portion of the amount includable in petitioner's income with respect to the trip to Paris in 1984 is deductible as an imputed business expense."

"I was flabbergasted," said Wade. The dealer, who represented himself in the case, said he felt the judge didn't understand the nature of his trip to purchase the BMWs. "I wouldn't have gone unless I got the trip to do the business in Germany," he said.

Wade said he spent considerable time driving through Belgium, Germany and Switzerland looking for cars to buy and later resell in the United States. "I do the same thing here and they let me deduct the costs for business," he said.

"I bought several cars since then by virtue of the contacts I made on that trip. The judge really didn't understand what I was doing."

Industry experts agreed that such business deductions for dealers were being viewed much more closely.

"This area needs to be approached in a careful manner," cautioned Bill Guptill, a principal at Park, Guptill and Co., a West Covina, Calif., certified public accounting firm that specializes in dealer services.

"As a general rule, factories tend to be putting these trips on 1099 (compensation) forms and the burden of proof is on the taxpayer to prove that he or she was on business" during the trip, Guptill said.

He said those trips, as well as business travel expenses in general, are coming under closer scrutiny, but he said there is "nothing wrong with making a business trip out of a pleasure trip" but only if "you do your homework."

Guptill recommends that if a dealer is going to do business on an incentive trip, he should draw up a specific business plan. In the case of a side trip to buy cars, the plan should include contacts, estimates of the costs involved in acquiring the cars and what the dealer reasonably expects to make on the cars once they are resold in the United States. Guptill said such a plan ahead of time makes a much stronger case than trying to justify the deductions after the fact.

"I tell my clients that you can't jump on a plane to Paris and then go spend half a day over at a Jaguar dealer talking about his business. You might be able to deduct the cabfare over to the dealership, but not the airfare over to Paris and back," he said. "You have to be reasonable."

In another facet of the Wade case, the court took issue with the manner in which Wade reported that trip and four others as income. The trips were originally given by two Salt Lake City television stations to Subaru Intermountain (Wade's distributor) as rewards for buying air time. The distributor used the trips as prizes in sales contests among its dealers.

The television stations determined their total direct costs among all travelers on a pro-rata basis — i.e., if the trip package cost the station $250,000 and there were 60 trips awarded and 50 travelers actually made the trip, each traveler was allocated a cost of $5,000.

Wade reported the cost of each trip at $2,000 per person since three other people had paid that amount for tickets they purchased from other trip winners who decided not to go.

The court disagreed, saying, "Other than the fact of those isolated purchases, however, we know essentially nothing of the circumstances surrounding those transactions.

"The trips were purchased by the stations at a cost significantly below what their retail value was if they had been purchased individually. Under the circumstances of this case, the best measure of the fair market value of the awards is the allocable pro-rata portion o the television stations' total direc costs of the trips."

The court further held that the amount should be based on the total number of trips awarded and not just the total number of travelers who actually went.

Mid-March car sales dip

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

Sales of domestic cars in the United States in the March 11-20 period fell 13.17 percent from the year-earlier total and snapped an upward streak that had begun at the start of the year.

Sales totaled 189,245 units compared with 217,939 a year ago in mid-March.

There were eight selling days in the period this year and nine last year. This year's daily selling rate was down 2.31 percent.

Declines in retail deliveries were reported by six of the seven makers that were building cars in the United States both years. Only Toyota had a gain. Its sales rose 17.49 percent to 1,169 units from 995 units in the similar 1987 sales period. Mazda, which began selling domestic cars in September, had retail sales of 743 units in mid-March.

Nissan had a 10-day sales decline of 44.34 percent and Volkswagen was down 22.26 percent. Ford Motor Co. reported a falloff of 19.36 percent; General Motors dipped 12.58 percent, and Chrysler Motors was off 2.83 percent. Honda's retail sales were down 2.38 percent in the period.

The domestic industry's daily selling rate in the March 11-20 span averaged 23,656 units compared with 24,215 last year.

DOMESTIC SALES

	March 11-20, 1988	March 11-20, 1987
Eagle	1,617	760
Chrysler	8,478	7,721
Plymouth	7,565	11,406
Dodge	12,749	11,760
Chrysler Motors	28,801	31,887
Ford	36,078	47,771
Mercury	11,068	15,525
Lincoln	5,618	4,651
Ford Motor Co.	54,168	67,677
Buick	12,512	14,662
Cadillac	5,108	6,888
Chevrolet	33,068	39,667
Oldsmobile	17,091	24,170
Pontiac	22,810	20,966
General Motors	90,179	106,353
Volkswagen	1,634	1,556
Honda	7,270	7,445
Nissan	1,459	2,621
Toyota	1,169	995
Mazda	743	—
U.S. Industry Total	189,245	217,939

PRODUCTION

Truck ouput tops million, leads 1987

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

United States truckmakers built their one-millionth truck of the year last Friday, 17 days ahead of 1987.

So far this year, 1,013,618 units have been built, 7.67 percent more than the 941,448 completed last year at this point.

Last week's scheduled truck production of 87,376 rose 3.26 percent from the previous week's 84,619 and was 12.50 percent more than the year-ago week's 77,671.

Auto production was targeted at 145,133 units last week, slightly higher (0.15 percent) than the prior week's 144,909 but 11.62 percent below the year-ago week's 164,212.

Year-to-date, 1,552,357 cars have been assembled, 22.89 percent below the 2,013,069 completed last year at this point.

Last week's scheduled car output was shared as follows: General Motors, 47.69 percent; Ford Motor Co., 24.04 percent; Chrysler Motors, 15.99 percent; Honda of America Manufacturing Inc., 5.61 percent; New United Motor Manufacturing Inc., 2.24 percent; Nissan Motor Manufacturing Co. U.S.A., 1.78 percent; Volkswagen of America, 1.38 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 1.27 percent.

Chrysler announced it will increase its second- and third-quarter production schedule by 56,000 units.

A Chrysler spokesman said much of the increase will come from its Jefferson Avenue plant in Detroit and its St. Louis plant.

The Jefferson plant will increase its daily output of Dodge Aries and Plymouth Reliant models about 7 percent, effective May 2. The St. Louis plant will increase production about 6 percent effective April 25. St. Louis assembles the Chrysler LeBaron J and Dodge Daytona models.

GM slated overtime last Saturday at its Detroit-Hamtramck; Willow Run, Mich.; and Flint, Mich., plants.

All assembly plants will be idle April 1 for Good Friday.

Car production in Canada hits 27-month high

Canadian automakers scheduled 26,245 units last week, the highest since the week ended Dec. 14, 1985, when 26,733 cars were built.

Last week's targeted production was 38.98 percent more than the prior week's 18,884 and 50.50 percent more than the year-ago week's 17,439.

So far this year, 264,707 cars have been built, 18.06 percent more than the 224,215 built last year at this time.

Truck output was scheduled at 19,675 last week, 1.97 percent below the previous week's 20,071 but 6.33 percent more than the year-ago week's 18,503.

Year-to-date, 230,291 trucks have been 14.11 percent more than the 201,818 completed last year at this point.

U.S. CAR	Week ended March 26, 1988	Week ended March 26, 1987	Week ended March 19, 1988	Week to date	Jan. 1 to March 26, 1988	Jan. 1 to March 26, 1987
Alliance	0	0	0	0	0	9,137
Total Eagle	0	0	0	0	0	9,137
Horizon	1,768	0	1,613	6,466	20,396	32,324
Sundance	2,100	2,228	2,198	8,111	25,446	27,915
Reliant	2,400	2,382	2,488	8,428	20,460	32,927
Caravelle	500	1,236	645	1,551	4,432	15,053
Gran Fury	160	0	169	466	2,566	4
Total Plymouth	6,800	5,844	7,033	24,902	73,242	108,223
LeBaron K	500	1,497	702	1,953	3,708	22,695
LeBaron J	1,800	2,911	1,954	7,326	12,826	21,111
LeBaron GTS	260	776	212	784	2,044	10,274
N. Yorker E-Class	0	2,408	0	0	0	21,982
N. Yorker C-Class	2,800	0	2,362	8,858	24,417	0
Fifth Avenue	200	1,002	249	1,151	11,040	4,448
Total Chrysler	5,060	8,613	5,279	18,732	53,035	80,397
Omni	1,700	0	1,577	6,304	16,920	27,744
Daytona	2,100	1,221	1,921	7,900	12,033	10,606
Shadow	1,900	1,907	2,288	8,244	26,308	24,947
Aries	2,300	2,343	2,244	7,194	16,560	28,548
Dodge 600	400	1,221	429	1,308	3,794	12,910
Dynasty	2,400	0	2,568	9,358	26,802	0
Lancer	160	888	184	764	2,764	7,906
Diplomat	300	180	548	1,732	4,970	101
Total Dodge	11,360	7,371	11,777	42,378	113,206	111,916
CHRYSLER MOTORS	23,220	21,828	24,089	87,097	240,283	300,675
Escort	4,252	6,303	4,480	12,988	61,084	93,305
Mustang	4,631	4,586	4,588	17,282	53,675	88,516
Tempo	4,400	4,432	4,515	15,917	49,414	49,801
Taurus	7,782	9,291	7,959	30,049	95,185	119,925
Thunderbird	3,451	3,372	3,451	12,552	36,149	36,816
Total Ford Div.	24,466	29,974	24,975	88,868	315,577	388,449
Lynx	0	1,076	0	0	0	15,226
Topaz	1,100	1,121	1,893	5,957	19,557	14,961
Cougar	2,300	3,354	2,309	8,391	20,089	48,536
Sable	2,703	3,495	2,634	10,186	30,041	37,874
Total Mercury	6,139	9,035	6,840	25,475	76,837	114,648
Continental	832	403	1,057	3,800	10,838	4,841
Mark VII	497	622	557	1,916	6,409	6,949
Lincoln	2,801	3,076	3,248	11,460	35,041	34,738
Total Lincoln	4,200	4,100	4,872	17,160	53,038	46,518
Total L-M Division	10,339	13,135	11,721	42,635	131,759	160,936
FORD MOTOR CO.	34,805	43,109	36,696	131,440	450,439	617,405
Skyhawk	1,093	894	1,057	3,226	8,256	11,611
Skyvark/Gemenet	330	0	386	1,420	6,744	21,013
Century	3,030	4,198	2,214	7,799	13,947	51,864
Regal (rwd)	0	976	0	0	0	11,800
Riviera	186	165	186	586	1,739	5,861
Electra	1,276	2,522	1,286	4,829	16,971	27,709
LeSabre (fwd)	3,375	2,902	2,300	10,202	29,893	27,137
LeSabre (rwd)	210	366	222	801	1,670	5,386
Reatta	134	0	110	416	668	0
Total Buick	9,626	11,043	7,951	29,282	79,910	162,297
Cimmaron	146	489	127	574	2,905	5,535
Eldorado	1,210	613	1,161	4,305	8,383	4,672
Seville	723	586	694	2,582	5,566	7,376
Brougham (rwd)	213	2,122	213	436	423	34,300
Deville (fwd)	4,090	8,966	4,018	15,173	46,818	45,694
Allante	86	76	86	248	531	611
Total Cadillac	6,357	7,780	6,270	23,308	64,626	98,191
Cavalier	7,232	8,000	7,144	27,289	76,964	92,039
Camaro	2,325	2,949	2,230	8,322	13,732	21,099
Celebrity	3,466	8,782	3,961	11,982	36,532	100,741
Corsica/Beretta	8,999	5,071	9,196	34,472	96,863	99,363
Monte Carlo	0	2,000	0	0	0	16,727
Caprice	3,466	5,878	3,139	12,586	47,868	56,226
Corvette	440	625	440	1,883	5,198	7,728
Total Chevrolet	25,877	30,276	26,111	94,233	279,157	397,903
Cutlass	2,020	0	2,088	7,820	24,770	38,809
Firenza	497	294	490	1,468	3,966	5,337
Cutlass Ciera	0	3,506	0	0	0	46,830
Cutlass Supreme	2,216	1,640	2,218	8,126	22,911	14,210
Toronado	487	402	488	1,783	4,148	4,675
88 (fwd)	3,361	4,867	3,389	12,536	36,445	58,984
88 (rwd)	295	372	247	888	3,119	4,776
Olds 98	1,830	1,888	1,830	6,949	21,209	23,288
Total Oldsmobile	10,714	12,978	10,733	39,532	115,872	196,811
Bunbird	2,182	2,945	2,016	7,843	25,748	31,019
Grand Am	4,888	5,188	4,813	18,257	57,748	86,222
Firebird	1,786	2,349	1,826	5,276	11,837	16,786
Grand Prix	2,041	0	2,041	7,561	24,348	0
Pontiac 6000	2,950	2,546	2,080	9,236	13,333	22,486
Bonneville	2,077	3,199	2,082	7,749	21,802	37,986
Sabel/Parisienne	195	337	219	717	1,888	3,322
Fiero	810	1,198	818	2,288	4,241	9,889
Total Pontiac	16,880	17,519	15,714	59,082	161,844	189,842
GENERAL MOTORS	69,224	83,476	66,799	245,317	699,212	986,044
HONDA	8,140	8,788	8,039	29,161	89,362	84,971
Civic	2,225	1,675	2,127	7,709	21,232	30,151
Accord	5,915	5,113	5,912	21,492	65,180	54,120
MAZDA†	1,840	0	1,821	6,532	14,784	0
NISSAN	2,584	2,986	2,178	7,321	18,284	36,096
NUMMI	3,250	3,977	3,287	12,532	38,147	48,651
Corolla	1,200	874	1,213	4,605	13,460	9,951
Nova	2,050	3,103	2,074	7,927	24,687	38,700
VOLKSWAGEN	2,000	2,045	2,089	7,036	15,815	19,929
Golf/GTI	1,300	1,786	1,320	4,976	10,515	17,429
Jetta	700	259	700	2,060	5,300	2,500
Total Cars, U.S.	145,133	164,212	144,909	527,098	1,552,357	2,013,069
Total Cars, Canada	26,245	17,439	18,884	65,099	264,707	224,215
U.S., Canada Cars	171,378	181,651	163,793	612,737	1,817,064	2,237,284
U.S., Canada Cars and Trucks	278,428	277,925	260,483	1,016,974	3,060,973	3,390,676

CANADIAN CAR	Week ended March 26, 1988	Week ended March 26, 1987	Week ended March 19, 1988	Week to date	Jan. 1 to March 26, 1988	Jan. 1 to March 26, 1987
Eagle	0	—	0	0	0	—
Premier	1,860	—	0	3,038	16,090	—
CHRYSLER MOTORS	1,860	185	0	3,038	16,090	1,855
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,402	—	4,345	16,565	49,868	—
Topaz	1,358	—	1,330	5,107	17,612	—
Crown Victoria	2,880	—	2,837	10,836	33,927	—
Grand Marquis	2,880	—	2,846	10,837	33,252	—
FORD MOTOR CO.	11,920	11,487	11,357	43,348	134,679	134,611
Celebrity	335	—	355	1,187	4,271	—
Cutlass Ciera	7,805	—	8,377	22,509	54,143	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,120	—	570	2,482	11,002	—
Regal	3,245	—	355	1,701	35,519	—
GENERAL MOTORS	12,205	5,361	8,657	36,099	104,935	88,336
HONDA	730	201	730	2,703	7,988	1,713
VOLVO	140	225	140	521	1,467	2,700
Total Cars, Canada	26,245	17,439	18,884	65,099	264,707	224,215

U.S. TRUCK*	Week ended March 26, 1988	Week ended March 26, 1987	Week ended March 19, 1988	Week to date	Jan. 1 to March 26, 1988	Jan. 1 to March 26, 1987
Caravan	2,350	—	1,884	8,328	24,383	—
Dakota	2,800	—	2,884	10,748	28,388	—
Mini-Ram Van	350	—	288	1,050	3,847	—
Pickups	1,300	—	1,371	5,164	13,871	—
Total Dodge	6,750	6,467	6,467	25,288	70,287	80,582
Cherokee	3,100	—	3,080	15,301	43,173	—
Commanche	1,000	—	1,099	3,777	11,973	—
Grand Wagoneer	0	—	360	976	3,142	—
Pickups	0	—	0	0	0	—
Wagoneer	180	—	282	942	3,222	—
Total Jeep	4,280	4,410	5,512	18,996	61,510	83,884
Voyager	2,000	—	1,708	7,424	22,301	—
Total Plymouth	2,000	—	1,708	7,424	22,301	—
CHRYSLER MOTORS	13,000	9,867	13,707	51,710	154,108	114,466
Aerostar	5,180	—	4,410	17,461	55,497	—
Bronco	1,300	—	1,274	4,895	15,153	—
Bronco II	3,089	—	2,996	11,378	36,605	—
Econoline	5,119	—	5,223	19,696	61,511	—
Heavy trucks	1,392	—	1,381	5,238	16,110	—
Light trucks	11,088	—	10,365	41,372	122,721	—
Ranger	7,371	—	7,418	28,011	86,061	—
Total Ford Div.	34,462	29,036	33,065	128,000	395,660	392,100
FORD MOTOR CO.	34,462	29,036	33,065	128,000	395,660	392,100
Astro	3,223	—	3,903	13,466	42,500	—
Blazer	522	—	457	2,078	6,556	—
Medium/Heavies	340	—	395	1,189	5,854	—
P-Model	618	—	0	1,322	9,118	—
Pickups	7,088	—	8,530	28,002	76,150	—
S-10	6,844	—	5,527	22,898	66,442	—
S-10 Blazer	3,522	—	3,779	13,982	36,993	—
Sportsvan/Van	1,447	—	1,724	5,987	16,914	—
Suburban	1,418	—	1,211	5,653	17,244	—
Total Chevrolet	24,812	21,781	23,486	92,586	277,773	273,084
Jimmy	182	—	200	743	2,183	—
Medium/Heavies	911	—	992	3,825	11,137	—
P-Model	404	—	0	523	1,128	—
Pickups	2,764	—	2,497	8,793	25,047	—
S-15	1,448	—	1,633	6,259	18,183	—
S-15 Jimmy	998	—	985	2,959	8,691	—
Sierra	815	—	936	3,498	10,950	—
Suburban	647	—	782	2,810	9,021	—
Vandura/Rally Vans	933	—	576	2,896	10,748	—
Total GMC	8,942	7,197	8,181	31,782	96,068	93,972
GENERAL MOTORS	33,754	28,978	31,677	124,370	375,841	367,056
NAVISTAR	1,748	1,808	1,723	6,380	20,940	18,774
NISSAN	1,878	1,801	1,707	7,462	34,089	20,852
AM GENERAL*	450	50	450	1,710	5,400	600
MISCELLANEOUS*	2,300	2,300	2,300	8,740	27,600	27,600
Total Trucks, U.S.	87,376	77,671	84,819	328,321	1,013,618	941,448

CANADIAN TRUCK	Week ended March 26, 1988	Week ended March 26, 1987	Week ended March 19, 1988	Week to date	Jan. 1 to March 26, 1988	Jan. 1 to March 26, 1987
Caravan	3,048	—	3,075	11,884	36,841	—
Mini-Ram Van	338	—	342	1,296	3,195	—
Ram Wagon	590	—	562	2,118	5,490	—
Ram Van	1,300	—	1,388	5,228	13,721	—
Total Dodge	5,274	3,745	5,377	20,314	59,047	108,136
Voyager	2,780	—	2,803	10,613	34,183	—
Total Plymouth	2,780	—	2,803	10,613	34,183	—
Wrangler	1,018	—	1,089	3,980	12,180	—
Total Jeep	1,018	641	1,089	3,980	12,180	7,594
CHRYSLER MOTORS	9,052	9,366	9,249	34,907	105,390	113,730
FORD MTR. (lt. trks.)	3,648	3,510	3,680	13,839	43,075	39,756
Light trucks	3,375	—	3,224	12,481	38,076	—
Vans	1,500	—	980	4,813	15,248	—
Total Chevrolet	4,875	—	4,204	17,293	53,324	—
Light trucks	1,425	—	1,789	6,431	18,661	—
Vans	450	—	945	2,529	7,184	—
Total GMC	1,875	—	2,734	8,960	25,845	—
GENERAL MOTORS	8,759	5,412	6,938	26,253	79,169	65,964
NAVISTAR	225	195	224	857	2,857	2,308
Total Trks., Canada	19,676	18,568	20,071	75,856	230,291	201,818
U.S., Canada Trks.	107,051	96,174	104,890	404,237	1,243,909	1,143,266

NOTE

Some charts and graphs were color-coded in the original document. While it has not been possible to reproduce these items in color, their equivalent values on the black-and-white scale are often distinct enough to convey the same information as the original colors.

Congressional Information Service, Inc.
Washington, D.C.

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U.S. slaps Japan on parts buys

Commerce notes 'negative perceptions' as '87 exports fall 9%

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The U.S. Commerce Department told the Japanese Ministry of International Trade and Industry it is troubled that exports of U.S.-manufactured automobile parts to Japan have decreased 9 percent in the past year.

It expressed "concern over the apparent persistence of attitudes in the Japanese press and elsewhere which, by implying U.S. suppliers are not competitive, hinder U.S. sales and increase tension."

The meeting between Joan McEntee, U.S. deputy assistant secretary of commerce, and Katsuhiro Nakagawa, director of MITI's automobile division, took place here Feb. 18.

Last week, Automotive News obtained a U.S. Department of Commerce cable summarizing the meeting. The disclosure follows criticism of U.S. suppliers by Osamu Nobuto, president of Mazda Motor Manufacturing (USA) Corp. (Automotive News, March 28). Nobuto harshly criticized U.S. auto parts manufacturers for not meeting Mazda's quality and delivery requirements.

Release of the cable coincided with publication of a U.S. General Accounting Office report on investment and sourcing decisions by Japanese automakers in the United States.

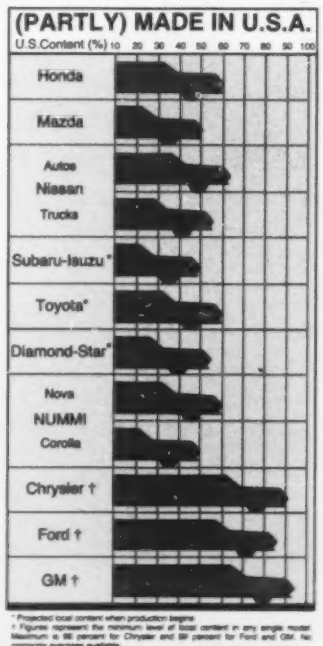
The report, titled "Foreign Investment: Growing Japanese Presence in the U.S. Auto Industry," said that U.S. auto-related employment will likely be substantially lower in 1990 than in 1985.

That will be due to gains in worker productivity, increased use of foreign parts by U.S. automakers and increased imports.

The report projected the loss of as many as 360,000 auto-related manufacturing jobs in the United States in the 1985-90 period. It said, "The operations of Japanese-affiliated automakers in the United States could result in even more losses because they use fewer workers and more foreign content than U.S. automakers."

According to the Commerce Department cable, McEntee told Nakagawa, "Given the increasing price and competitiveness of U.S. products and the commitment of Japanese companies to open their supply net-

see COMMERCE, page 62



* Projected local content when production begins.
† Figures represent the minimum level of local content in any single model. Maximum is 90 percent for Chrysler and 89 percent for Ford and GM. No corporate averages available.
Source: General Accounting Office

Trade bill 'won't kill us,' say importers

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Congressional leaders reached agreement last week on the major elements of trade legislation they will send to President Reagan.

The bill is considerably weaker than earlier versions passed last year in the House and Senate, but the White House threatened a veto of the measure anyway.

Car dealers stopped short of declaring victory following the close of last week's House-Senate conference, yet acknowledged the bill is considerably less threatening than legislation approved in 1987.

Frank McCarthy, executive vice president of NADA, said the association is "pretty pleased" with the bill. "We realize that it is a 1,000-page bill that is going to impact trade one way or another, but the provisions we were most concerned about have been eliminated."

Robert McElwaine, president of the American Import Automobile Dealers Association, said, "The bill could hurt us perhaps, but it won't kill us."

McElwaine and McCarthy said they were pleased the trade conference committee decided to reject a controversial amendment sponsored by Rep. Richard Gephardt, D-Mo.

The amendment would have required mandatory retaliation against nations that practice unfair trade if they also run large trade surpluses with the United States. The amendment had been supported by organized labor, Ford Motor Co. and Chrysler Corp., but was opposed by vehicle importers

see TRADE, page 62

Big public U.K. dealer makes move into U.S.

By Richard Feast
AUTOMOTIVE NEWS STAFF REPORTER

Lex Service PLC, the publicly owned automotive group that is the largest retailer of cars and trucks in the United Kingdom, has agreed to buy a major shareholding in Campbell Automotive Group Inc., Orange County, Calif.

The $13.5 million deal requires the approval of the seven auto companies whose products are sold by Campbell. These include Ford Motor Co., Campbell's largest-volume franchise.

Domestic manufacturers have traditionally been opposed to public ownership of their dealerships. Ford and Campbell's other six suppliers — Audi, Mazda, Mitsubishi, Nissan, Porsche and Volkswagen — were last week studying the implications of the proposed sale.

There was little indication how the companies would react, but the development seems destined to hasten the spread of public ownership of auto dealerships in the United States.

Meanwhile, the first new-car dealership public offering is well under way. Stock for Steven Motors Inc., the Wichita, Kan., new-car dealer holding company, was being offered in seven states last week.

Lex is proposing to invest $13.5 million for a 50-percent share in Campbell. The company describes the sum as being equal to the net asset value of the business prior to the investment.

John Campbell, president of Campbell, will continue in the same position with the joint-venture company.

"We've met with all the manufacturers, and they're going through the process of reviewing the situation. It would not be appropriate for me to comment further," Campbell said last week.

David Beck, managing director of Lex Retail Group and the person who spearheaded the group's U.S. expansion plan, took a similar line. "We're discussing it with all franchisors. It would be inappropriate to comment at this stage."

Ford is reviewing the proposed sale. As in any other case in which a dealership changes hands, the deal must be approved by the company.

A Ford spokesman explained that as a matter of policy the company does not flatly oppose public ownership of dealerships. It just does not like to see it.

Ford believes privately held dealerships can keep closer watch and tighter control over the franchise agreement than publicly owned operations.

A Volkswagen of America spokesman said the company has no formal policy on the issue of public ownership, but another official said the company realizes that publicly owned dealerships will become more common and VWoA apparently will not oppose them.

Campbell and Beck first met after last year's NADA conference. They began more detailed discussions last July — at about the time that Automotive News revealed Lex's plan to expand from its British auto retailing base into the United States (Automotive News, July 13).

A joint statement released last week from the two companies said, "The investment will enable Lex to gain a greater understanding and experience of the U.S. retail automotive market.

"In turn, through the Lex involvement, Campbell will benefit from Lex's long-range experience in managing a large retail automotive group."

Asked whether Lex is still on the lookout for further U.S. acquisitions, Beck said, "This venture fits our immediate needs. The longer term depends on the success of this venture."

Campbell Automotive Group recorded sales

see PUBLIC, page 62

Saturn pitch risks agency's Sterling ads

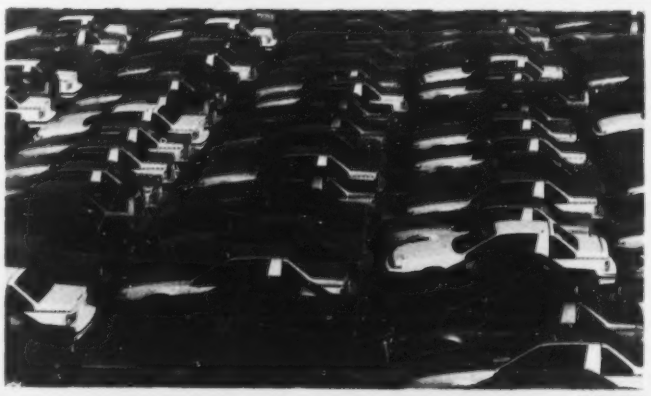
By Raymond Serafin
CRAIN NEWS SERVICE

General Motors's Saturn subsidiary narrowed its list of advertising agency candidates to three last week.

The review has jeopardized the relationship between finalist Hal Riney & Partners and Riney's current automotive client, Miami-based Austin Rover Cars of North America, importer of Sterling.

The other finalists are N W Ayer, New York, and Hill, Holliday, Con-

see SATURN, page 64



CINDY LEWIS

Preliminary figures indicate Nissan will ship 475,544 units for the Japanese fiscal year, approximately 66,200 units under the company's quota

Nissan plunge pulls Japan below car-export quota

By Mary Ann Maskery and Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTERS

TOKYO — Largely as a result of high inventories and lagging sales at Nissan, Japanese automakers will fall short of the 2.3 million cars they were allowed to export to the United States last year.

Japanese automakers are expected to ship 70,000 to 100,000 units fewer than their voluntary restraint agreement quota would have allowed for the 12 months ended March 31.

Nissan Motor Co. in U.S.A. will account for most of the shortfall.

Preliminary figures from Japanese sources indicate Nissan will ship 475,544 units for the Japanese fiscal year, approximately 66,200 units under the company's quota.

Most other makers are expected to ship 2,000 to 3,000 units fewer than their allocation allowed — or about one shipful, according to Japanese sources.

On the U.S. side, spokespersons

see VRA, page 62

Korea looks abroad on engines, styling Page 2
Audi reports U.S. loss, beefs up ad campaign Page 3
EDS cancels its cancellation Page 6

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N.Y. hits secret warranties

Bill would require notices to owners

By John A. Russell
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — The New York attorney general last week announced introduction of legislation to ban secret warranties in the state, saying they have cost consumers nationwide $3 billion during the past 10 years.

Attorney General Robert Abrams announced the bill — the first of its type in the nation — and called secret warranties an industrywide practice.

Secret warranties are special adjustment programs established by automakers under which they agree to pay for all or part of specific repairs not covered by standard warranties.

A spokesman for the Motor Vehicle Manufacturers Association said he had not seen the bill and had no comment.

In Albany, N.Y., Norma Sharp, executive vice president of the New York State Automobile Dealers Association, said she has not seen the legislation. However, she said she believed the attorney general may be using the term secret warranties "rather loosely."

"He may be calling something a warranty that is not a warranty," she said.

Abrams said that the adjustments are routinely revealed to dealers in service bulletins, which may or may not be read and implemented. Manufacturers occasionally issue press releases, which may not be printed. The bill would require manufacturers to notify consumers of those programs.

Now, Abrams said, since only dealers are notified, consumers often are unaware of the free or reduced-cost repairs.

"Auto manufacturer and dealers routinely deny the existence of special-adjustment programs when consumers complain, so we call them 'secret warranties,' " Abrams said. "This bill would make it illegal for manufacturers to withhold information about an established policy to pay all or part of the cost of a repair beyond the terms of the warranty."

Abrams' office earlier this month called the customer-service representatives of 24 domestic and foreign auto manufacturers. Only one

see WARRANTIES, page 63

AUTOMOTIVE NEWS/JOE WILKENS

50 of a kind for Corvette Challenge
Race teams competing in the Sports Car Club of America's new 10-race, $1 million Corvette Challenge series picked up the 50 identically prepared cars from Chevrolet headquarters in Warren, Mich., last week. The cars are like all other 1988 Corvettes except for roll bars, racing seats, racing mag wheels and other safety equipment. The Corvette Challenge series begins May 1 as part of the Grand Prix of Dallas and ends in St. Petersburg, Fla., Oct. 23. In addition to the $1 million prize fund, race teams and dealers will vie for $25,000 that will go to the best Chevy dealer promotion held in conjunction with the racing series.

GM parts divisions told to reduce ads

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — General Motors' component-making divisions have been told to reduce advertising expenditures to help the corporation meet budget objectives for the 1988 model year.

Each division is responsible for how much it will reduce advertising; however, last week GM's Delco Products and Saginaw divisions announced that they would stop advertising for the rest of the 1988 model year, according to GM sources.

"I think that the corporation just looked at its profit and budget targets and decided to make the move now," said a GM agency source.

The announcement came shortly after all GM divisions received a letter from Robert T. O'Connell, GM vice president and group executive — financial group, ordering them to reduce discretionary expenditures.

The component operations are being scrutinized closely by both GM and the UAW to ensure that each division and plant is meeting cost and quality goals. Plant-by-plant plans to meet those goals are to be submitted to GM by June 30.

"There's been a hold on everything; cancellation may be too strong a word" for the components divisions' advertising cutbacks, said a spokesman for GM's Inland Division in Dayton, Ohio, which makes seats, interiors and steering wheels.

"We've just been asked to be careful on discretionary items," said the spokesman.

GM has said that about 10 percent of components it makes cost more than if they were purchased. The company is trying to identify non-competitive operations and improve or close them.

In the last two years, GM has announced that it would close or partially close several of its manufacturing facilities, including five component plants.

Saginaw Division, headquartered in Saginaw, Mich., produces steering mechanisms, axles, differential assemblies and front disc brake assemblies.

Delco Products in Dayton, Ohio, produces heating and cooling equipment, windshield washer systems, electronic components, bumper components, struts and springs.

One GM advertising source said that — unlike GM's car divisions — the two component divisions that halted ad spending are not dependent on advertising to keep up sales momentum.

"There also has been a question of whether GM needs to advertise its component division," he said. —

The two agencies that will be hit hardest by the ad cancellations are Lintas:Campbell-Ewald, which handles Delco Products, and Leo Burnett USA, which handles Saginaw Division.

Audi reports U.S. loss, beefs up ad campaign

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

Audi of America lost $120 million in 1987 as sales dropped, marketing costs rose and the company continued to wrestle with allegations of unintended acceleration.

The earnings announcement, made by Audi AG Chairman Ferdinand Piech last week, came as Audi expanded its first advertising campaign in response to questions about the safety of Audi cars.

The company also submitted a report to NHTSA which, the company said, demonstrates that its shift-lock device prevents cars from taking off uncontrollably. The Center for Auto Safety, a consumer advocate group, disputed Audi's conclusion.

Piech told a group of journalists in West Germany that the company's U.S. sales arm lost 200 German marks ($120 million) last year. Volkswagen AG does not normally break down the financial results between its Audi and Volkswagen divisions in the United States.

The losses do not come as a surprise. Audi unit sales dipped 31 percent in the United States in 1987, the second year of sharp declines. Last year Audi nearly doubled its sales and marketing budget, launching the Audi 80 and 90 series and offering discounts worth as much as $5,000 on some of its cars.

In its report to NHTSA, Audi said that since September 1986, when it began recalling the Audi 5000 to install shift locks, the company has received 396 complaints from drivers who have the devices in their cars. The shift lock forces drivers to depress the brake before shifting into drive or reverse. The complaints included reports of poor idle performance that fell under the broad category of "unwanted engine power."

Of the reports, 174 involved accidents and there were 36 personal injuries and no deaths, a spokesman said. None of them were "headline type" accidents — such as a case last fall where a New Jersey vehicle inspector was injured when an Audi 5000 he was driving apparently surged out of control and struck a tree. That incident is still being investigated, said the spokesman.

Audi said that in all but 22 reports, the incidents did not fit the "sudden-acceleration pattern" where cars allegedly have taken off at full throttle when shifted into gear and the brakes have failed. And in each of the 22, Audi later tested the brakes and found that they worked.

Fifteen of those 22 involved shift locks that didn't work; all but one were installed improperly. The balance of the 22 occurred when cars were shifted from neutral into gear. The shift lock isn't designed to operate from neutral.

Clarence Ditlow, head of the Center for Auto Safety, said Audi's report is further evidence that the shift lock isn't the answer.

"If someone admits that they have 394 incidents of unintended acceleration and has to spend 60 pages explaining it, they obviously have a problem," he said. "If the shift lock worked, you wouldn't have these incidents."

Audi, however, said that any type of complaint is recorded by the company and included in its report to NHTSA. Among the complaints, the spokesman said, are two incidents in which owners reported that their unoccupied cars jerked forward as they left conveyers at the end of a car wash.

Piech: Audi's U.S. sales arm lost 200 German marks ($120 million) last year

Others included cars skidding on slick pavement and collisions at intersections. Some incidents have closely resembled unintended-acceleration cases. "It's obvious why the owner would think that that was unintended acceleration, but it was not," the spokesman said.

The range of reports indicates that "the general public does not know what the classic case of unintended acceleration is," the spokesman said.

Audi made the shift locks standard on its 1987 models with automatic transmissions. It has investigated 16 complaints on those models and said they did not fit the unintended-acceleration definition. There have been no complaints on 1988 models, Audi said.

Audi hasn't finished its study on 65 of the 396 complaints. In addition, there have been 703 reports involving cars without shift locks. The spokesman said the company is giving priority to the cases involving shift locks and hasn't yet studied the others.

In its report, Audi contends that 73 percent of owner complaints came after publicity surrounding the Audi 5000 began snowballing in March 1986.

Audi is touting the merits of the shift lock in a new advertising campaign that began in major newspapers March 25 and expanded into national magazines last week.

The campaign marks a turnabout in the company's approach to the issue. Previously, Audi had felt alone in confronting the problem, explained Tony Kirton, Audi's marketing director. But now there is a growing awareness of the industrywide nature of the problem.

Audi is also working on a public relations campaign that will, in part, address the issue in ways other than commercial advertising. Proposals are being developed by Audi's New York agency and are expected to be presented to company officials next week.

The ads are one- or two-page spreads that picture an Audi 5000 beneath a bold headline: "It's time we talked." They suggest that Audi erred at first when it decided to let the facts speak for themselves.

"Our silence not only offended our loyal customers but also prejudiced potential customers against us."

The ads cite studies that indicate there is no safety defect in the car. And they point to the Japan Automobile Manufacturers Association's recommendation that its member companies install shift locks in their cars with automatic transmissions.

The magazine and newspaper segments are the first in a series of print ads that are scheduled to appear through June. Others will focus on safety, quality and the company's new guaranteed trade-in value plan, Kirton said.

Staff reporter Matt DeLorenzo in Washington contributed to this story.

INDEX

Around the world	20-26
Auction dates	50
Classifieds	52
Coming events	40
Dealing with dealers	44
Legal briefs	15
News briefs	8
Obituaries	65
Opinion	10
Personnel	42-43
Production	66
Recreation on wheels	14

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Kellogg emphasizes ground effects
Kellogg Manufacturing, Elkhart, Ind., goes in for heavy ground effects on its van conversions. Front and rear fiberglass spoilers complement the vehicle's exterior paint scheme, with the raised roof, built-in TV antenna, sunroof and sharply contoured design rounding out its contemporary look.

Big 3 plan for bigger share of van-conversion market

TRUCKING TRENDS

JOSEPH BOHN

The lucrative van-conversion business has attracted the attention of Detroit automakers who would like a bigger piece of the action.

Some industry reports say that when the automakers redo their full-sized vans in the early 1990s, they're going to put all the fasteners and other components on the inside, as they do with minivans.

That will give them more flexibility to create different interiors as the vans come down the line — edging them farther into the van-conversion market.

"That's a 200,000-unit market they're not getting any part of right now because of the way their cargo vans come down the line," one observer pointed out.

The best guess is that the manufacturers are likely to knock out quite a few of the small converters, leaving the low- and high-priced ends of the market to well-established conversion firms.

General Motors and Chrysler Motors will be the first to introduce new full-sized vans in 1990-91, followed by Ford shortly afterward.

Suburban's future

GM isn't sure whether — or how — to replace its aging Chevrolet/GMC Suburban and Crew Cab models.

The company is studying choices that include creating totally new Suburbans, Crew Cab pickups and Blazers/Jimmys off its new C/K pickup platform; dropping some or all of those existing models; or continuing to produce some in combination with new models.

GM's full-sized vans fall into a totally different category than any of those vehicles because they use unibody construction.

The company couldn't build a new Suburban derivative from its new full-sized vans unless it went to a frame version of the van.

GM is now building Suburbans off the leftover Crew Cab pickup — a remnant of its old-style pickups.

Reportedly, company officials believe they don't need the Crew Cab any more because the new extended-cab model in the C/K series is adequately taking care of those customers.

The Crew Cab is reportedly due to be dropped. At the time GM moved Crew Cab production to Janesville, Wis., officials said the model would be produced until July 1989.

If GM drops the Crew Cab, the only model it will still need that tooling for is the Suburban.

Industry observers point out that the tooling on the current Suburban is pretty well worn out, as evidenced by its fit and finish, which requires a lot of cleanup after production.

The Suburban itself also has a rather rough ride.

GM officials reportedly don't like the high costs of building and maintaining the vehicle at its plant in Flint, Mich.

And the cost of bringing out a new Suburban will be immense because the vehicle will require basically all new tooling, and it will have to be brought into line with the automated assembly and manufacturing processes GM is now using in other plants.

Ford reportedly spent $500 million for its upcoming four-door Bronco II, due in the mid-1990 model year, and that was just for the frame and some related componentry.

Ford will be able to use many of the parts from the two-door Bronco II to produce its new four-door model. But in GM's case, the Suburban will require totally new components from the ground up.

Regardless of what GM finally decides, it will not abandon the Suburban market, even if sales of that vehicle continue to drop.

Combined Chevrolet/GMC Suburban sales were 77,072 last year, off from 81,207 in 1986.

It appears that the auto companies now have the flexibility to produce vehicle lines profitably in low volume.

In the past, they would frequently leave low-volume vehicles to private conversion firms and other outside companies to product.

But industry sources said the auto companies now appear capable of profitably producing vehicles with sales as low as 40,000 or 30,000 units annually.

Van conversions enjoy a boom

But smaller dealers say they've been hurt by new GM policy

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

The spring van-conversion market is booming, fueled partly by buying incentives.

However, GM's program of limiting drop shipments of seat-delete vans only to dealers who order at least 100 of them has hurt a lot of small Chevrolet and GMC outlets of non-pool converters.

GM extended its $500 rebate on full-sized G vans through May 11. Chrysler is offering $1,000 rebates on its full-sized vans indefinitely, and Ford is offering $500 rebates on Aerostar vans through May 11.

"Business is so good, it's almost caught us (the Elkhart, Ind., conversion community) off guard," said William Snook, president of Coachmen Vans and Consolidated Leisure Industries.

"When the weather broke, sales picked up to the point where there were not enough chassis to fill orders," Snook added.

Supplies of Ford and Chevrolet vans are the tightest.

"Every guy in town is in the same situation. We wish we had more chassis. Business was kind of slow, and then it really opened up," Snook said.

GM's restrictions on drop shipments forced some converters to switch supply sources and cut others off totally.

In Romulus, Mich., Robert Wolf, president of Advanced Creations, said GM's program has hurt every non-consignment pool converter.

That's because "sales are tremendous, and we are fighting for every chassis right now," he said.

Wolf, who primarily converts Chrysler and Ford vans, has seen his GM conversion business dry up since GM's program went into effect in January.

He theorized that GM was trying to protect its consignment pool converters from regional converters who were not building units according to government standards.

"But a lot of us (non-consignment-pool converters) belong to the Recreation Vehicle Industry Association. Even though we're not in the GM pool, we do things according to Hoyle," he added.

GM sources say, though, that restricting drop shipments was intended to provide the company with an order bank and to balance its year's production of vans.

It was intended to better control distribution of the non-bailment pool vans for the upfit market.

But, in reality, it has distorted the market and hurt smaller dealers who typically ordered limited numbers of chassis for non-pool converters.

Dennis Hite, new-car sales manager for Mark Chevrolet, Wayne, Mich., called it "an extremely dumb program." He said, "They did it to try to eliminate the big dealers who were running through hundreds of units on a fleet basis and selling them to conversion companies.

"But, in reality, it's only made the Paul Sherrys (Paul Sherry Chevrolet-Chrysler, Piqua, Ohio) and the Jim Johnsons (Jim Johnson Chevrolet, Richardson, Texas) stronger," he said, citing dealerships that sell several thousand van chassis yearly.

"It has given those guys more strength," Hite said. "I sell 120 a year. I could step up and order my 100; but in March and April, they would trickle in. In June, I'd get a few more and, guaranteed, by buildout time in July/August — when you don't want chassis; you want to have your inventory all set — I'd get 30 or 40.

"This program has eliminated me from using local conversion companies," said Hite. He previously supplied Advanced Creations, but said he can't anymore because "I can't get the empty chassis."

Hite said he is now forced to use bailment pool converters because, under their arrangement with those converters, the auto companies floorplan the cost of the chassis until they are converted and sold back to the dealer.

Hite said that with non-consignment pool orders, he risks floorplanning the cost of the vehicles himself.

RV wholesale shipments up 5% for 1987

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Recreational Vehicle Wholesale Deliveries

	January 1988	January 1987	% change	1 month 1988	1 month 1987	% change
Travel trailers	5,000	5,700	– 12.3	5,000	5,700	– 12.3
Park Trailers	700	600	+ 16.7	700	600	+ 16.7
Travel trailers—fifth wheel	2,600	2,000	+ 30.0	2,600	2,000	+ 30.0
Folding camping trailers	3,400	2,800	+ 21.4	3,400	2,800	+ 21.4
Truck campers	500	600	– 16.7	500	600	– 16.7
Towable RV total	12,200	11,700	+ 4.3	12,200	11,700	+ 4.3
Conventional (type A)	2,800	2,300	+ 0.0	2,800	2,800	+ 0.0
Van Campers (type B)	300	600	– 50.0	300	600	– 50.0
Chopped vans (all)	1,500	2,000	– 25.0	1,500	2,000	– 25.0
Motor home total	4,600	5,400	– 14.8	4,600	5,400	– 14.8
Van conversions	14,000	14,100	– 0.7	14,000	14,100	– 0.7
TOTAL ALL RVs	30,800	31,200	– 1.3	30,800	31,200	– 1.3

Source: Recreation Vehicle Industry Association

Total RV wholesale shipments increased 5.45 percent in calendar 1987 to reach a nine-year high of 400,200 units.

The wholesale value of those shipments was a record $6.84 billion, up 10.85 percent from $6.17 billion in 1986, according to the Recreation Vehicle Industry Association's wrapup and analysis of industry results.

Average wholesale prices advanced moderately for almost every RV category with most groups in the 5 percent range. Type B van campers increased the most over 1986, while the average wholesale price of conventional travel trailers was slightly lower than a year earlier.

The value of van-conversion shipments rose a strong 5.84 percent. The industry shipped $3.116 billion worth of van conversions, up from $2.944 billion in 1986.

The average wholesale-unit price of a van conversion was $17,131, up 5.83 percent from $16,187 a year earlier.

California was the biggest market for van conversions. It accounted for 12.55 percent of van-conversion shipments, followed by Ohio with 7.81 percent and Illinois with 7.52 percent.

Michigan accounted for 6.68 percent of the van-conversion shipments; Florida, 6.85 percent; and Texas, 5.15 percent.

The East North Central region, comprising Illinois, Indiana, Michigan, Ohio and Wisconsin, accounted for 27.57 percent of the van-conversion shipments.

That was followed by the South Atlantic region, made up of Delaware, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia and West Virginia, which accounted for 18.50 percent of the shipments.

Behind that, the Pacific region, including Alaska, California, Hawaii, Oregon and Washington, accounted for 15.52 percent of the shipments.

California was again the top state for overall RV shipments, accounting for 14.14 percent of all RVs shipped.

Florida gained runner-up standing last year by accounting for 6.14 percent of all RV shipments, while Michigan slipped a notch to No. 3 with 5.77 percent.

Meanwhile, industry unit shipments topped 1986 levels in all but one month, with five of the 12 months being the highest in the past decade, the association said.

April was again the year's highest shipment month, as it has been for the past four years, with deliveries to retailers topping 40,000 units.

First-quarter shipments of 102,200 units were 4.00 percent better than in 1986, buoyed by increased shipments of conventional travel trailers, truck campers and type A motor homes. Van-conversion shipments were off during the period.

RV wholesale shipments showed less of a seasonal variation in quarter-to-quarter results last year. While actual second-quarter shipments increased to 112,600 units, they were down 10.20 percent, seasonally adjusted, from the first quarter.

Second-quarter results were the best quarterly total since the same period in 1984, the association said.

Deliveries in May, June and July closely followed the pattern set in 1986 and allowed the industry to catch its breath for the strong third quarter when shipments increased more than 10 percent on a seasonally adjusted basis.

The first half of 1987, in fact, ran at a seasonally adjusted rate of nearly 440,000 units with five of the six months recording nine-year highs.

The results were capped by a surprisingly strong December that came six weeks after the stock market plunge.

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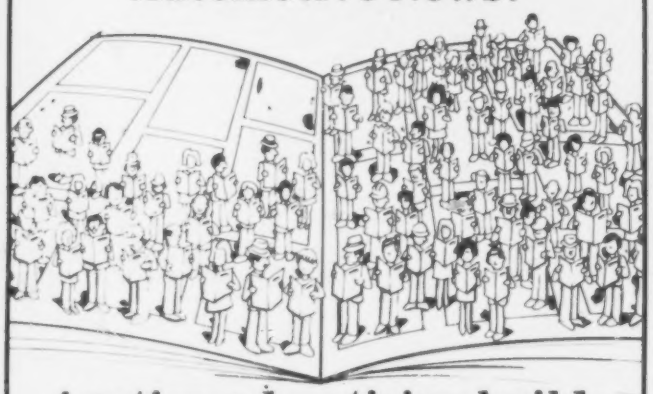

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AUCTION DATES

General Motors

April 5 — Auto Dealers Exchange of Birmingham, Moody, Ala.; Harrisonburg Auto Auction, Harrisonburg, Va.; Florida Auto Auction of Orlando, Ocoee, Fla.

April 6 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Minneapolis Northstar Auto Auction, Shakopee, Minn.

April 7 — Butler Auto Auction, Gibsonia, Pa.; Denver Auto Auction, Englewood, Colo.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; and Nashville Auto Auction, Nashville, Tenn.

Chrysler Motors

April 5 — Aptco Auto Auction, Taylor, Mich.; South Seattle Auto Auction, Kent, Wash.; Arena Auto Auction, Chicago; Hatfield Auto Auction, Hatfield, Pa.; and Riverside Auto Auction, Riverside, Calif.

April 6 — Columbus Fair Auto Auction, Obetz, Ohio; Nashville Auto Auction, Nashville, Tenn.; and Southern Auto Auction, Warehouse Point, Conn.

Ford Motor Co.

April 5 — South Seattle Auto Auction, Kent, Wash.

April 6 — Northway Auto Auction, Cliffton Park, N.Y.; Atlanta Auto Auction, Red Oak, Ga.; and Southern California Auto Auction, Fontana, Calif.

April 7 — Dallas Auto Auction, Grand Prairie, Texas; Brasher's Sacramento Auto Auction, Rio Linda, Calif.; and Skyline Auto Exchange, Fairfield, N.J.

Used Car Sales
Auction Averages

March 1988	$5,566
Month ago	$5,309
Year ago	$5,829

Model Breakdown
Auction Averages

	MARCH 1988	FEB 1988	JAN 1987
1988	$11,426	$10,741	$8,839
1987	$8,700	$8,443	$8,435
1986	$6,923	$6,732	$6,516
1985	$5,821	$5,731	$5,501
1984	$4,400	$4,363	$4,349
1983	$3,748	$3,689	$3,362
1982	$2,531	$2,454	$2,303
1981	$1,940	$1,817	$1,926
Overall Average	$5,566	$5,309	$4,841

Tougher odometer law supported

Officials from Metro Auto Auction in Kansas City, Mo., and Anglo American Auto Auctions, based in Nashville, Tenn., testified before the Missouri Senate Transportation Committee recently in support of a bill to toughen state odometer laws.

Gary Dickinson, vice president of special services for Anglo, told committee members that auctions and retail dealers are at the mercy of state titling procedures.

He said some states with lax rules about putting correct mileage figures on titles make it easy for odometer spinners to obtain titles with incorrect figures.

"The clocker is able to present a valid, negotiable Missouri title, and neither the dealer nor the auction can tell that it has been clocked," Dickinson said.

The bill would require the Missouri Department of Revenue to maintain mileage readings on business vehicles. If an odometer discrepancy arose, the department would be required to alert the car buyer by branding the title.

Manheim expands

Atlanta-based Manheim Auctions has opened its Riverside Auto Auction in Riverside, Calif. Robert Mowers is general manager.

AUCTION BRIEFS

CHARLES THOMAS

The new facility brings to 18 the number of auctions owned and operated by Manheim, a division of Cox Enterprises. Manheim operates two other California sales — the California Auto Dealer's Exchange in Anaheim and the Fresno Auto Dealers Auction.

U-Haul sales increase

Sales of U-Haul International's fleet of 50,000 vehicles through Nashville-based Anglo American Auto Auctions have topped 700 vehicles in 12 weeks. A company official said U-Haul sales increased 24 percent from the first month to the second and 14 percent from the second month to the third.

"We're seeing the U-Haul vehicles selling well at all our locations, especially at our three largest commercial vehicle auctions in Dallas, Atlanta and Fort Wayne," said Bob Lalain, Anglo American national sales director.

"We expected that it would take us six months to hit full stride with this program, but we are ahead of target."

The five-year program marks the first time the national do-it-yourself moving company has used auctions to rotate its fleet.

About 10,000 vehicles will be sold through Anglo's 20 locations in 1988 including: F-350 trucks with one-ton chassis and aluminum van boxes measuring 14 feet; several varieties of Ford F-600 trucks with two-ton chassis and aluminum boxes measuring 12 feet, 16 feet, 20 feet and 24 feet; 1984 and 1985 Southwind motor homes; and 1985 27-foot Alumalite motor homes.

Vehicles are sold at dealer-only sales and in special public sales in auctions held in Atlanta; Fort Wayne, Ind.; Dallas; and San Francisco.

Dealers are alerted through direct mail, telemarketing and point-of-purchase advertising.

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PRODUCTION

Easter break slashes car, truck output

By Karen Detkowski
SPECIAL CORRESPONDENT

The four-day Easter work week reduced the number of cars scheduled to be built to 116,130, 21.44 percent below the previous week's 147,821 and 29.77 percent below the year-ago week's 165,348.

So far this year, 1,671,175 cars have been assembled, 23.25 percent behind the 2,177,404 built last year at this point.

Companies split last week's targeted build as follows: General Motors, 47.81 percent; Ford Motor Co., 25.12 percent; Chrysler Motors, 15.89 percent; Honda of America Manufacturing Inc., 4.46 percent; New United Motor Manufacturing Inc., 2.24 percent; Nissan Motor Manufacturing Co., U.S.A., 2.02 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.35 percent; and Volkswagen of America, 1.11 percent.

No overtime was scheduled last week. All plants except Honda and NUMMI will be closed today in observance of Martin Luther King's birthday.

This month, GM's Fiero plant in Pontiac, Mich., will operate four-day weeks so that workers can train for new jobs. The plant will close at the end of the model run.

Ford's Edison, N.J., plant, which had been idle for model changeover, will resume production tomorrow.

The last Volkswagen Jetta was built in Westmoreland, Pa., last week; the plant shuts down today for changeover. It will return on May 9, building only the 1989 Golf. The plant will close permanently on July 21.

U.S. truckmakers scheduled 66,370 units last week, down 24.98 percent from the previous week's 88,469 and 9.52 percent below the year-ago week's 73,352.

So far this year, truck output totals 1,081,081, 6.14 percent above the 1,018,538 assembled last year at this time.

Ford has slated overtime this week at its Wixom and Wayne, Mich., car plants and at its truck plants in Kansas City, Mo.; Norfolk, Va.; and Louisville, Ky.

Four-day week cuts production in Canada, too

Canadian automakers planned to build 22,008 cars last week, 16.72 percent below the prior week's 26,426 cars, but 63.64 percent above the year-ago week's 13,449 when three General Motors plants were down.

Assembly plants worked only four days last week.

So far this year, 286,896 cars have been produced, 18.96 percent above the 241,172 built last year at this point.

Truck output was scheduled at 15,074 last week, 24.59 percent below the previous week's 19,989 and 14.83 percent below the year-ago week's 17,698.

Year-to-date, 245,679 trucks have been assembled, 11.32 percent more than the 220,693 completed last year at this point.

U.S. CAR	Week Ended April 2, 1988	Week Ended April 4, 1987	Week Ended March 28, 1988	March Est.	Jan. 1 to April 2, 1988	Jan. 1 to April 4, 1987
Alliance	0	735	0	0	0	9,137
Total Eagle	0	735	0	0	0	9,137
Horizon	1,500	0	1,849	7,755	21,965	32,324
Sundance	1,700	2,431	2,186	9,560	27,237	30,141
Reliant	1,900	2,165	2,377	9,925	22,337	35,509
Caravelle	400	1,055	524	1,695	4,856	16,189
Gran Fury	100	95	112	586	2,678	4
Total Plymouth	5,600	5,746	7,051	29,723	79,093	114,167
LeBaron K	350	1,748	524	2,257	4,082	24,463
LeBaron J	1,400	2,733	1,899	8,425	14,025	24,080
LeBaron GTS	100	953	243	867	2,137	10,950
N. Yorker E-Class	1,700	1,880	2,351	3,711	8,051	24,185
N. Yorker C-Class	0	0	0	6,328	22,217	0
Fifth Avenue	150	1,175	192	1,263	11,182	5,451
Total Chrysler	3,700	8,489	5,209	22,851	57,694	89,110
Omni	1,500	0	1,881	7,685	21,610	27,744
Daytona	1,500	1,390	1,978	8,576	13,405	11,881
Shadow	1,600	2,450	2,270	9,894	26,279	26,754
Aries	1,700	2,133	2,333	8,667	18,413	30,891
Dodge 600	350	994	457	1,645	4,201	14,031
Dynasty	1,950	0	2,600	11,107	28,961	0
Lancer	150	564	163	887	2,947	7,431
Diplomat	400	205	693	2,245	5,572	257
Total Dodge	9,150	7,726	12,382	53,725	123,389	118,969
CHRYSLER MOTORS	18,450	22,726	24,642	103,299	260,175	331,403
Escort	4,104	8,166	4,252	16,249	65,188	101,658
Mustang	3,630	5,267	4,543	20,128	57,447	61,835
Tempo	3,350	4,453	4,406	18,603	52,770	54,936
Taurus	6,523	9,381	7,870	35,355	101,767	129,225
Thunderbird	2,767	3,452	3,454	14,798	41,908	40,306
Total Ford Div.	20,374	30,719	24,525	105,134	339,080	387,964
Lynx	0	1,012	0	0	0	16,331
Topaz	1,250	1,073	1,100	6,957	19,817	15,976
Cougar	1,811	2,556	2,316	10,790	31,910	49,045
Sable	2,377	3,463	2,753	12,048	32,378	41,340
Total Mercury	5,438	8,104	6,169	29,795	84,105	122,694
Continental	746	411	938	4,403	11,358	5,045
Mark VII	375	613	457	2,200	6,774	7,562
Lincoln	2,239	3,076	2,805	13,245	38,284	37,806
Total Lincoln	3,360	4,100	4,200	19,848	56,416	50,413
Total L-M Division	8,798	12,204	10,369	49,643	140,521	173,107
FORD MOTOR CO.	29,172	42,923	34,894	154,777	479,601	561,071
Skyhawk	637	797	1,040	3,883	9,070	12,392
Skylark/Somerset	296	0	369	1,645	6,029	21,013
Century	2,420	4,549	3,135	9,810	18,172	56,384
Regal (rwd)	0	975	0	0	0	12,698
Riviera	192	222	151	662	1,827	6,036
Electra	1,114	2,448	1,687	6,104	17,574	30,160
LeSabre (fwd)	2,300	3,623	3,411	12,078	32,231	30,848
LeSabre (rwd)	172	173	219	947	1,860	5,511
Reatta	125	0	129	511	1,008	0
Total Buick	7,366	12,787	10,121	35,640	87,771	175,241
Cimmaron	114	252	175	695	3,049	5,873
Eldorado	802	448	1,180	4,917	9,165	5,306
Seville	479	441	702	2,944	6,014	7,965
Brougham (rwd)	213	1,282	213	586	639	25,306
Deville (fwd)	3,200	3,984	4,029	17,782	50,047	49,650
Allante	52	100	65	299	583	706
Total Cadillac	4,860	6,507	6,365	27,204	69,497	94,817
Cavalier	5,732	6,439	6,999	31,642	84,483	100,060
Camaro	1,856	3,055	2,418	7,900	15,681	23,924
Celebrity	2,772	8,320	3,464	14,169	39,303	109,864
Corsica/Beretta	7,166	5,873	8,842	40,099	100,913	73,637
Monte Carlo	0	2,767	0	0	0	20,869
Caprice	2,560	5,450	3,153	14,251	50,109	84,136
Corvette	352	631	436	1,972	5,546	6,354
Total Chevrolet	20,440	34,535	25,314	110,022	296,034	399,864
Calais	1,624	0	1,980	9,060	26,372	28,800
Firenza	411	496	542	1,843	4,462	5,829
Cutlass Ciera	0	3,616	0	0	0	53,407
Cutlass Supreme	2,216	2,529	2,216	9,898	25,127	16,893
Toronado	423	374	481	2,098	4,565	5,077
88 (fwd)	2,695	3,373	4,050	15,383	39,829	63,249
88 (rwd)	204	414	289	1,005	3,297	5,196
Olds 98	1,545	1,804	2,157	6,504	23,073	25,084
Total Oldsmobile	9,118	12,706	11,705	47,516	125,961	203,536
Sunbird	1,750	2,711	2,150	9,217	27,466	33,667
Grand Am	3,840	2,088	4,615	21,174	61,403	72,382
Firebird	1,440	2,176	1,817	6,449	13,299	21,010
Grand Prix	2,041	0	2,061	9,214	26,389	0
Pontiac 6000	2,364	2,551	3,175	11,352	15,939	25,076
Bonneville	1,659	3,050	2,465	9,464	23,849	41,186
Safari/Parisienne	152	480	200	844	1,837	3,701
Fiero	498	0	616	2,695	4,735	9,992
Total Pontiac	13,734	17,047	17,079	70,408	165,807	207,018
GENERAL MOTORS	55,518	83,562	70,584	291,092	745,090	1,080,478
HONDA	5,180	7,085	8,043	33,208	91,475	91,725
Civic	1,405	1,741	2,171	8,779	22,583	31,948
Accord	3,775	5,344	5,872	24,429	68,892	59,777
MAZDA†	1,570	0	1,837	7,785	18,361	0
NISSAN	2,349	2,945	2,505	9,121	20,554	38,126
NUMMI	2,600	4,067	3,298	14,658	40,793	52,628
Corolla	960	806	1,248	5,419	14,486	10,825
Nova	1,640	3,261	2,050	9,239	26,307	41,803
VOLKSWAGEN	1,291	2,020	2,120	8,690	17,126	21,973
Golf/GTI	946	1,770	1,670	6,104	11,831	19,223
Jetta	345	250	390	2,586	5,296	2,750
Total Cars, U.S.	116,130	165,348	147,821	622,630	1,671,175	2,177,404
Total Cars, Canada	22,008	13,449	26,426	103,467	286,896	241,172
U.S., Canada Cars	138,138	178,797	174,247	726,117	1,958,071	2,418,576
U.S., Canada Cars and Trucks	219,592	269,847	262,705	1,186,918	3,264,691	3,657,807

Monthly estimates may contain error of one or two units due to rounding.
E—Estimate. †—Data included for 1988 Protégé and Navajo.

CANADIAN CAR	Week Ended April 2, 1988	Week Ended April 4, 1987	Week Ended March 28, 1988	March Est.	Jan. 1 to April 2, 1988	Jan. 1 to April 4, 1987
Eagle	0	—	0	0	0	—
Premier	1,320	—	1,695	4,139	17,456	—
CHRYSLER MOTORS	1,320	154	1,695	4,139	17,456	2,910
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	3,868	—	4,391	19,468	53,545	—
Topaz	1,132	—	1,356	6,011	18,742	—
Crown Victoria	2,400	—	2,835	12,713	36,282	—
Grand Marquis	2,400	—	2,870	12,747	35,642	—
FORD MOTOR CO.	9,800	10,581	11,452	50,980	144,211	146,826
Celebrity	273	—	435	1,505	4,644	—
Cutlass Ciera	5,999	—	7,528	27,331	80,165	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	896	—	1,135	3,423	11,913	—
Regal	3,200	—	3,397	12,413	38,871	—
GENERAL MOTORS	10,368	2,281	12,495	44,674	115,593	88,697
HONDA	570	206	834	3,068	8,070	1,914
VOLVO	150	225	150	651	1,567	2,925
Total Cars, Canada	22,008	13,449	26,426	103,467	286,896	241,172

U.S. TRUCK☆	Week Ended April 2, 1988	Week Ended April 4, 1987	Week Ended March 28, 1988	March Est.	Jan. 1 to April 2, 1988	Jan. 1 to April 4, 1987
Caravan	1,500	—	2,182	9,406	25,765	—
Dakota	2,200	—	2,835	12,543	30,631	—
Mini-Ram Van	250	—	360	1,260	3,907	—
Pickups	1,000	—	1,400	6,064	14,971	—
Total Dodge	4,950	4,910	6,777	29,275	75,274	66,099
Cherokee	2,400	—	3,218	15,339	45,691	—
Commanche	700	—	840	4,177	12,513	—
Grand Wagoneer	250	—	0	1,178	3,392	—
Pickups	0	—	0	0	0	—
Wagoneer	150	—	247	1,159	3,469	—
Total Jeep	3,500	4,526	4,305	21,853	65,065	58,294
Voyager	1,300	—	2,122	8,586	23,723	—
Total Plymouth	1,300	—	2,122	8,586	23,723	—
CHRYSLER MOTORS	9,750	9,436	13,204	59,714	164,062	124,393
Aerostar	3,600	—	5,115	20,316	59,052	—
Bronco	986	—	1,301	5,626	16,119	—
Bronco II	2,437	—	3,011	13,309	39,024	—
Econoline	4,144	—	5,184	23,046	65,720	—
Heavy trucks	1,119	—	1,410	6,151	17,247	—
Light trucks	8,320	—	11,853	48,593	131,606	—
Ranger	5,877	—	7,406	32,747	93,973	—
Total Ford Div.	26,483	31,437	35,060	149,788	422,741	423,300
FORD MOTOR CO.	26,483	31,437	35,060	140,788	422,741	423,300
Astro	2,589	—	3,314	15,628	45,180	—
Blazer	408	—	510	2,393	6,954	—
Medlums/Heavies	272	—	500	1,567	6,286	—
P-Model	719	—	879	2,160	10,100	—
Pickups	4,677	—	7,303	30,259	81,342	—
S-10	4,485	—	6,526	26,368	70,809	—
S-10 Blazer	2,727	—	3,095	15,737	39,293	—
Sportsvan/Van	1,505	—	1,874	7,628	18,846	—
Suburban	1,116	—	1,451	6,586	18,401	—
Total Chevrolet	18,498	19,051	25,752	108,326	297,211	256,427
Jimmy	129	—	168	853	2,318	—
Medlums/Heavies	726	—	777	4,073	11,731	—
P-Model	180	—	105	362	999	—
Pickups	706	—	2,334	9,800	27,413	—
S-15	603	—	1,613	7,227	19,331	—
S-15 Jimmy	634	—	1,341	5,646	9,808	—
Safari	640	—	757	3,940	11,532	—
Suburban	515	—	578	3,153	9,467	—
Vandura/Rally Vans	399	—	589	2,861	10,803	—
Total GMC	6,004	7,743	8,262	35,905	103,392	100,822
GENERAL MOTORS	24,502	26,794	34,014	144,231	400,603	357,249
NAVISTAR	1,402	1,596	1,737	7,508	22,339	20,363
NISSAN	1,503	1,738	1,684	8,678	35,586	22,693
AM GENERAL*	450	50	450	2,070	5,850	650
MISCELLANEOUS*	2,300	2,300	2,300	10,580	29,900	29,909
Total Trucks, U.S.	66,370	73,352	88,469	382,570	1,081,081	1,018,536

CANADIAN TRUCK	Week Ended April 2, 1988	Week Ended April 4, 1987	Week Ended March 28, 1988	March Est.	Jan. 1 to April 2, 1988	Jan. 1 to April 4, 1987
Caravan	2,029	—	3,078	13,337	38,700	—
Mini-Ram Van	228	—	345	1,486	3,430	—
Ram Wagon	459	—	580	2,464	5,939	—
Ram Van	1,053	—	1,390	6,161	14,864	—
Total Dodge	3,767	8,902	5,393	23,448	62,933	114,861
Voyager	1,841	—	2,814	12,140	36,078	—
Total Plymouth	1,841	—	2,814	12,140	36,078	—
Wrangler	806	—	1,057	4,684	13,005	—
Total Jeep	806	840	1,057	4,684	13,005	8,235
CHRYSLER MOTORS	6,414	9,242	9,264	40,250	112,016	123,116
FORD MTR. (lt. trks.)	3,040	3,037	3,528	16,149	45,993	43,288
Light trucks	2,700	—	3,177	14,443	40,578	—
Vans	1,198	—	951	5,222	15,807	—
Total Chevrolet	3,898	—	4,128	19,665	56,475	—
Light trucks	1,140	—	1,702	7,620	20,078	—
Vans	362	—	1,143	3,512	8,239	—
Total GMC	1,502	—	2,845	11,131	28,317	—
GENERAL MOTORS	5,400	5,219	6,973	30,796	84,792	91,749
NAVISTAR	220	200	226	1,034	2,679	2,563
Total Trks., Canada	15,074	17,698	19,989	88,229	245,679	220,693
U.S., Canada Trks.	81,444	91,050	108,458	470,799	1,326,760	1,239,231

—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-contract vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News

April 11, 1988

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Nissan speeds shop pact

Will serve dealers accused by Adesco

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — Nissan Motor Corp. in U.S.A. must set up its own extended service contracts unit faster than expected to handle contracts sold by about 50 dealers. Nissan's vendor, Oklahoma-based Adesco Corp., has accused those dealers of fraud in filing excessive claims for parts and service.

Nissan expected to take control of all its dealers' extended service contracts when Adesco's contract expires in September. But a lawsuit in U.S. District Court for the Central District of California has accelerated its plans.

To win a temporary injunction prohibiting Adesco from terminating more than 175 Nissan dealers across the country that Adesco says filed excessive or fraudulent claims, the auto importer agreed in federal court last week to administer the extended service contracts sold by those dealers that Adesco says are the worst.

"Nissan management has indicated they will have the capability of handling service contracts for the 50 dealers within the week," said attorney Randy Huff, outside counsel for the auto firm.

The company hired Adesco to insure and administer the Security Plus Plan offered by Nissan to owners of new vehicles and certain used vehicles.

Most automakers have their own extended service contract plans, and Nissan says it will take the Security Plus Plan in-house when its agreement with Adesco expires.

Meanwhile, the battery of lawsuits between the two companies has hurried that process. It also has

see NISSAN, page 67

AUTOMOTIVE NEWS/...RYDER

OUSTED

Mecham's troubles hit dealership, workers, too

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

GLENDALE, Ariz. — At 2:30 on a blistering afternoon, mechanic Gary Maniag is sprawled in a chair in Service Manager Bill Jordan's office at Mecham Pontiac. Nobody's upset by his inactivity. Maniag stretched his work out as much as possible, but even with most of the service bay hoists unused, there are no cars left and it's too early to go home.

And even when he does leave, there won't be any milk-on-the-way-home stops. The last time Maniag wore his Mecham Pontiac uniform into a convenience store, one of the plentiful political foes of his boss, now-impeached Arizona Gov. Evan Mecham, cursed him loudly.

"I can't repeat what he called me," Maniag says, nodding in the direction of Peg Drager, the dealership's warranty specialist.

Whatever it was, it is unlikely to have offended Drager, a former policewoman who once killed an armed suspect who pointed a gun at her and her sergeant.

Like all the 76 remaining employees at Mecham Pontiac, both have the wary look of siege survivors.

The economics of a dealership wilting under the political firestorm of simultaneous recall and impeachment of the owner are a hardship.

When Maniag did his 1987 tax return, he reported his wages had fallen $17,000 in a single year. Like most Mecham employees outside of the clerical staff, his income is tied directly to volume.

Mecham Pontiac-Renault license plate, top, will become obsolete when the store's sale becomes effective May 1. Evan Mecham is shown above.

Several workers said all departments are down 75 percent since 1986.

Why stay amid the turmoil, the losses, the frustration and personal embarrassment?

Maniag shrugs and answers quickly, unwilling to analyze the question.

"It's still a good place to work," he says.

But there are occasional outbursts.

"Sadness, anger, frustration," one longtime employee said. "Sometimes I feel we all have been cheated."

Word that the 38-year-old family-owned dealership has been sold to Kemp Biddulph, the neighboring Oldsmobile-Honda dealer, came on the heels of Mecham's impeachment last week, the first U.S. governor in 59 years to be removed from office by that process.

Biddulph's pledge to retain as many of the employees as possible is welcome news, but most are unwilling to openly express hope.

"We've lived with uncertainty so long, we just don't dare say anything positive too

see MECHAM, page 67

UAW wants Chrysler ban on plant sales

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

KANSAS CITY, Mo. — The UAW plans to ask Chrysler Motors for the gains it won in General Motors and Ford Motor Co. contracts last year, plus — in the wake of the near-sale of Chrysler's Acustar parts subsidiary — a guarantee that its plants won't be sold.

If successful in this spring's talks, that would give the UAW a moratorium on plant closings and plant sales by Chrysler — as well as the strong job assurances won by the Big 2 in 1987 talks.

The 190-member UAW national Chrysler council last week voted to demand a contract patterned after those at GM and Ford. The new Chrysler pact would expire on the same date as the others — Sept. 14, 1990.

The pattern agreement would give workers a bonus of 3 percent of their earnings for the next two years instead of base-wage increases. It would guarantee the jobs of the entire workforce except in the case of sales declines. The new pact would cover about 70,000 Chrysler workers including about 6,400 on salary.

During the council's contract strategy session, it was learned that the UAW has made an important inroad in organizing salaried workers at Chrysler, a gain that will spearhead further salaried-worker organizing.

The UAW has organized a group of 45 office workers at the Sterling Heights, Mich., assembly plant. They are the first white-collar salaried workers at Chrysler to join the union as a new unit in about five years.

Since workers throughout the industry are feeling threatened by the automakers' cost-cutting measures, job guarantees are particularly important to Chrysler salaried workers. Chrysler announced it wants to cut its salaried workforce by 3 percent in each of the next three years.

The UAW wants workers at Acustar plants to get the security and benefits of the new agreement. President Owen Bieber said that negotiators will try to salvage the four Acustar plants Chrysler wants to close and that protection will be sought for workers there.

But Bieber told delegates those four plants are similar to plants GM and Ford marked for closure before negotiations. Those were excluded from the job guarantees, though workers there are covered by other parts of the contracts.

At the last session of the council, members voted

see UAW, page 68

BETTER DAYS

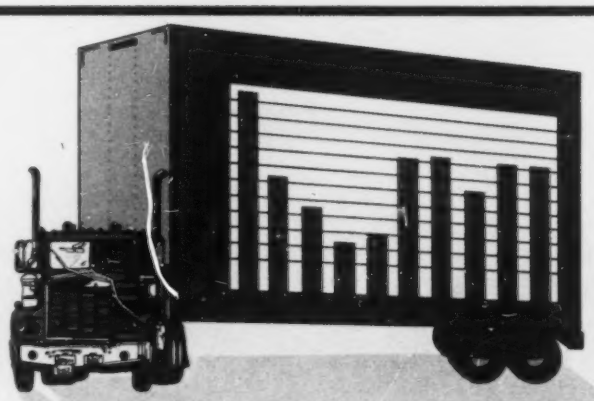
Big-truck market is tough, but dealers report progress

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

RENO, Nev. — Although the medium/heavy truck market is still facing many of its familiar problems, the outlook for dealers has improved markedly compared to recent years.

Dealer net profit as a percentage of sales, for example, is currently 1.8 percent, the same as at the end of last November, according to the National Automobile Dealers Association's Bob Young.

Even better news is that, with sales up, most dealers



Stempel, Spethmann open World Congress

DETROIT — General Motors President Robert C. Stempel and Dieter Spethmann, chairman of the executive board of Dusseldorf-based Thyssen AG, will be the keynote speakers at this year's Automotive News World Congress.

The Congress, the 13th annual, will be held July 17-20 at the Westin Hotel in Detroit's Renaissance Center. The event will open with a Sunday night dinner, after which Stempel will speak about the State of the Industry from a manufacturer's perspective and Spethmann will address the State of the Industry from a supplier's standpoint.

In all, more than 30 speakers will make presenta-

see CONGRESS, page 68

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Dingell asks for new look at sport-utility ruling Page 2
GM's cut-rate loans cost $876 million Page 3
Domestic-car supply declines to 58 days Page 71

Dealer tests workers for drug usage

YAKIMA, Wash. — Ten employees at Valley Ford-Toyota will enter drug rehabilitation or counseling programs as a result of the dealership's drug-testing program.

General manager Dave Thomas said the testing was prompted by his concern about the city's drug problem. Yakima has a population of just under 50,000, and Thomas called it a major U.S. center for the drug trade. The city is about 140 miles southeast of Seattle.

"We are no different than any other business. All have a prevailing drug problem. I wanted to know the extent of ours," he said.

Of the dealership's 100 employees, nine showed evidence of marijuana use and another showed positive for cocaine. In addition, two employees admitted having an alcohol problem — even though they tested negative for alcohol. They asked for help and have entered rehabilitation programs, Thomas said.

The dealership, Thomas said, will follow up on the drug testing with random checks. Any employee who tests positive for drugs a second time will be fired. Employees who abuse alcohol, however, will be judged on a case-by-case basis.

"Alcohol is not against the law, society accepts it . . . drugs will not be tolerated," Thomas said.

An employee who tested positive for alcohol was not required to enter rehabilitation. It was determined he had consumed the alcohol the previous evening.

Asked if employees would have been fired had they refused to take a test, Thomas said, "Fortunately, I didn't have to cross that bridge. I can't speculate on that."

However, at least one employee objected to the testing.

"I think it's a bunch of crap," said an employee, who did not wish to be identified. "It's giving the wrong impression of the place (where) I work," he said.

But other employees supported the testing. "Hopefully, it will weed out some bad apples," said Paul Koreski, an assistant manager in the service department.

The testing was conducted at Yakima Valley Memorial Hospital.

Automotive News Staff Reporter Arthur Flax in Detroit and The Associated Press contributed to this report.

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Peninsula Motor Club
Other AAA clubs are watching the Tampa program

AAA marketing autos

Tampa club offers dealer referrals

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

AAA Peninsula Motor Club in Tampa, Fla., has joined the list of wholesale companies offering its members huge discounts on new cars and trucks under a system that uses Florida dealers to supply the vehicles.

Since launching the program in November, AAA Peninsula has signed 107 dealerships and sold about 800 vehicles in west Florida. Represented are 13 domestic makes, 20 imports and 830 models, the club said.

Kevin Bakewell, director of public relations for AAA Peninsula, said the motor club and insurer asked its 880,000 members in a survey what services they most desired. Hassle-free auto purchases headed the list.

AAA Peninsula is an affiliate of the national American Automobile Association. Hence, other clubs are monitoring the success of the program for possible implementation, said Bakewell.

Other companies with similar systems include Amway Corp. of Grand Rapids, Mich. (Automotive News, Nov. 16) and Sam's Wholesale Club, whose parent company is Wal-Mart Stores (Automotive News, Nov. 9).

Amway, the wholesale purveyor of soap, car wax and other household products, markets cars at $150 above invoice under a system that uses Ford Motor Co., General Motors and Chrysler Motors dealers to supply vehicles.

It claims a network of 1,500 auto dealers in 26 states and eventually plans to expand to 35 states. It boasts that it has 750,000 distributors — all potential car buyers — and an unknown number of customers.

Sam's has an outlet in Orlando, Fla., that uses the system to sell cars to its members by referring them to preferred dealers. Cars sell for $100 over invoice.

Bakewell said the price negotiated between AAA Peninsula and

see AAA, page 68

GM's cut-rate loans cost $876 million

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

Cut-rate-loan incentives cost General Motors $876.54 million in 1987, down significantly from the peak incentive year, 1986, when the programs cost GM $1.3 billion.

In 1985, the year GM began using widespread loan incentives, the cost was $276 million, according to information disclosed in GM's Form 10-K annual report filed with the Securities and Exchange Commission.

The finance incentive costs were in addition to $1.35 billion spent on advertising in 1987, up from $1.12 billion in 1986 and $1.04 billion in 1985, the report disclosed.

Under its low-rate retail finance programs, GM pays an interest rate differential to its financing subsidiary, General Motors Acceptance Corp., according to the SEC filing.

The payments are included in unearned income by GMAC and recognized over the life of the various retail sales contracts. The amounts recognized by GMAC accounted for 7.3 percent of its gross financing revenue on 1987, 10.9 percent in 1986 and 3.1 percent in 1985.

GM also disclosed in the 10-K that GMAC purchased $256.4 million in data processing and services from Electronic Data Systems, another GM subsidiary.

Other related-party transactions disclosed in the 10-K included GM Hughes Electronics Corp.'s purchases from other GM units. They included computer systems services from EDS of $171.5 million in 1987, compared with $102.5 million in 1986 and $59.2 million in 1985.

GM Hughes also paid $13.6 million to GM for common administrative expense in 1987, compared with $26.5 million in 1986 and $24.5 million in 1985.

EDS revenues from its contract with GM amounted to $2.88 billion in 1987 and are expected to be $2.9 billion in 1988, the report said.

It also disclosed that during 1987, GM was sued four times by the federal EPA for alleged violations of the Clean Air Act and twice by the Ohio EPA for alleged violations of the Resource Conservation and Recovery Act.

The federal complaints involve the Lordstown, Ohio; Framingham, Mass.; Arlington, Texas; and Shreveport, La.; assembly plants with total potential liability of $775 million, according to information in the SEC filing.

GM has countersued the EPA over the Arlington complaint, seeking "declaratory and injunctive relief."

The two Ohio actions involve Fisher Guide operations in Columbus and the Harrison Radiator plant in Moraine.

Ohio has offered to settle the Fisher Guide suit for $120,000, GM disclosed, although penalties in the Harrison Radiator suit could exceed $100,000.

Buick boss denies plan to cut Regal sticker price

By John A. Russell
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — Buick has denied a report that it is considering a reduction in the sticker price of the Regal.

Edward Mertz, division general manager, said there was a "misunderstanding" about Regal's pricing strategy in a recent Detroit newspaper report. While Regal pricing was designed to meet the competition with more content and modest option discounts, there was a perception by the public that Regal was more expensive than its competition.

Buick has adopted a strategy of option-package incentives that has boosted sales in the past month. Mertz said it is the only type of selling incentive Buick is planning.

As the first of the GM10 cars to be introduced, Regal has drawn much attention. The redesigned, front-wheel-drive model has been on the road since last October.

But Buick may have been outmaneuvered in the annual pricing game that goes on in Detroit among General Motors, Ford Motor Co. and Chrysler Motors.

The base prices for the Regal Custom, $12,449, and Regal Limited, $12,782, were set to bring the cars into head-on competition with Ford Thunderbird and Mercury Cougar. However, Ford's pricing turned out to be $600 less than Buick estimated for the 1988 models.

That meant Buick had to react. That move was made in early March in the form of option-package discounts.

A problem arose early when potential consumers perceived the car as costing $2,500 more than the actual sticker price when equipped with the popular options, Mertz said. Those buyers pegged the car at $16,000 to $17,000 — not the approximately $14,000 when loaded.

So Buick initiated a series of option-package incentives, which ranged from $300 to $900. Mertz stressed that the items in the packages are those typically ordered by consumers as separate options and included air conditioning, power windows and tilt steering wheel.

Mertz said the new Regal has outsold the old model by a considerable margin.

For the current model year, 54,077 1988 Regals have been sold through March 31, compared with 26,115 for the 1987 rear-wheel-drive model. In the January-March period, 30,089 Regals were sold, compared with 11,579 during that period in 1987. Sales for March were 11,203, compared with 5,064 in the year-earlier month. Sales increased 10.14 percent in March over February's pace.

A Buick spokesman said the division is projecting "just over 100,000" Regal units out of a total Buick forecast of about 600,000 for the calendar year.

As for Regal cannibalizing the sales of other Buick models, Mertz said he did not see as much as some first thought. He also said there are 600,000 owners of rwd Regals and they are a prime target for the division.

Fleets are another good market. Fifteen percent of Buick sales are to fleets with 90 percent going to 10 major rental fleets. The Buick Skylark is "an aggressive fleet car" he said.

Sterling delays decision on fate of ad agency that seeks Saturn

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

Austin Rover Cars of North America said last week that, at least for now, it will not sever its 11-month-old relationship with its advertising agency, Hal Riney and Partners, San Francisco.

Riney is one of three finalists for the $100 million Saturn advertising account. Austin Rover officials were not notified that the agency was pursuing the General Motors subsidiary's business until two weeks ago. Feeling betrayed by the late notice, the importer had said it was considering dismissing Riney as the agency for its $20 million Sterling car account.

However, that changed when agency chairman Hal Riney flew to Austin Rover headquarters in Miami last Monday and assured executives that the agency wants to keep the account. Raymond Ketchledge, Austin Rover Cars of North America president, said Riney made "certain reassurances" about the relationship.

Ketchledge said his company is taking a "wait-and-see" position on whether Riney will be fired if the agency lands the Saturn business.

Saturn has said it will not choose an agency with a conflicting automotive account.

Thomas Shaver, Saturn director of marketing services, declined to name the three finalists. However, ad agency sources say the other two are N W Ayer, New York; and Hill, Holliday, Connors, Cosmopulos, Boston. Industry observers favor Ayer to win because it holds GM's corporate advertising account.

INDEX

Around the world	42-46
Auction dates	53
Classifieds	56
Coming events	38
Dealing with dealers	48-49
Extra section	E1
Inventories	71
Legal briefs	20
Marketing and media	52
News briefs	8
Obituaries	67
Opinion	10
Personnel	34
Production	73
Sales, car	72
Truck industry	12

63rd year—No. 5228

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U.S. deficit rises 10% in auto trade

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The U.S. automotive trade deficit in passenger cars and light trucks was up 10.5 percent in January, compared with the year-earlier period. The rise occurred despite a healthy 27.3 percent gain in exports over January 1987.

Trade numbers released by the U.S. Department of Commerce show a trade deficit of $3.702 billion for passenger cars and light trucks in January. Total car and truck exports for the month had a value of $652.5 million. The month's car and truck imports were valued at $4.354 billion.

Passenger-car exports in January reached 44,570 vehicles with an estimated value of $498.8 million. Light-truck exports for the month were 14,129 vehicles with an estimated value of $153.7 million.

Passenger-car exports to Japan were up several hundred units and exports to Canada increased several thousand units. Exports to other countries increased 4,261 units.

On the import side, South Korea, Mexico and Brazil continued to post big increases in car shipments, compared with January 1987. Both the value and quantity of car and truck shipments from Japan declined, compared with a year ago.

Total car and truck imports for January had a value of $4.354 billion, up 12.71 percent from the $3.863 billion in automotive imports shipped in January 1987. There were 451,545 finished vehicles imported to the United States in January 1988, compared with 416,902 in January of last year.

Passenger-car imports reached 379,779 units for the month with a value of $3.828 billion, while light-truck imports were 71,766 units with a value of $526.6 million.

The number of passenger cars imported from South Korea in January increased 160 percent from the year-ago period. Imports from Mexico were up 179 percent. Brazilian imports were 5,933 units for the month, up from 20 vehicles shipped in January 1987.

South Carolina ban on tent sales means higher prices, FTC says

By Matt DeLorenzo
AUTOMOTIVE NEWS STAFF REPORTER

The Atlanta office of the Federal Trade Commission said that a South Carolina law barring off-site tent sales by dealers harms consumers by increasing prices.

David C. Waldrop Jr., a South Carolina legislator who introduced a bill to allow tent sales, requested the opinion from the FTC staff.

In its response, the FTC staff said, "We believe that laws prohibiting off-site sales may prevent dealers from adopting the most efficient sales methods and restrict consumer choice in the purchase of new and used cars. Consequently, consumers may be forced to pay higher prices."

As an example, the FTC letter said current law prevents fleet dealers from holding used-car sales on credit union property.

"Since these sales entail low overhead, fleet dealers would be able to pass along savings to consumers," the staff said.

It added that the Illinois Credit Union League has estimated that credit union members pay an average of $1,118 less for used cars at such sales than through "conventional" channels.

The ban also affects new-car sales, the staff said. "For example, credit unions cannot organize new-car sales events at central locations, such as fairgrounds or shopping center parking lots," the FTC staff said. "Such events, which allow a number of dealers to offer vehicles to consumers at the same location, may result in savings to consumers."

The staff said that while the purpose of the tent-sale ban is to protect customers from deceptive practices, it believes other sections of South Carolina's law "address this objective in other ways."

The letter concluded. "We believe that unjustified limitations on off-site sales by automobile dealers are likely to increase dealer costs and decrease competition and therefore increase the prices consumers pay for motor vehicles. For these reasons, we believe that (Waldrop's measure), if enacted, would benefit consumers."

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U.S. AUTOMOTIVE TRADE BY VALUE

(x $1,000)

Passenger cars

Country	Trade	Jan. 1987	Jan. 1988	Feb. 1986-Jan. 1987	Feb. 1987-Jan. 1988
Japan	Export	2,895	9,805	43,541	79,200
	Import	1,710,337	1,556,264	21,096,931	21,150,664
Canada	Export	280,303	352,234	5,591,363	5,799,083
	Import	583,987	989,328	11,519,207	10,590,784
West Germany	Import	571,838	622,604	8,010,987	8,952,616
South Korea	Import	103,066	271,932	891,071	2,230,323
Sweden	Import	151,756	142,522	1,821,998	1,932,254
Mexico	Import	46,021	109,093	407,671	1,239,446
Yugoslavia	Import	8,925	11,431	99,078	128,748
United Kingdom	Import	70,400	54,027	726,224	1,177,464
Italy	Import	9,423	14,943	161,996	183,485
France	Import	10,484	8,110	121,917	253,624
Brazil	Import	200	31,464	825	270,465
Others	Export	77,344	136,772	457,448	949,200
	Import	7,694	15,921	165,164	301,726
Car total	Export	360,542	498,811	6,093,682	6,827,483
	Import	3,272,041	3,827,639	45,025,069	48,411,601
Trade balance		(2,911,499)	(3,328,828)	(38,931,387)	(41,584,118)
Light trucks (up to 10,000 lbs. GVW)					
Canada	Export	132,251	116,475	1,521,240	1,579,825
	Import	148,280	235,279	2,328,591	2,318,019
Japan	Import	431,177	280,252	4,875,626	4,127,200
Mexico	Import	10,086	141	130,292	80,144
Others	Export	19,923	37,243	117,971	224,433
	Import	1,666	10,917	63,109	81,197
Truck total	Export	152,174	153,700	1,639,211	1,804,258
	Import	591,209	526,589	7,397,618	6,606,561
Trade balance		(439,035)	(372,889)	(5,758,407)	(4,802,303)
Car and truck total	Export	512,716	652,511	7,732,893	8,631,741
	Import	3,863,250	4,354,228	52,422,687	55,018,162
TRADE BALANCE		(3,350,534)	(3,701,717)	(44,689,794)	(46,386,421)
TOTAL U.S. Merchandise trade (customs value)	Export	16,755,000	22,329,700	216,342,900	259,440,600
	Import	27,466,400	33,217,700	363,439,500	411,651,900
TRADE BALANCE		(10,711,400)	(10,888,000)	(147,096,600)	(153,211,300)

U.S. AUTOMOTIVE TRADE BY QUANTITY

Passenger cars

Country	Trade	Jan. 1987	Jan. 1988	Feb. 1986-Jan. 1987	Feb. 1987-Jan. 1988
Japan	Export	203	685	2,765	5,203
	Import	197,236	171,923	2,578,173	2,392,194
Canada	Export	28,109	33,949	611,499	566,293
	Import	53,765	90,998	1,126,240	964,160
West Germany	Import	26,160	25,634	435,456	377,016
South Korea	Import	20,825	54,307	190,134	433,338
Sweden	Import	11,740	9,423	147,191	136,248
Mexico	Import	4,635	12,932	40,248	134,563
Yugoslavia	Import	3,623	4,469	39,828	50,311
United Kingdom	Import	2,730	1,845	27,737	49,174
Italy	Import	633	725	11,238	8,740
France	Import	946	566	10,708	26,327
Brazil	Import	20	5,933	206	54,082
Others	Export	5,675	9,936	33,981	70,496
	Import	537	1,004	11,812	19,784
Car total	Export	33,987	44,570	648,245	641,992
	Import	322,852	379,779	4,618,971	4,645,937
Trade balance		(288,865)	(335,209)	(3,970,726)	(4,003,945)
Light trucks (up to 10,000 lbs. GVW)					
Canada	Export	13,345	11,544	167,478	162,041
	Import	13,690	21,934	252,599	234,782
Japan	Import	79,039	49,685	957,414	743,404
Mexico	Import	1,320	0	17,276	9,976
Others	Export	1,393	2,585	10,312	17,809
	Import	1	147	958	632
Truck total	Export	14,738	14,129	177,790	179,851
	Import	94,050	71,766	1,228,247	988,794
Trade balance		(79,312)	(57,637)	(1,050,457)	(808,943)
Car and truck total	Export	48,725	58,699	826,035	821,843
	Import	416,902	451,545	5,847,218	5,634,731
TRADE BALANCE		(368,177)	(392,846)	(5,021,183)	(4,812,888)

Compiled by Automotive News from official statistics of the U.S. Commerce Department, as reported by the U.S. International Trade Commission. Because of rounding, figures may not add to the totals shown.

AUCTION DATES

Chrysler Motors

April 12 — American Auto Auction, Walpole, Mass.; Portland Auto Auction, Portland, Ore.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

April 13 — Southwest Auto Auction, Phoenix, Ariz.; Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; Minneapolis Auto Auction, Plymouth, Minn.; and Denver Auto Auction, Aurora, Colo.

April 14 — Aptco Auto Auction, Taylor, Mich.; Clanton's Auto Auction, Darlington, S.C.; Northway Exchange, Clifton Park, N.Y.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Big Sky Auto Auction Inc., Billings, Mt.

April 15 — Manheim Auto Auction, Manheim, Pa.

Ford Motor Co.

April 12 — Bay Cities Auto Auction Inc., Hayward, Calif.

April 13 — Concord Auto Auction, Acton, Mass., and Lakeland Auto Auction, Lakeland, Fla.

April 14 — Greater Chicago Auto Auction, Chicago; Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; Interstate Auto Auction, Mercer, Pa.; Nashville Auto Auction, Nashville, Tenn.; Southwest Auto Auction, Phoenix, Ariz.; and 166 Auto Auction, Springfield, Mo.

April 19 — South Seattle Auto Auction, Kent, Wash.

General Motors

April 12 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas

April 13 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Mississippi Auto Auction, Hattiesburg, Miss.

April 14 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah

Model Breakdown
Auction Averages

	MARCH 1988	FEB 1988	JAN 1987
1988	$12,283	$10,741	$8,839
1987	$8,682	$8,443	$8,435
1986	$6,927	$6,732	$6,516
1985	$5,837	$5,731	$5,501
1984	$4,380	$4,363	$4,349
1983	$3,765	$3,689	$3,362
1982	$2,534	$2,454	$2,303
1981	$1,906	$1,817	$1,926
Overall Average	$5,589	$5,309	$4,841

Used Car Sales
Auction Averages

March 1988	$5,589
Month ago	$5,350
Year ago	$5,839

Virginia adopts 65 mph

RICHMOND, Va. — Virginia has increased the speed limit on its rural Interstate highways to 65 mph from 55 mph. It was the [illegible] state to do so.

Manheim boosts auction tally to 21 in U.S., Canada

Atlanta-based Manheim Auctions has purchased or opened four facilities since December, bringing the number of auctions owned by the company to 21 in the United States and Canada.

The company also has launched a capital-improvement program at several of its sites.

Manheim's most recent acquisition is Dealers Auto Auction in Grand Prairie, Texas, for an undisclosed amount.

Registrations for Dealers Auto Auction's Tuesday sale exceed 500 vehicles. It has 20 acres for parking and future expansion and also has a reconditioning facility. The auction specializes in bank repossessions and Ford Motor Credit sales.

Darryll M. Ceccoli, Manheim executive vice president, said the auction will develop its dealer consignment and repossession business.

In December, Manheim purchased Bishop Brothers Auction in Atlanta for an undisclosed amount. The auction specializes in dealer consignments and vehicles from utility companies. It registers about 500 vehicles each week at its Tuesday auction.

AUCTION BRIEFS

CHARLES THOMAS

In January, Manheim opened its multimillion-dollar Riverside Auto Auction in Riverside, Calif.

In March, Manheim reopened the beleaguered Oshawa Auto Auction in Oshawa, Ontario, after purchasing it in January for an undisclosed price. Manheim renamed it the Manheim Oshawa Dealer Exchange.

The Oshawa Auto Auction had closed in December when Lloyd's Bank in Whitby seized $1.5 million in funds, leaving about 150 dealers in the lurch. The bank had held the proceeds from several weekly sales. The auction then went into receivership until Manheim purchased it.

The auction registers about 500 vehicles for its Wednesday sale each week including repos and dealer consignments.

Meanwhile, Manheim's Florida Auto Auction of Orlando added two lanes, making is the largest in the country with 13 lanes. Manheim's Metro Milwaukee Auto Auction in Caledonia, Wis., will open two additional lanes in July, increasing the number of lanes from five to seven.

Manheim's NADE in Bordentown, N.J., will open its new reconditioning facility in May. That will give the auction — already a leader in dealer consignments — the capability of attracting fleet and lease, institutional and factory business.

Kruse goes to Europe

Kruse International has announced expansion of its classic-car auction sales to West Germany, Switzerland and Luxembourg.

The Indiana-based company held its first overseas sale April 1-2 in Dusseldorf, West Germany.

A private-collection sellout will be held April 15-19 in Switzerland. Kruse will hold a collector car auction in Luxembourg in November.

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AN 4/88

Runaway-car dilemma

NHTSA reviews X-car decision for clues

By Matt DeLorenzo
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — As it tries to find the cause of sudden acceleration, NHTSA is reviewing the recent GM X-car court decision, which says that consumer complaints do not necessarily indicate a vehicle defect.

"The subject of sudden acceleration is a complex matter involving possible vehicle defects as well as the interaction of drivers and vehicles," said Diane K. Steed, NHTSA administrator, in response to a wide-ranging inquiry on the subject from Rep. John Dingell, D-Mich.

She indicated that the agency is studying the recent X-car decision to consider its implications regarding the investigation of sudden-acceleration complaints.

In quantifying the problem, she said that not all reports of sudden acceleration fit into NHTSA's definition of the problem.

"NHTSA uses the term 'sudden acceleration' to apply to reports of powerful, unwanted vehicle acceleration that began when the vehicle was stationary or moving slowly with an accompanying loss of brakes," Steed wrote.

She added that most of the cases occur when shifting from park. "In many instances, power output in these events has reportedly been sufficiently high to spin the drive wheels, the drivers reported a total lack of braking effectiveness, and the vehicles reportedly did not stop until they crashed or otherwise were prevented from moving," Steed said.

She said that while the majority of cases investigated by NHTSA fall into that category, "We have also received reports of other kinds of unwanted acceleration or change in engine speed, but we do not classify these reports as 'sudden-acceleration' incidents."

Steed indicated that some private groups and individuals have counted any incident involving an unexpected speed increase as a sudden-acceleration incident.

Including such incidents in the definition of sudden acceleration would make the definition too broad for one cohesive investigation, she said.

When NHTSA receives complaints on sudden acceleration and the complaints center on a single component — like a stuck throttle — Steed said the agency now classifies the investigation by that component rather than under the broad heading of sudden acceleration.

According to Steed, NHTSA has determined the following facts surrounding the cases:

- No passenger-car engine can produce the power required for sudden acceleration unless the throttle valve is fully or almost fully open. NHTSA believes that no electrical, fuel or other system malfunction can increase power output unless an adequate volume of air is introduced into the engine. Therefore, the defect must somehow be connected to the throttle valve.
- Applying the brake with moderate force will easily stop a passenger car under normal conditions, even if the engine is producing maximum power, if the braking system is functioning properly.
- Almost all vehicles investigated for sudden acceleration have hydraulic braking systems not dependent upon or affected by the electrical system.
- In a small number of cases, conclusive evidence demonstrates that drivers did inadvertently step on the accelerator pedal and continued to believe afterwards they had been pressing on the brake.
- Reports of sudden acceleration have been received for all groups of automatic transmission-equipped cars produced by all major manufacturers.
- Vehicle defects that may contribute to sudden acceleration have been found in some cases, resulting in safety-recall campaigns.

NHTSA said it believes that shift-lock systems, as installed by Audi and other manufacturers, "will prevent sudden acceleration under certain circumstances. In general, shift-lock systems appear to be beneficial, but it is premature to judge the extent of their effectiveness at this time."

The agency said it observed a significant reduction in the number of sudden-acceleration accidents involving Audi 5000 models since the shift-lock system began to be installed in late 1986. NHTSA is conducting an audit of Audi and Nissan recalls that installed shift locks.

Steed told Dingell that sudden acceleration is apparently a problem in Japan, Canada and Europe as well.

Steed concluded, "There is much public information to suggest that a substantial portion of the sudden-acceleration problem is caused by pedal error.

"While much of the technical evidence may support the inference that drivers have applied their accelerator pedals in many of the sudden-acceleration incidents, this by itself does not preclude the possibility that vehicle defects have contributed to the cause of these incidents to a degree sufficient to make such defects subject to recalls."

DINGELL

FROM PAGE 2

make the rulings a mockery and allow the importer too great a leeway.

"But if the referenced decisions are an example of how Customs interprets its regulations, then the rulings may, in fact, be a mockery in application at least."

In backing its position, the staff said that the original letter rulings with Suzuki were issued in 1984, while Mitsubishi's date back to 1985 and 1986.

The report concluded that the regulations provide for revocations or modification. It added, "But that must occur prospectively. You may want to urge revocation of the old rulings."

In addition to having Customs review its decision, Dingell asked the General Accounting Office to examine the matter.

"I also question whether such old rulings should, under the regulations, be allowed to continue indefinitely, particularly in light of the fact, as you point out, that these vehicles are being used in the United States as passenger vehicles. A revocation (or modification at least) appears to be in order now," Dingell wrote.

Customs has promised to review the matter and issue new guidelines subject to public comment, but as of late last week, had still to open a comment period on the issue.

DOMESTIC DAYS' SUPPLIES

	Apr. 1, 1988	Mar. 1, 1988	Apr. 1, 1987
Alliance	70	71	182
Eagle	63	61	117
Premier	133	193	—
Total Eagle	117	143	172
Horizon	71	79	76
Sundance	69	76	94
Turismo	92	112	69
Reliant	40	43	48
Caravelle	50	60	70
Gran Fury	52	53	102
Total Plymouth	54	57	68
Laser	—	—	62
LeBaron K	84	119	84
LeBaron J	43	58	99
LeBaron GTS	147	191	75
Fifth Avenue	47	68	65
New Yorker C	82	77	—
New Yorker E	26	26	96
Total Chrysler	58	66	83
Omni	78	97	71
Shadow	67	63	77
Charger	89	115	59
Daytona	48	67	80
Aries	47	55	48
Lancer	159	190	85
Diplomat	77	118	111
Dynasty	35	59	—
Dodge 600	61	60	77
Total Dodge	56	69	67
CHRYSLER MTRS.	58	67	72
Escort	62	85	62
Mustang	44	65	27
Tempo	59	46	71
Taurus	47	58	75
Thunderbird	81	90	61
Probe	80	—	—
Crown Victoria	47	61	61
Total Ford Div.	55	66	61
Lynx/Tracer	101	89	89
Topaz	66	62	69
Sable	52	51	87
Cougar	74	96	85
Grand Marquis	40	49	55
Total Mercury	62	67	76
Continental	10	23	55
Lincoln	67	66	53
Mark VII	57	70	61
Total Lincoln	51	58	54
Total L-M Division	59	65	70
FORD MOTOR CO.	56	65	64
Skyhawk	118	78	179
Somerset Regal	71	67	120
Century	53	46	95
Regal	78	70	89
LeSabre	43	45	92
Reatta	92	99	—
Electra	57	51	119
Riviera	68	56	69
Total Buick	61	56	105
Cimarron	131	159	179
Allante	147	194	43
Seville	69	55	67
Cadillac	77	86	114
Eldorado	64	80	112
Total Cadillac	79	86	112
Chevette	126	117	53
Nova	68	56	132
Cavalier	56	63	55
Camaro	73	111	60
Celebrity	66	64	56
Corsica/Beretta	63	57	148
Monte Carlo	112	151	146
Chevrolet	89	88	94
Corvette	75	100	101
Total Chevrolet	67	69	78
Firenza	137	45	135
Calais	74	70	59
Cutlass Ciera	49	37	70
Cutlass Supreme	71	71	74
Olds 88	56	61	85
Olds 98	56	65	147
Toronado	75	62	97
Total Oldsmobile	61	56	81
Fiero	106	79	117
1000	85	28	66
Sunbird	56	57	86
Firebird	51	72	80
Grand Am	48	49	49
6000	59	48	95
Grand Prix	42	51	—
Bonneville H	47	37	—
Parts./Safari	76	94	24
Total Pontiac	52	51	81
GENERAL MTRS.	53	62	85
HONDA	12	11	8
MAZDA*	50	51	—
NISSAN	63	98	66
TOYOTA	34	39	66
VOLKSWAGEN	152	127	124
DOM. TOTAL	58	62	74
Subcompact	45	54	—
Compact	52	53	—
Intermediate	59	64	—
Standard	58	63	—
Specialty	94	92	—

Domestic-car supply declines to 58 days

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

The industry's inventory of unsold U.S.-built cars stood at 1,574,529 units on April 1, equal to a 58-day supply at current selling rates. It was the lowest days' supply since October and the lowest number of cars since November.

On April 1, 1987, the stockpile amounted to 1,945,438 units, a 74-day stock at the then-current rate of sales.

Industry stocks of domestic new cars totaled 1,608,461 units on March 1 this year, a 62-day supply.

Stocks have been trimmed by a variety of retail and dealer incentives. Also, Ford Motor Co., Chrysler Motors and General Motors closed plants during part of March for model changeover or inventory adjustments.

As a rule of thumb, a 60-day supply of domestic cars is considered optimal.

By company, inventories shaped up this way on April 1: GM, 51.35 percent; Ford Motor, 28.71 percent; Chrysler Motors, 15.55 percent; Volkswagen, 1.53 percent; Nissan, 1.15 percent; Honda, 0.97 percent; Toyota, 0.41 percent; and Mazda, 0.33 percent.

A month earlier, inventories by company were: GM, 51.05 percent; Ford, 28.75 percent; Chrysler, 16.49 percent; VW, 1.26 percent; Nissan, 1.13 percent; Honda, 0.77 percent; Toyota 0.32 percent; and Mazda, 0.23 percent.

The inventory by size class shaped up this way April 1: Intermediate, 42.90 percent; compact, 24.26 percent; standard, 18.79 percent; subcompact, 12.78 percent; and specialty, 1.27 percent.

A year earlier, size-class inventories were: Intermediate, 42.55 percent; compact, 23.65 percent; standard, 19.16 percent; subcompact, 13.37 percent; and specialty, 1.27 percent.

A slight drop was noted in Eagle Premier stocks, which fell to 133 days on April 1 from 143 days on March 1.

There was a more abrupt decline for Chrysler LeBaron K with a days' supply drop to 84 days from 119. Dodge Lancer stocks eased to 159 days from 190.

At Ford, as of April 1 there was a 60-day supply of Ford Probe, which goes on sale officially May 12. Dealers, however, have been selling the cars as they receive them.

The red-hot Lincoln Continental is in extremely short supply and an Automotive News analysis indicates there is only a 10-day supply of that car in dealers' hands or in transit.

At Cadillac, a look at stocks of Allante shows a 147-day supply, down significantly from 194 days a month earlier.

Also at GM, the supplies of GM10 cars remained low but healthy. The supply of Buick Regal was 78 days, up from 70 a month earlier.

The Oldsmobile Cutlass Supreme figure was 71 days on April 1, unchanged from March 1, and Pontiac Grand Prix was down to 42 days, from 51 days a month before.

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DOMESTIC CAR SALES

	March 21, to March 31, 1988	Same Period, 1987	March 1988	Same Month, 1987	Jan. 1 to March 31, 1988	Same Period, 1987
Alliance	293	0	739	2,339	2,447	6,579
Eagle	79	0	208	409	910	1,091
Premier	1,481	0	3,020	0	6,375	0
Total Eagle	1,853	1,196	3,967	2,748	9,732	7,670
Horizon	2,477	2,680	5,109	6,719	11,686	19,964
Sundance	3,216	2,786	7,481	6,203	18,331	15,504
Turismo	82	1,744	176	3,952	518	7,589
Reliant	5,634	4,759	13,501	12,533	38,720	27,736
Caravelle	857	1,314	2,151	4,157	6,163	9,028
Gran Fury	502	229	1,086	477	2,977	1,242
Total Plymouth	12,768	13,512	29,504	34,041	76,395	81,003
Laser	0	364	0	858	0	2,274
LeBaron K	1,592	2,374	3,262	5,611	7,760	12,617
LeBaron J	4,422	1,828	12,989	4,050	30,274	8,504
LeBaron GTS	713	1,740	1,624	4,218	4,485	9,587
Fifth Avenue	2,743	2,172	6,659	4,652	18,205	10,241
New Yorker C	2,414	0	5,511	0	12,924	0
New Yorker E	1,037	2,884	3,247	5,804	11,786	12,654
Total Chrysler	12,921	11,362	33,292	25,393	85,434	55,877
Omni	2,271	2,306	4,948	5,563	10,686	16,692
Shadow	3,371	2,502	7,787	5,929	21,529	15,544
Charger	79	1,936	207	4,551	502	8,674
Daytona	3,124	1,136	7,943	2,805	18,397	5,850
Aries	4,877	4,543	11,380	10,880	30,669	25,780
Lancer	499	1,353	1,127	2,987	3,086	8,007
Diplomat	1,104	308	2,347	694	4,815	2,220
Dynasty	4,442	0	9,397	0	16,808	0
Dodge 600	816	1,496	1,694	3,806	5,438	8,963
Total Dodge	20,583	15,580	46,830	37,215	111,930	91,730
CHRYSLER MOTORS	48,125	41,652	113,593	99,397	283,491	236,280
Escort	15,290	14,987	34,737	38,302	92,059	84,561
Mustang	9,853	8,031	22,155	21,551	49,347	49,974
Tempo	10,259	9,051	25,164	24,177	72,250	60,821
Taurus	15,452	12,779	39,445	32,070	101,901	78,535
Thunderbird	5,651	3,771	12,973	10,879	33,937	27,193
Probe	1,296	0	2,401	0	2,401	0
Crown Victoria	5,950	4,412	12,685	11,539	30,873	26,206
Total Ford Div.	63,751	53,031	149,560	138,518	382,768	327,290
Lynx/Tracer	2,297	2,838	5,230	6,371	15,711	13,522
Topaz	3,376	2,575	7,579	7,054	20,372	17,465
Sable	4,843	4,119	11,456	9,593	31,169	22,203
Cougar	5,159	4,209	11,994	9,991	28,826	22,326
Grand Marquis	5,500	4,667	11,906	10,998	28,636	23,134
Total Mercury	21,175	18,408	48,165	44,014	124,714	101,160
Continental	2,161	645	4,942	1,413	10,500	3,564
Lincoln	5,468	5,817	11,614	10,915	29,839	25,135
Mark VII	1,035	1,348	2,354	2,468	5,724	5,480
Total Lincoln	8,664	7,810	18,910	14,796	46,063	34,179
Total L-M Division	29,839	26,218	67,075	58,810	170,777	135,339
FORD MOTOR CO.	93,590	79,249	216,635	197,328	553,545	462,629
Skyhawk	1,207	1,507	2,575	3,428	8,635	8,037
Somerset Regal	2,295	2,887	4,841	7,142	15,386	17,291
Century	4,819	5,722	9,872	14,710	30,165	35,963
Regal	5,583	2,026	11,203	5,064	30,089	11,579
LeSabre	8,314	4,406	15,995	11,178	43,493	30,583
Reatta	127	0	242	0	517	0
Electra	3,942	2,460	7,005	6,363	23,505	17,213
Riviera	339	643	862	1,969	2,959	7,016
Total Buick	26,626	19,631	52,596	49,854	154,749	127,692
Cimarron	334	448	743	1,075	1,855	2,853
Allante	177	82	333	270	809	329
Seville	737	856	1,605	2,024	4,696	7,044
Cadillac	8,898	5,686	18,880	15,424	47,581	43,180
Eldorado	1,342	579	3,058	1,355	6,278	4,977
Total Cadillac	11,488	7,653	24,599	20,148	61,219	58,383
Chevette	16	926	43	2,638	145	11,908
Nova	5,816	4,558	12,928	9,691	33,457	21,911
Cavalier	12,646	11,133	27,676	35,461	71,347	95,210
Camaro	4,674	5,203	10,565	13,536	22,922	32,597
Celebrity	11,495	14,673	24,314	35,877	71,288	85,642
Corsica/Beretta	17,653	4,099	38,032	8,911	101,120	12,573
Monte Carlo	2,011	2,310	4,432	5,462	11,680	13,606
Chevrolet	7,074	6,419	16,277	16,097	40,420	40,847
Corvette	1,120	997	2,642	2,322	6,188	5,668
Total Chevrolet	62,505	50,318	136,909	129,995	358,567	319,968
Firenza	433	707	831	1,454	4,222	3,798
Calais	4,526	4,287	9,162	10,768	25,836	25,299
Cutlass Ciera	9,914	10,992	19,835	25,747	59,451	62,584
Cutlass Supreme	6,167	4,891	10,867	11,896	26,458	28,656
Olds 88	8,429	6,811	16,885	16,903	46,919	40,727
Olds 98	3,779	2,293	7,353	5,488	20,979	14,717
Toronado	644	590	1,455	1,372	3,909	3,901
Total Oldsmobile	33,892	30,571	66,388	73,630	187,774	179,682
Fiero	883	2,140	2,529	4,666	7,868	11,385
1000	0	323	13	868	113	2,715
Sunbird	2,780	3,889	7,438	8,883	20,443	21,789
Firebird	2,490	3,029	6,948	7,336	15,570	16,788
Grand Am	8,653	8,247	22,022	19,193	60,204	50,681
6000	3,815	5,580	8,173	12,280	24,783	31,314
Grand Prix	2,851	806	9,479	1,847	17,236	4,990
Bonneville H	3,505	0	9,584	0	32,344	0
Parts /Safari	240	4,124	595	10,317	1,960	24,073
Total Pontiac	25,217	27,909	66,781	65,380	180,521	163,745
GENERAL MOTORS	159,728	136,082	347,273	339,007	942,830	849,470
HONDA	20,425	16,635	36,191	28,476	86,166	76,225
Civic	5,191	4,368	8,773	7,966	20,878	25,114
Accord	15,234	12,267	27,418	20,510	65,288	51,111
MAZDA	1,511	0	2,814	0	5,982	0
NISSAN	3,984	4,835	7,784	10,130	17,621	23,698
TOYOTA	2,883	1,960	5,162	3,455	12,938	7,294
VOLKSWAGEN	2,475	2,145	4,286	4,324	11,449	10,951
DOMESTIC TOTAL	332,721	282,358	733,738	682,117	1,914,022	1,666,748
IMPORT TOTAL			269,433	246,543	734,106	661,231
INDUSTRY TOTAL			1,003,171	928,660	2,648,128	2,327,979

March deliveries increase 7.57%

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

New-car sales in the United States showed a substantial gain in March, rising 7.57 percent above those a year earlier. Sales surged late in the month and were up a lusty 17.84 percent in the month's closing 10-day period.

Deliveries of domestics and imports totaled 733,738 cars for the month, compared with 682,117 last year.

Manufacturers are using everything in their tackle boxes as they fish for customers in this country's strong retail market.

The bait these days includes factory rebates in cash, cut-rate option packages, clearance discounts, first-time-buyer deals, bargain-basement financing programs, breaks for college graduates and even a U.S. savings bond as a premium from a Japanese company.

The lures are being floated in front of shoppers looking at cars, trucks and sport-utilities.

All of the domestic makers except Volkswagen and Nissan reported gains in March. Nissan had a significant falloff of 23.16 percent, while VW had a slight dip of 0.88 percent.

Toyota sales increased 49.41 percent as retail deliveries climbed to 5,162 units from 3,455 a year earlier. Mazda, which began building cars in this country in September, reported sales of 2,814 units for March.

Honda dealers sold 27.09 percent more U.S.-built cars this March than in 1987, and Chrysler Motors' dealers were up 14.28 percent. Ford Motor Co. dealers gained 9.78 percent for the month, and GM dealers advanced 2.44 percent.

Toyota's sales in the March 21-31 span rose to 2,883 units from 1,960 last year, a gain of 47.09 percent. Honda was up 22.78 percent; Ford Motor Co. climbed 18.10 percent; and General Motors' sales increased 17.38 percent.

Chrysler sales rose 15.54 percent, and VW reported a 15.38 percent gain during the 10-day selling period.

Nissan sales were off 14.05 percent, while Mazda's domestic-car sales totaled 1,511 units in the period.

There were 27 selling days in March this year, compared with 26 in March 1987. There were 10 selling days in the month's closing sales period this year compared with nine last year.

Chrysler Motors said March was a record month for Plymouth Sundance, Dodge Shadow and Daytona and Chrysler LeBaron coupes.

Ford Division said sales were the best for any March since 1979.

Acura recorded more sales in March than in any previous month.

Where the U.S. market was, March 1988

	Total Sales	Pct. of Total
SUBCOMPACT	85,466	8.52
COMPACT	196,188	19.56
INTERMEDIATE	307,486	30.65
STANDARD	138,852	13.84
SPECIALITY	5,746	0.57
IMPORT	269,433	26.86
TOTAL	1,003,171	100.00

IMPORTED CAR SALES

	March 1988	March 1987	3 Mos. 1988	3 Mos. 1987
Acura	10,470	8,774	28,495	21,497
Alfa Romeo	545	538	1,306	1,636
Audi	1,843	2,489	5,274	6,533
BMW	6,403	7,504	16,762	19,077
Chevrolet	10,111	10,571	31,118	29,314
Chrysler	963	1,291	2,405	2,870
Daihatsu	804	0	2,587	0
Dodge	5,277	5,335	14,179	14,240
Ford	6,894	0	18,062	0
Eagle	1,624	1,139	6,523	1,139
Honda	18,567	21,536	59,840	63,815
Hyundai	26,166	19,502	71,026	56,164
Isuzu	1,675	1,917	4,684	5,489
Jaguar	1,854	1,545	4,422	4,068
Maserati	104	123	249	248
Mazda	22,430	19,188	58,838	40,280
Mercedes-Benz	7,603	7,946	19,302	22,120
Mercury	764	1,219	2,267	2,115
Mitsubishi	5,790	6,431	16,273	14,071
Nissan	39,536	41,824	92,163	119,452
Peugeot	563	714	1,247	2,273
Plymouth	4,691	4,643	12,802	12,543
Pontiac	6,843	0	13,996	0
Porsche	1,872	2,394	4,426	5,863
Saab	3,996	3,817	9,791	10,762
Sterling	937	1,535	3,054	2,576
Subaru	13,951	13,862	36,498	34,943
Toyota	42,734	37,099	127,050	101,117
Volkswagen	12,567	8,474	36,421	20,987
Volvo	8,293	10,562	24,123	32,224
Yugo	3,563	4,571	8,921	13,804
TOTAL	269,433	246,543	734,106	661,231

Sales charts compiled by Karen Dellowski

U.S. CAR SALES BY MARKETING UNITS

	March 1988	Percent Share	March 1987	Percent Share	3 Mos., 1988	Percent Share	3 Mos., 1987	Percent Share
Alfa Romeo	545	0.05	538	0.06	1,306	0.05	1,636	0.07
American Honda	65,228	6.50	58,786	6.33	174,501	6.59	161,537	6.94
BMW	6,403	0.64	7,504	0.81	16,762	0.63	19,077	0.82
Buick	52,596	5.24	49,854	5.37	154,749	5.84	127,692	5.49
Cadillac	24,599	2.45	20,148	2.17	61,219	2.31	58,383	2.51
Chevrolet	147,020	14.66	140,566	15.14	389,685	14.72	349,282	15.00
Chrysler	34,255	3.41	26,684	2.87	87,839	3.32	58,747	2.52
Daihatsu	804	0.08	0	0.00	2,587	0.10	0	0.00
Dodge	52,107	5.19	42,550	4.58	126,109	4.76	105,979	4.55
Eagle	5,591	0.56	3,887	0.42	16,255	0.61	8,809	0.38
Ford	156,454	15.60	138,518	14.92	400,830	15.14	327,290	14.06
Hyundai	26,166	2.61	19,502	2.10	71,026	2.68	56,164	2.41
Isuzu	1,675	0.17	1,917	0.21	4,684	0.18	5,489	0.24
Jaguar	1,854	0.18	1,545	0.17	4,422	0.17	4,068	0.17
Lincoln	18,910	1.89	14,796	1.59	46,063	1.74	34,179	1.47
Maserati	104	0.01	123	0.01	249	0.01	248	0.01
Mazda	25,244	2.52	19,188	2.07	64,820	2.45	40,280	1.73
Mercedes	7,603	0.76	7,946	0.86	19,302	0.73	22,120	0.95
Mercury	48,929	4.88	45,233	4.87	126,981	4.80	103,275	4.44
Mitsubishi	5,790	0.58	6,431	0.69	16,273	0.61	14,071	0.60
Nissan	47,320	4.72	51,954	5.59	109,784	4.15	143,351	6.16
Oldsmobile	66,388	6.62	73,630	7.93	187,774	7.09	179,682	7.72
Peugeot	563	0.06	714	0.08	1,247	0.05	2,273	0.10
Plymouth	34,195	3.41	38,684	4.17	89,197	3.37	93,546	4.02
Pontiac	73,624	7.34	65,380	7.04	194,517	7.35	163,745	7.03
Porsche	1,872	0.19	2,394	0.26	4,426	0.17	5,863	0.25
Saab	3,996	0.40	3,817	0.41	9,791	0.37	10,762	0.46
Sterling	937	0.09	1,535	0.17	3,054	0.12	2,578	0.11
Subaru	13,951	1.39	13,862	1.49	36,493	1.38	34,943	1.50
Toyota	47,896	4.77	40,554	4.37	139,988	5.29	108,411	4.66
Volvo	8,293	0.83	10,562	1.14	24,123	0.91	32,224	1.38
VWoA	18,696	1.86	15,287	1.65	53,144	2.01	38,471	1.65
Yugo	3,563	0.36	4,571	0.49	8,921	0.34	13,804	0.59
TOTAL	1,003,171	100.00	928,660	100.00	2,648,128	100.00	2,327,979	100.00
TOTAL GM	364,227	36.31	349,578	37.64	987,943	37.31	878,784	37.75
TOTAL FORD	224,293	22.36	198,547	21.38	573,874	21.67	464,744	19.96
TOTAL CHRYSLER	126,148	12.57	111,805	12.04	319,400	12.06	267,081	11.47
TOTAL JAPANESE	207,906	20.73	192,692	20.75	549,135	20.74	506,062	21.83
TOTAL EUROPEAN	54,429	5.43	56,536	6.09	146,749	5.54	153,124	6.58
TOTAL KOREAN	26,166	2.61	19,502	2.10	71,026	2.68	56,164	2.41

Big 3 totals include their captive imports.
Percent share may contain slight rounding error due to rounding.

PRODUCTION

Truck output hits quarter, March highs

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

U.S. truckmakers cranked out more trucks in the first quarter of this year than in any previous quarter and in the process set a new monthly record.

Truck output for the three-month span totaled 1,079,887 units, surpassing the previous quarterly high of 1,009,342 in the second quarter of 1987.

First-quarter truck production was 8.24 percent higher than the year-ago quarter when 997,608 were produced.

March's truck output of 396,997 units was the highest production for any month, surpassing the previous record of 369,394 set in October 1987.

Last month's build was 12.94 percent more than February's 351,498 and 9.82 percent more than the year-ago month's 361,490.

Last week's scheduled truck output of 74,809 was an increase of 11.47 percent over the prior week's 67,113, but it fell 7.18 percent below the year-ago week's 80,594.

Car output during the first three months of this year totaled 1,700,404 units, a 18.18 percent decrease from the first quarter of 1987 when 2,078,179 units were assembled.

March production of 659,793 cars was 17.09 percent higher than February's 563,508, but it was 11.17 percent below the year-ago month's 742,780.

Automakers scheduled 133,820 cars last week, 5.60 percent more than the previous week's 126,723, but 17.67 percent below the year-ago week's 162,550.

Volkswagen of America's plant in Westmoreland, Pa., is idle for model changeover. It is scheduled to reopen May 9.

Canada posts truck records

Canadian truck manufacturers set a record during the first quarter of this year and also for March.

First-quarter truck output totaled 245,463 units, the highest output for any quarter. The total surpassed the prior record of 241,250 built in the second quarter of 1986.

First-quarter truck production was 23.14 percent more than the year-ago quarter's 199,337.

March output of 91,612 trucks was the highest for any month, surpassing the former peak of 86,525 set in April 1986.

Last month's truck build was 14.26 percent more than February's 80,177 and 23.11 percent more than the year-ago month's 74,415.

Car output for the first quarter totaled 288,485, the highest for that quarter since 1979 when 294,832 cars were built. It was 25.14 percent more than the year-ago quarter's 230,535.

March car production was 110,143, the highest monthly output since April 1986 when 111,533 cars were built, and the highest output for March since 1978 when 112,128 units were assembled.

Last month's car production was 19.82 percent more than February's 91,922 and 43.56 percent more than the year-ago month's 76,721.

U.S. CAR	Week Ended April 9, 1988	Week Ended April 11, 1987	Week Ended April 2, 1988	March Total	Jan. 1 to April 9, 1988	Jan. 1 to April 11, 1987
Alliance	0	770	0	0	0	9,412
Total Eagle	0	770	0	0	0	9,412
Horizon	2,000	0	1,516	8,075	24,021	32,997
Sundance	1,600	2,684	1,997	10,187	29,410	31,429
Reliant	1,750	2,480	1,991	10,308	24,228	36,305
Caravelle	400	1,165	527	2,063	5,503	16,920
Gran Fury	200	146	169	690	3,016	325
Total Plymouth	5,950	6,455	6,202	31,323	86,178	117,978
LeBaron K	400	2,052	400	2,398	4,562	25,626
LeBaron J	1,900	3,535	1,542	8,827	15,781	25,093
LeBaron GTS	100	1,133	190	906	2,417	11,680
N. Yorker E-Class	0	2,273	0	0	(1,700)	25,359
N. Yorker C-Class	1,900	0	1,852	10,499	30,172	0
Fifth Avenue	250	1,606	158	1,294	11,448	6,060
Total Chrysler	4,150	10,599	4,142	23,952	62,700	93,838
Omni	2,000	0	1,521	8,004	23,662	28,363
Daytona	1,500	1,767	1,557	6,923	15,019	12,561
Shadow	1,600	2,945	1,577	10,191	29,833	28,774
Aries	1,950	2,401	1,766	9,022	20,453	32,323
Dodge 600	350	1,185	359	1,724	4,569	14,747
Dynasty	1,600	0	2,140	11,686	30,941	0
Lancer	150	622	126	889	3,049	7,911
Diplomat	500	212	457	2,395	6,186	503
Total Dodge	9,650	9,136	9,503	52,834	133,702	125,182
CHRYSLER MOTORS	19,750	26,962	19,847	108,109	282,580	346,408
Escort	7,574	8,282	3,885	16,035	92,324	104,724
Mustang	3,224	4,531	3,634	20,097	60,679	62,832
Tempo	3,268	4,113	3,072	19,036	55,465	56,314
Taurus	6,999	10,013	6,536	36,672	108,792	133,594
Thunderbird	2,783	4,645	2,756	15,332	44,667	42,500
Total Ford Div.	23,848	31,584	19,882	107,972	361,927	399,964
Lynx	0	733	0	0	0	16,365
Topaz	1,117	1,383	1,377	7,299	21,221	16,796
Cougar	1,830	3,079	1,825	11,174	33,788	50,566
Sable	2,820	2,898	2,378	12,523	35,200	42,161
Total Mercury	5,767	8,091	5,580	30,996	90,189	125,888
Continental	893	413	749	4,591	12,264	5,215
Mark VII	451	612	374	2,293	7,225	7,807
Lincoln	2,686	3,075	2,237	13,777	40,960	39,052
Total Lincoln	4,032	4,100	3,360	20,661	60,449	52,074
Total L-M Division	9,799	12,191	8,940	51,657	150,638	177,962
FORD MOTOR CO.	33,647	43,755	28,822	159,629	512,565	577,926
Skyhawk	871	611	875	4,068	10,017	12,654
Skylark/Somerset	606	1,704	291	1,898	6,627	22,703
Century	2,840	3,329	2,368	10,249	20,660	56,797
Regal (rwd)	0	0	0	0	0	12,261
Riviera	128	0	88	660	1,927	5,704
Electra	2,231	0	1,125	6,333	19,827	30,545
LeSabre (fwd)	2,800	3,515	2,315	12,548	35,061	32,339
LeSabre (rwd)	184	291	172	982	2,019	3,865
Reatta	129	0	107	516	1,176	0
Total Buick	9,791	9,650	7,341	37,074	97,314	176,868
Cimmaron	93	0	117	701	3,148	5,665
Eldorado	1,006	0	707	5,062	9,961	7,428
Seville	601	0	425	3,012	6,507	4,636
Brougham* (rwd)	1,121	1,170	1,121	5,603	8,698	25,069
Deville (fwd)	2,832	4,043	3,203	18,403	52,885	51,263
Allante	52	104	52	300	670	760
Total Cadillac	5,705	5,317	5,625	33,081	81,869	94,821
Cavalier	5,671	8,851	5,575	32,380	92,758	104,677
Camaro	1,944	3,276	1,923	8,314	18,974	28,447
Celebrity	2,772	7,744	2,816	14,767	42,555	111,604
Corsica/Beretta	7,168	6,523	7,302	41,692	108,306	71,949
Monte Carlo	0	874	0	0	0	20,476
Caprice	3,140	5,459	2,802	14,603	53,354	63,485
Corvette	352	651	360	2,051	5,914	8,598
Total Chevrolet	21,047	33,378	20,578	113,897	321,861	409,236
Calais	1,312	2,955	1,544	9,318	27,524	31,650
Firenza	317	613	401	1,915	4,749	2,520
Cutlass Ciera	0	3,591	0	0	0	54,816
Cutlass Supreme*	9,137	1,309	9,137	15,683	50,210	18,025
Toronado	405	0	283	2,043	4,690	5,057
88 (fwd)	2,595	3,998	3,562	15,650	43,263	63,418
98 (rwd)	284	471	211	1,055	3,593	5,413
Olds 98	1,303	752	1,536	8,852	24,358	26,231
Total Oldsmobile	15,333	13,687	16,674	54,706	156,387	210,728
Sunbird	1,832	2,480	1,756	9,522	29,310	34,760
Grand Am	3,840	6,236	3,881	21,986	65,345	72,578
Firebird	1,352	2,901	1,345	6,857	15,239	23,053
Grand Prix	2,540	0	2,602	12,933	26,238	0
Pontiac 6000	1,944	0	2,207	11,551	17,930	23,363
Bonneville	2,064	3,125	1,986	8,528	25,967	42,391
Safari/Parisienne	184	405	168	861	2,021	3,847
Fiero	488	0	450	2,764	5,253	9,996
Total Pontiac	14,244	14,227	14,105	76,282	197,303	210,008
GENERAL MOTORS	86,128	78,259	84,323	315,020	846,754	1,101,661
HONDA	7,135	6,830	5,861	35,087	89,972	93,818
Civic	2,250	1,535	1,841	9,305	25,305	31,063
Accord	4,885	5,095	4,220	25,782	74,667	62,755
MAZDA†	2,219	0	1,571	8,401	18,582	0
NISSAN	2,349	2,898	2,358	9,370	22,702	39,229
NUMMI	2,600	4,121	2,640	15,221	44,378	54,774
Corolla	960	844	968	5,808	16,326	11,151
Nova	1,640	3,277	1,672	9,615	28,052	43,623
VOLKSWAGEN	0	1,925	1,291	8,946	17,284	22,793
Golf/GTI	0	1,675	946	6,372	11,731	18,643
Jetta	0	250	345	2,574	5,553	3,950
Total Cars, U.S.	133,820	162,550	126,723	659,793	1,844,817	2,236,809
Total Cars, Canada	27,075	12,086	21,619	110,143	315,171	238,340
U.S., Canada Cars	160,895	174,636	148,342	769,936	2,159,988	2,474,949
U.S., Canada Cars and Trucks	256,054	273,539	230,667	1,259,545	3,561,378	3,788,705

Weekly estimates may contain error of one or two units due to rounding.
*—Delivery. †—Based on sales from the 323 and Protegé.

CANADIAN CAR	Week Ended April 9, 1988	Week Ended April 11, 1987	Week Ended April 2, 1988	March Total	Jan. 1 to April 9, 1988	Jan. 1 to April 11, 1987
Eagle	0	—	0	0	0	—
Premier	1,650	—	1,370	4,454	19,205	—
CHRYSLER MOTORS	1,650	101	1,370	4,454	19,205	2,074
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,280	—	3,988	20,161	57,873	—
Topaz	1,350	—	1,116	6,205	19,228	—
Crown Victoria	2,851	—	2,367	13,160	39,176	—
Grand Marquis	2,909	—	2,380	13,178	38,440	—
FORD MOTOR CO.	11,400	11,544	9,581	52,724	154,717	148,965
Celebrity	335	—	288	1,582	5,007	—
Cutlass Ciera	7,225	—	5,951	28,485	67,274	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,400	—	993	3,588	13,307	—
Regal	4,000	—	2,836	15,484	45,031	—
GENERAL MOTORS	12,960	0	9,970	49,139	130,619	82,254
HONDA	915	216	548	3,175	8,941	2,122
VOLVO	150	225	150	651	1,699	2,925
Total Cars, Canada	27,075	12,086	21,619	110,143	315,171	238,340

U.S. TRUCK☆	Week Ended April 9, 1988	Week Ended April 11, 1987	Week Ended April 2, 1988	March Total	Jan. 1 to April 9, 1988	Jan. 1 to April 11, 1987
Caravan	1,850	—	1,461	9,779	27,577	—
Dakota	2,200	—	2,272	13,076	32,975	—
Mini-Ram Van	300	—	277	1,343	4,261	—
Pickups	1,050	—	1,116	6,359	16,253	—
Total Dodge	5,400	5,999	5,146	30,557	81,066	68,305
Cherokee	3,100	—	2,512	15,948	49,015	—
Commanche	850	—	720	4,336	13,403	—
Grand Wagoneer	250	—	280	1,258	3,835	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	184	1,217	3,604	—
Total Jeep	4,400	4,386	3,696	22,759	69,857	53,123
Voyager	1,600	—	1,322	9,041	25,547	—
Total Plymouth	1,600	—	1,322	9,041	25,547	—
CHRYSLER MOTORS	11,400	10265	10,164	62,357	176,470	131,428
Aerostar	3,535	—	3,600	21,023	62,587	—
Bronco	1,012	—	967	5,813	17,133	—
Bronco II	2,032	—	2,442	13,806	41,066	—
Econoline	4,078	—	4,160	23,890	69,830	—
Heavy trucks	1,125	—	1,114	6,380	18,362	—
Light trucks	9,529	—	8,303	50,227	141,101	—
Ranger	6,275	—	5,886	33,926	100,266	—
Total Ford Div.	27,586	31,815	26,472	155,067	450,345	435,436
FORD MOTOR CO.	27,586	31,815	26,472	155,067	450,345	435,436
Astro	3,146	—	2,467	16,043	46,084	—
Blazer	525	—	401	2,506	7,465	—
Medium/Heavies	332	—	232	1,591	4,721	—
P-Model	717	—	707	2,317	10,819	—
Pickups	8,487	—	5,126	32,011	88,805	—
S-10	5,338	—	5,315	28,140	77,711	—
S-10 Blazer	2,760	—	2,797	16,291	42,122	—
Sportsvan/Van	1,659	—	1,699	8,084	20,893	—
Suburban	1,365	—	1,078	6,848	19,600	—
Total Chevrolet	22,352	24,151	19,822	113,831	320,310	318,909
Jimmy	152	—	131	877	2,474	—
Medium/Heavies	668	—	777	4,259	12,497	—
P-Model	99	—	113	308	959	—
Pickups	2,128	—	1,401	10,211	29,176	—
S-15	1,253	—	306	6,687	19,253	—
S-15 Jimmy	742	—	732	3,926	10,842	—
Safari	800	—	724	4,165	12,500	—
Suburban	668	—	518	3,292	10,139	—
Vandura/Rally Vans	900	—	316	2,815	11,537	—
Total GMC	7,408	8,216	5,018	36,540	109,377	105,730
GENERAL MOTORS	29,760	32367	24,840	150,371	429,687	424,639
NAVISTAR	1,810	1,656	1,400	7,774	24,109	21,062
NISSAN	1,503	1,721	1,487	8,778	36,878	23,268
AM GENERAL*	450	450	450	2,070	6,210	650
MISCELLANEOUS*	2,300	2,300	2,300	10,580	31,740	29,900
Total Trucks, U.S.	74,809	80,594	67,113	396,997	1,155,439	1,066,383

CANADIAN TRUCK	Week Ended April 9, 1988	Week Ended April 11, 1987	Week Ended April 2, 1988	March Total	Jan. 1 to April 9, 1988	Jan. 1 to April 11, 1987
Caravan	3,048	—	2,139	13,932	41,988	—
Mini-Ram Van	336	—	231	1,555	3,776	—
Ram Wagon	540	—	470	2,565	6,501	—
Ram Van	1,350	—	1,101	6,416	16,308	—
Total Dodge	5,274	8,610	3,941	24,468	68,553	119,382
Voyager	2,760	—	1,908	12,648	36,888	—
Total Plymouth	2,760	—	1,908	12,648	36,888	—
Wrangler	1,018	—	865	4,870	14,141	—
Total Jeep	1,018	735	865	4,870	14,141	8,502
CHRYSLER MOTORS	9,052	9345	6,672	41,986	121,582	127,884
FORD MTR. (lt. trks.)	3,648	3,371	3,094	16,764	49,751	43,968
Light trucks	3,761	—	2,185	14,485	43,308	—
Vans	1,512	—	871	5,139	16,756	—
Total Chevrolet	5,273	—	3,056	19,624	60,064	—
Light trucks	1,519	—	1,532	8,273	22,047	—
Vans	633	—	677	3,930	9,502	—
Total GMC	2,152	—	2,209	12,203	31,549	—
GENERAL MOTORS	7,425	5,360	5,265	31,827	91,613	52,872
NAVISTAR	225	204	181	1,035	3,005	2,649
Total Trks., Canada	20,350	18,300	15,212	91,612	265,951	227,373
U.S., Canada Trks.	95,159	98,894	82,325	488,609	1,421,390	1,293,756

—Includes window van production. *—Estimated.
Also includes commercial only. AM General includes government-chassised vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Consolidated, etc.
Weekly estimates may contain error of one or two units due to rounding.

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Bricklin's import firm sold in $40 million deal

By John A. Russell
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — Auto entrepreneur Malcolm Bricklin has agreed to sell his majority interest in cash-strapped Global Motors, importer of the Yugo and Proton Saga, to a Wall Street investment group in a $40 million deal that would bring new money to Global but would remove Bricklin from the business.

Global President William Prior, who apparently joined Bricklin in engineering the buyout to bring much-needed cash to the organization, would become chief executive and would buy 5.5 percent equity in the company along with chief financial officer Ira Edelson and other top managers. All would stay with the company and would receive stock options allowing them to buy up to 22 percent of the company later.

The change at the top and the cash infusion come at a time when Global is facing increasingly severe problems — expensive incentives and poor sales of the Yugo and high development costs for the Proton Saga, which Global intends to import from Malaysia in early 1989.

Yugo sales declined 35 percent from last year in the first quarter of 1988, and last week the research firm J.D. Power and Associates reported that 20 percent of Yugo dealers would consider dropping their franchises within the next year.

In an interview at his Colorado ranch last week, Bricklin said he plans to start a youth

see BRICKLIN, page 56

AUTOMOTIVE NEWS/JOHN A. RUSSELL
Bricklin at ranch where he'll start youth camp

GM drops two curbs on dealers

Public ownership, more stores OK'd

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — General Motors has changed its policy that restricted the number of GM stores one dealer could have and dropped its corporate opposition to public ownership of car dealerships.

Claude N. Moore, GM vice president of customer sales and service, said the policy changes are designed to give more autonomy to the marketing divisions. The changes will allow the divisions to more quickly and easily appoint quality dealers, he said.

"It removes the corporation as a judge and policy maker," Moore said in an interview last week.

The policy changes directly relate to a new emphasis on customer satisfaction and the customer satisfaction index, GM officials said.

"Bob Stempel has set the tone," Moore said of the automaker's president. "Customer satisfaction is the main goal that we all have."

The corporation notified all GM dealers of the policy changes in an April 8 letter from Moore.

Until March 1985, a dealer was allowed to be a dealer-operator in just one dealership although he could be an investor in up to nine more if there were buyout agreements.

In March 1985, that policy was liberalized to allow a dealer to be dealer-operator in up to five dealerships and an investor in up to five more.

Moore's letter said "recent experience has demonstrated" that even the modified dealer investment restrictions were "not necessarily appropriate in today's business climate."

Moore's letter also mentioned the review of the subject of public ownership of dealerships.

"Henceforth," the letter said, "each vehicle division will be in a position to consider proposals involving public ownership on a case-by-case basis."

In an interview, Moore said the policy changes are not related to the development of the new Saturn franchise. He also said he knew of no planned public stock offerings by GM dealers.

Reaction to the policy changes among dealers was favorable, although there did not seem to be any surprise because of remarks made by GM Chairman Roger B. Smith at the National Automobile Dealers Association convention in San Francisco last February.

At that time Smith said GM was

see GM, page 58

OUTFOXED

VW slices Brazil imports, blames soaring inflation

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

TROY, Mich. — Volkswagen United States expects to sharply curtail import of its popular Fox model because rising costs of exports from Brazil threaten to push the car out of the price-sensitive entry-level market.

The company plans to reduce production headed for North America by as many as 20,000 units over the next 18 months. Currently, about 80 percent of North American imports go to the United States and the balance to Canada.

The projection comes as raging inflation and other economic problems in Brazil have forced VW to pay more for the Foxes it buys from Autolatina, Volkswagen AG's joint venture with Ford Motor Co.

"If the car becomes non-competitive from a price point of view, your volumes are going to suffer," said a Volkswagen of America spokesman. He stressed, however, that even at anticipated lower volumes the car will be no less important to Volkswagen.

The development is a considerable setback to Brazil. Its auto exports are important revenue earners (about $320 million last month) as the country negotiates the rescheduling of its massive debts with Western banks.

The country's inability to control inflation — now around 20 percent a month — brings into question the future of sourcing entry-level cars from less developed countries, whatever the attractions of cheap labor rates.

VW introduced the Fox as its low-cost model in early 1987. Prices have been lifted three times since

see FOX, page 58

BIG PAYDAYS IN DETROIT

Harold Poling $10.87 Million	Donald Petersen $3.73 Million	Philip Benton Jr. $3.23 Million	A[illegible]our [illegible] Million	Louis Ross $2.44 Million

		1987 Salary	1987 Bonus	Options exercised	Total
H. Poling	Ford vice chairman	$808,697	$2,000,000	$8,060,272	$10,868,969
D. Petersen	Ford chairman	929,934	2,800,000	0	3,729,934
P. denton Jr.	Ford exec vp	413,167	1,370,000	1,481,809	3,231,527
A. Gilmour	Ford exec vp	379,718	1,370,000	999,937	2,749,655
L. Ross	Ford exec vp	452,568	1,370,000	619,884	2,442,452
R. Smith	GM chairman	867,000	800,163	513,121	2,180,284
F.J. McDonald	GM retired pres	467,000	450,090	382,898	1,299,988
F.A. Smith	GM exec vp	506,000	500,118	276,373	1,282,491
R. Stempel	GM president	517,000	600,030	73,523	1,190,553
D. Atwood	GM vice chairman	538,000	575,055	56,049	1,169,104

Complete Proxy - 10K Deta[illegible] . . . Page 53

Pickup war intensifies

GM hikes output, Ford spikes ads

By Louise Kertesz
and Raymond Serafin
AUTOMOTIVE NEWS STAFF REPORTERS

With sales of their new full-sized pickups blazing the way, Chevrolet and GMC are challenging Ford's lead in the hot full-sized market by adding production, and Ford is re-[illegible] $200 million advertising war for truck sales leadership.

Announcing the addition of a second shift at its Pontiac East assembly plant — which produces the new pickups — GM's truck and bus group said it sold 350,000 of the new full-sized Chevrolet and

see PICKUPS, page 54

Ford-Navistar pact eyed

Joint work, engine deal may be on tap

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

RENO, Nev. — Navistar International took center stage at the American Truck Dealers convention, both as the focus of strong reports involving the industry's next major deal and by eliciting the strongest dealer concerns over factory practices.

Reports that Navistar and Ford Motor Co. may be close to a deal involving either a joint venture in heavy trucks or an acquisition by Ford of Navistar's 7.3-liter engine operations continued to heat up.

Navistar Chairman Neil

see FORD-NAVISTAR, page 54

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Japan details export quotas Page 2
Audi 5000 carries discount of $4,000 Page 3
European import sales drop in first quarter Page 6

Nissan cuts car shipments to U.S.; 30% reported

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Nissan Motor Co. will cut its car shipments to the United States in order to reduce its high inventory.

Tetsuo Arakawa, executive vice president in charge of overseas marketing, said, "We have adjusted our shipments to match local sales conditions."

Arakawa would not comment on specific figures, but reports in the Nihon Keizai Shimbun newspaper indicate a reduction of about 30 percent, or a total shipment of about 200,000 units between April and September.

Under the formula for car exports to the United States administered by the Ministry of International Trade and Industry, Nissan is allowed to ship approximately 540,000 cars in fiscal 1988, which began April 1. The company fell short of its 1987 allocation of 541,778 by around 66,000 units.

Analysts suggest the company's goal appears to be a cutback of about 70,000 to 80,000 units for the first half, but exact figures might change during the following six months.

"It is necessary that we take steps to reduce current model inventories," Arakawa said. He added that it is a matter of course for any manufacturer to make adjustments to production volume when inventories rise.

Arakawa acknowledged that "our inventory levels in the United States are a bit high." At the beginning of this month, Nissan had a 96-day supply of cars, but the company expects to reach what it calls "normal" inventory by September.

Until that time, the company expects to face stiff competition in the U.S. market. Sales have been sluggish with a product line that was not changed last year and will not change this year until September.

In September, Nissan will start to introduce its 1989 lineup, which Arakawa said will include "several attractive models that we are confident will be favorably received by American consumers."

Nissan is expected to introduce new versions of the Maxima, 300-ZX and 200-SX. The new 200-SX is likely to be renamed and upgraded with a 3-liter engine.

However, that leaves untouched, except for possible facelifts, the Sentra and the Stanza, the two biggest sellers for Nissan.

Analyst Koji Endo of Nomura Securities said Nissan will "have a very small competitive edge in the U.S. market" this year. But Nissan is doing much better in the Japanese market compared with last year, he said, and right now the company's sales in the two markets "are almost even."

Nissan concentrated most of its new-model efforts last year on the Japanese market. The Bluebird, sold as Maxima in the United States, was redesigned. Sales are not doing as well as many analysts originally expected, but the car is doing much better than last year.

The biggest sales improvement for Nissan is in the top-of-the-line models — the Gloria/Cedric and the new, wide-bodied Cima that was introduced in January.

HOW JAPANESE QUOTA IS EXPECTED TO BE SHARED

Company	1988	1987
Toyota Motor Corp.	612,350	613,816
Nissan Motor Co.	540,500	541,778
Honda Motor Co.	423,850	424,865
Mazda Motor Corp.	226,100	226,661
Mitsubishi Motors Corp.	193,650	194,125
Isuzu Motors Ltd.	119,500	119,798
Fuji Heavy Ind.	106,800	107,062
Suzuki Motor Co.	60,250	60,397
Daihatsu Motor Co.	17,000	11,498
Total	2,300,000	2,300,000

Daihatsu allotment up

TOKYO — Daihatsu Motor Co. will get an increase in its car-export allotment to the United States for fiscal 1988, bringing its total to 17,000 units. That compares with 11,498 in 1987.

The increase of nearly 50 percent, arranged through the Ministry of International Trade and Industry, is smaller than the 100 percent jump anticipated earlier in Japanese news reports.

Official sources indicate the extra units for Daihatsu represent a reduction of approximately 0.24 percent for the eight other companies now exporting cars to the United States.

Lotus M100 debut set

U.S. sales slated to begin in early 1990

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

HETHEL, England — Group Lotus' new M100 two-seater will debut late next year — possibly at the Frankfurt auto show in September — and will come to the United States in early 1990.

Lotus Chief Executive Michael Kimberley also said that Lotus will homologate the new $150,000 M300 supercar for the United States. He said the 200-mph Etna prototype-based model will be introduced in late 1991.

Kimberley said Lotus Cars could have as many as 100 dealers in the United States by the time the M100 arrives in America — 15 more than was previously pegged for the launch. He said Lotus has considered and rejected distribution of the car through other retail networks in the United States.

Though Kimberley said he is distressed by the pound's recent strengthening against the dollar, he said it will not interfere with plans to launch the "entry-level" M100 in the United States.

He said the car will probably debut around October of next year, possibly turning up at the 1989 Frankfurt auto show. The M100 — almost certain to be named Elan — will then appear in the United States in early 1990.

Kimberley said the car will be sold through Lotus' wholly owned U.S. distribution arm, which it established in early 1987.

"Before we went down the route of setting up our own operation, I looked at every alternative," said Kimberley. "We looked at going in with other people, joint ventures, I looked at every cotton-pickin' alternative available.

"But hand-on-heart," he said, "I must say that the only one that can really work effectively for you when the chips are down is your own operation."

Kimberley denied recent rumors that Lotus is seeking an alternative distribution arrangement with another network — possibly American Isuzu.

"Not at all," he said. "The rumor I saw the other day about us possibly talking to somebody else about marketing the M100 is totally untrue. I'm committed to doing it ourselves. I've tried everything else. We're small and we can't cover everything and everywhere, but we don't need to and we don't want to. We can't be all things to all men in America."

American Isuzu has no plans to market the M100 or any other Lotus-badged vehicle, a spokesman for the Whittier, Calif.-based importer said.

Kimberley said Lotus currently has 71 dealers in the United States, up from 64 when it took over distribution.

"A Lotus is a very rare product to see in the U.S. and we want to keep it rare, but we've got to get coverage in some areas," he said.

Since taking over the distribution system, Kimberley said there have been 10 buy-sells within the network.

"The key is to have the network restructured and solidly in place for the launch of the M100," he said. "But it's very important that the dealers are able to cope with that increased traffic.

"That network is going to be retailing about 1,800 cars a year of the Elan-type," he said. "So the floorplanning and financial stock capability levels of the dealers have to be significantly uprated in certain areas."

The exact size of the dealer group at the time of the M100 launch is unsettled. "We've got some debate on that . . . whether it's going to be 85 or 100," he said. "It will probably be somewhere between the two.

"I'm not a great believer in large dealer numbers," he added. "In the U.K., we have only 28 dealers and this year we're selling about 600 cars retail."

After an analysis of the company's requirements in the United States, Kimberley said Lotus pegged seven open points — of which five have been filled — and another 17 "second-phase" open points.

"We're moving toward those second-phase open points and hope to have that completed by the time we're ready with the M100," he said. "We were very sparsely represented on the West Coast and (Lotus Cars USA President) Ron Foster is currently spending a lot of time in that area. We've just appointed some dealers in Los Angeles."

HIDDEN IMAGE HANS G. LEHMANN

Elan name will probably be revived when Lotus introduces M100 in 1989

Currency looms as a potential headache for the Elan. Kimberley called the present relationship of the pound and dollar "horrifying."

"It's constantly paring away the competitive advantage we have," he said. But Kimberley said delaying the launch due to currency rates is not an option.

Lotus pegs M100's price in the U.K. at £13,000-14,000. At current rates, that would be about $25,000 in the United States as the dollar has plummeted to near 1.90 against the pound of late.

Kimberley said Elan's total annual production run will be capped at 3,000, with the United States receiving 60 percent.

The new car is believed to have a front-wheel-drive layout, using a new 1.6-liter, 16-valve engine from GM's Isuzu affiliate in Japan. Kimberley would not confirm the fwd layout. But he said Lotus' tradition of excellent ride and handling will not suffer, no matter what the configuration.

"Lotus has done a lot of (engineering of) ride and handling of front-wheel-drive, front-engine cars, as well as other configurations," he said. A special Handling-by-Lotus package on the Isuzu Gemini is one example of front-drive, front-engine suspension engineering work by the British company.

Kimberley described the car as front-engine, with two body styles. It starts as a two-seat convertible and a hardtop will be added later. It will be offered only with manual transmission at first, but an automatic will follow.

The rumored Isuzu powerplant is thought to deliver 125 horsepower. A 16-valve 2-liter engine from Adam Opel is believed under consideration for one version, as is four-wheel drive.

"It will perform in exceptional terms," said Kimberley. "Its A-to-B times will be tremendous and ride and handling will be fantastic. It will perform very much like the previous Elan did, but uprated for the modern era. There will be a lot more room in the car."

Lotus' previous two-seat Elan went out of production in 1973, 10 years after its introduction.

Kimberley said the design is frozen. The M100 is thought to have been styled by Lotus' interior studio, headed by Peter Stevens. Proposals from Ital Design and GM's North American studio were reportedly rejected.

"I always hold styling competitions, and we'll continue to do that," said Kimberley. "I can only say that there's been input from a lot of very creative stylists."

Next up for Lotus is the $150,000 M300, based on the Giugiaro-designed Etna show car of a few years ago. Active suspension will be standard, and it will have a mid-mounted multi-cylinder engine.

Kimberley said about 150-200 will be produced annually. "We're going to homologate it in only two or three markets," he said. "It will have a passive belt system, air bags will be prohibitive, but we're aiming for it to be salable in the U.S.A."

Lotus is currently building six Esprits per day, but is scheduled to step up to seven per day later this month. Kimberley said the U.S. dealers are still undersupplied.

Lotus this year will produce about 1,150 cars, selling about 350 in the United States. Volume is expected to rise to about 500 next year, prior to the Elan launch.

Korea strike halts export of LeMans

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — As the labor dispute at Daewoo Motor Co. drags into its fourth week, the company has canceled April exports of the Pontiac LeMans to the United States.

About 5,513 LeMans units were due to be shipped to the United States this month.

As of April 1, Automotive News figures show that Pontiac had 21,670 LeMans cars in stock in the United States, an 86-day supply.

With April shipments scratched, worries have now shifted to whether Daewoo will be able to meet its export commitments for May.

Many of Daewoo's Korean showrooms already are empty. Customers who placed orders during the third week of March, just as the strike began, are still awaiting delivery of their vehicles. According to one source, the company's order books show 9,000 customers awaiting delivery.

The strike has spread to all four of Daewoo Motor's plants as well as to its retail/aftersales network. Owners of Daewoo vehicles who rely on the company's service centers are beginning to complain about difficulties in getting replacement parts and having their vehicles serviced.

Like Korea's three other automakers, Daewoo looks after the marketing and service of Daewoo vehicles through its own nationwide network.

The financial toll of the strike is heavy and growing for the company and its workers. In a statement to local media last week, Park Kon-Woo, a senior executive with Daewoo Motor, said the work stoppage had already cost the company 45 billion won ($60 million) and that losses were mounting at the rate of 6 billion won ($8 million) per day.

Negotiations are deadlocked as workers stick to 11 demands that include higher allowances and a 26 percent increase in basic monthly wages. Management has not budged from its original offer on March 22 of 7.2 percent.

GM retiree leaves job to computer

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Three years ago, General Motors moved abruptly and deeply into the world of factory automation as a developer and producer.

It made acquisitions in rapidly developing fields of technology that were new to it as it acquired substantial interests in four machine-vision companies and a knowledge-engineering company and formed a joint venture in robotics.

Last week, the company reported what it called the first p. - off on those moves. It put the knowledge of a senior employee into computer software for use after that employee left GM.

Gerald L. Elson, GM's executive director of advanced manufacturing engineering, described the system at a conference at the Engineering Society of Detroit's International Programmable Controllers Conference.

It is a computerized diagnostic system called Charley — after Charley Amble, a recently retired Saginaw Division maintenance engineer. As Amble did, it can forecast when machines need maintenance or will need repairs. Thus, machine tool operating time will be increased, maintenance costs will be reduced and quality levels will be maintained, Elson said.

AUTOMOTIVE NEWS/JOE WILSBERG

Conference attendees view computer-integrated manufacturing

The system emulates the reasoning process Amble used after that thinking was captured through extensive interviews by knowledge engineers and converted to computer language.

Charley works by analyzing readings of a machine's vibration patterns, said Atul Bajpai, a development engineer.

"Each vibration pattern is unique, like a signature or fingerprint," he said. "The vibration signature is kept in a computer file and as new readings are taken periodically, they are checked against the file copy. When a change is observed, Charley tells maintenance people to take more readings, analyzes them and pinpoints the problem or potential problem."

Elson said GM, largely through attrition, has about 35,000 fewer salaried employees than in mid-1986. "We now have a tool to help us preserve experience," he said.

Problems Charley can diagnose include imbalance, misalignment, mechanical looseness and bearing wear and failure.

Elson said savings for one typical large manufacturing plant can approach $1 million a year.

He said GM is phasing Charley into its plants this year and is studying plans for making it available to the rest of industry. Project Charley was initiated by the advanced engineering staff and Saginaw Division. Knowledge engineering was handled under contract with Teknowledge Inc., a Palo Alto, Calif., company 11 percent owned by GM.

Audi 5000 carries discount of $4,000

AUTOMOTIVE NEWS STAFF ROUNDUP

Automotive importers fought declining sales last week by slapping consumer incentives on slow-selling models and offering dealers generous cash incentives.

Audi of America plans to send out certificates worth $4,000 to most Audi owners. The certificate can be applied only toward the purchase of a 1988 5000 model.

Also last week, Mitsubishi announced substantial cash awards for dealers and sales managers on many of its cars and trucks, including a sales managers' incentive that includes the 1989 Galant that has yet to go on sale.

AUDI: Audi of America is reviving steep discounts as it attempts to clear out inventory and make way for the successor to the Audi 5000.

Within the next month, Audi will mail about 400,000 certificates worth $4,000 off the price of a 1988 Audi 5000. They will go to all owners of pre-1988 Audi models.

Until that program begins, Audi will provide dealer incentives worth $2,500 on the car.

The new offer to current owners echoes a $5,000 discount that Audi ran last spring that drastically reduced bulging inventories. This year, though, Audi has only about 5,500 Audi 5000s remaining and will offer the deal to a broader group of owners.

If demand is anything like last year's, there will be shoppers who won't be able to find an Audi 5000.

"One of our motivations is to give the opportunity to build demand much in excess of supply," said Joe Tate, Audi's general sales manager.

Audi hopes to steer some potential customers to an Audi 80 or 90, its two newest models, Tate said. The company is currently offering up to $2,000 in dealer incentives on the 80/90 series in a program that runs through April 30.

The current $2,500 dealer incentive on the Audi 5000 will likely expire at the end of this month or in early May, Tate said. It will be replaced immediately by the $4,000 discount to current owners, which will be offered through Aug. 31. Dealers will be asked to cover $1,500 of that discount.

Audi is also raising the base price of its Audi 5000 models by 3 percent, effective May 9. With that increase, the lowest-priced 5000 model, for example, would climb about $665 and carry a $22,845 sticker.

Tate called it an interim increase that will be followed by another hike when the Audi 100 and 200 models hit the market Aug. 1. The price increase will partly reflect the cost of features that will become standard on the new models, Tate said.

CHRYSLER MOTORS: Chrysler Motors' Jeep-Eagle Division is offering a choice of a $750 rebate or low-interest financing on 1988 Eagle Premiers purchased or leased after April 1. The program has no expiration date.

Premier buyers may select the rebate or an 8.8 percent, 72-month loan. Those who lease a Premier may select a special Gold Key rate for leases up to 60 months.

The car must be financed through Chrysler Credit Corp. There is no dealer financial participation cost. Dealer sources said the Premier can be purchased from stock or ordered before May 15.

Jeep-Eagle is also offering dealer incentives on selected models and a spin-and-win game for salesmen on Premier.

The dealer incentive program began April 1 and ends May 20. It offers $500 on 1987 Comanche pickups; $1,000 on 1987 GTAs; $500 on 1988 Medallions; and $1,000 on 1987 Grand Wagoneers.

The game began April 1 and ends May 15. Salesmen win $50 to $1,000 on each Premier sold.

MITSUBISHI: Mitsubishi Motor Sales of America announced cash incentives on cars and trucks for dealers and sales managers.

Mitsubishi said sales of the 1989 Galant, which is scheduled to begin arriving at dealerships this week, will count toward the attainment of sales objectives in the sales managers' contest. The 1989 Galant, however, is not included in the dealer incentive program.

see INCENTIVES, page 58

Ford investigates ventures with Soviets

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — Ford Motor Co. joined six other U.S. corporations in forming a trade group that could pave the way for Ford to begin selling vehicles in the Soviet Union.

The venture, called the American Trade Consortium, will explore the potential for joint business ventures with Soviet partners.

Ford would likely begin by exporting cars from Europe to the Soviet Union, said Phillip E. Benton Jr., president of the Ford automotive group. The relationship could evolve to the point where Ford would assist a Soviet organization in producing cars for domestic sale, he said.

Ford announced last year that, at the request of the Soviets, it had begun looking into opportunities in that nation. The consortium is expected to give answers to "a lot of the generic questions" about doing business there, Benton said.

Each company will pursue its own ventures. The other companies are Chevron, Eastman Kodak, Mercator Corp., Johnson & Johnson, Archer Daniels Midland and RJR Nabisco.

Benton said Ford sees an opportunity to tap into a growing automotive market. "In the so-called Eastern bloc today, there are about 3½ million cars and trucks produced for civilian use. We have absolutely no participation in that whatsoever," Benton said. He estimated that Soviet production will reach 5 million units annually by the early 1990s.

The first exports will likely be shipped from Ford of Europe, Benton said.

Early discussions have shown that the Soviets are most interested in cars about the size of the Scorpio, an intermediate sedan, Benton said. He expects their interests to be broader than that, however.

Benton also said that he sees the potential for Ford to ship "large" quantities of automobiles, but he would not specify a number. A spokesman, however, said, "I don't think we'd view 10,000 as a significant project."

INDEX

Around the world	32-33
Auction dates	41
Classifieds	42
Coming events	52
Engineering	22, 24
Inventories	6
News briefs	8
Obituaries	58
Opinion	10
Personnel	26, 30
Production	59
Sales, car	6
Sales, truck	14
Truck industry	14

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WRANGLING:

Teen's soft-top Jeep starts door-lock war

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Elizabeth Tozzi bought her dream car in February. But her mother wouldn't let her drive it.

Tozzi, 19, saved $6,500 for a down payment and bought a $13,000 1988 Jeep Wrangler soft top from Raritan Valley Garage, Raritan, N.J.

Although Tozzi is making vehicle and insurance payments, she said she is unable to drive it to her school classes in Manhattan or her job as a waitress. She said the vehicle is unsafe for urban or nighttime driving because the soft-top Wrangler has no door locks.

Roberta Tozzi, who initially refused to let her daughter use the vehicle at all, now permits Elizabeth to drive it for daytime errands. But she has begun a quest for door locks that has led to the dealer, Chrysler Motors and NHTSA because she considers the soft-top a "potential rape trap."

"The car is now sitting in our driveway and Elizabeth is having to borrow rides once again," said Roberta Tozzi. "There is no way any mother would subject her daughter to the perils of such unsafe transportation."

A Chrysler spokesman said that Jeep has never put door locks on soft-top or soft-door models.

"With soft sides, a canvas top and plastic windows, theft-wise a lock on the door would not stop somebody," the spokesman said.

Roberta Tozzi said the company has offered the family a hard-top Wrangler to replace the soft-top model.

Roberta Tozzi said the family did not realize the soft-top had no door locks until taking delivery. Tony Russo, an owner of Raritan Valley Garage, which sold the soft-top, said he tried unsuccessfully to install locks in the Wrangler.

Russo offered to buy back the vehicle but for $1,000 less than purchase price because the title had been transferred.

Roberta Tozzi said she has filed a complaint about the lack of door locks with NHTSA and noted that a competitive model — Suzuki Samurai — is equipped with locks. NHTSA officials said there is a standard for side door locks; however, it is designed to minimize the likelihood of being thrown from the vehicle on impact.

In a letter to Tozzi, Chrysler said that the vehicle is classified as an open-bodied, multipurpose vehicle and complies with all federal safety standards for that class.

In the meantime, Roberta's fiance has created a steel loop and cloth strap device to secure the vehicle doors from the inside. Although the device cannot be used for external locking, it will provide internal protection, he said.

The Tozzis and lockless "rape trap" ARNIE ADLER

European imports sing the blues in first quarter

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

As new-car sales in the United States climbed during the first three months of 1988, not every manufacturer let champagne corks fly in celebration.

To the contrary, for the Jan. 1-March 31 period, European imports found themselves at a loss — both in unit sales and in market share.

The losses hit both low- and high-line European automakers. The notable exceptions: Jaguar, Volkswagen and Sterling, all of which were able to increase their shipments of hot new models that had been in short supply.

While automakers and auto analysts tossed out varying reasons for the slump — from a weak dollar to consumers delaying purchases until after April 15 while they sort out the ramifications of the new tax law — few have fears that the decline will continue.

Theirs are guarded hopes that, should the European import market notch an overall sales loss in 1988, that loss will be minimal.

A few were more guarded about chances for a rebounding market.

"You should continue to see price increases come from both Europeans and Japanese through this summer," said Kahled Majeed, a market analyst with Drexel Burnham Lambert.

"Prices are a major, major reason" for the Europeans' sales woes, he said. "I don't see any of the price increases ceasing in the near term. All the effects of the weak dollar haven't yet been passed on to the consumer."

European importers are giving their all to help insure that this is a temporary sales trend. Nearly all have instituted programs to draw in buyers. Those programs include increased advertising, factory rebates, clearance discounts and long-term financing deals. Mercedes-Benz has even offered free air fare for European-delivery customers.

The numbers tell of European importers' problems. Their market share fell 1.04 percentage points, from 6.58 percent of the total car market for the first quarter of 1987 to 5.54 percent for the same period in 1988.

Unit sales in the first quarter this year numbered 146,749, off 6,375 from the previous year's total.

Peugeot: down 45.13 percent or 1,026 units

Some big losers in the January-March period: Peugeot, down 45.13 percent, or 1,026 units; Yugo, off 35.37 percent, with a 4,883-unit decline; Volvo, down 25.13 percent, or 8,101 cars; Porsche, off 24.50 percent, or 1,437 units.

Of all imports registering losses, Saab suffered the least, with a 9.02 percent decline, down 971 cars. Saab officials said salespersons' incentives, put in place from the beginning of the year on 9000-series sedans, helped Saab post its best March sales ever. Those incentives ended in late March.

Both of the high-end German manufacturers, Mercedes-Benz and BMW, suffered sales declines: 12.73 percent and 12.13 percent, respectively. Both Mercedes and BMW recently instituted lease programs to help lighten their days' supplies.

"The percentage of units the manufacturers are down would be an awful lot worse if they didn't have incentives," said a Mercedes-Benz, Porsche and Audi dealer in the Southeast.

Discounting at the dealership level has become more prevalent.

"What we have is European high-end products with a perceived high-end value," the dealer said. "Our buyers understand the dollar/mark relationship. When they see a car that sells for $44,000, they say to us, 'No, that's a $38,000 car.' If we want to keep that customer, we'd better sell him that car for $38,000."

Incentive programs currently in place will continue for many of the European import companies, experts said.

"Incentives have become a way of life," said John Hammond of J.D. Power and Associates, an automotive marketing consulting firm in Agoura Hills, Calif. "We will see them continue through 1988."

Analysts, however, remain divided on the severity and length of the downturn in the market.

"We're saying that for a month or two the trend will continue," said Hammond. "(As for the new tax changes) there is an unusual amount of under-withholding and people who ordinarily would go out and spend money on a car are being affected by that.

"We expect to see them in the market in the near future."

"By the fall you'll see a stabilization in prices," said Majeed of Drexel Burnham Lambert. "The high-line European cars have registered a (sales) decline in all but two of the last 12 months, and I think that will stabilize."

Two companies that don't hope the market will stabilize — because they've registered sales increases for the first quarter of 1988 — are Jaguar and VW.

Jaguar attributes its strong sales to demand for its redesigned sedan introduced late last year; only recently has supply met demand.

VW's 15,434-unit increase has been through the sale of its price-leading, Brazilian-built Fox sedan and wagon. Some 14,000 sales in the quarter had the Fox nameplate.

Yugo: off 35.37 percent, or 4,883 units

However, the company is planning to drastically reduce its shipments of the Fox to the United States during the next 18 months because of escalating costs (related story on Page 1).

The question remains, why the slump?

Most analysts cited prices; some cited increased domestic competition.

"The stock market crash created a little caution for a few months — a caution that continues," Hammond said.

"At this point, it's the overall economy," said a Volvo spokesman. "The upmarket car buyers seem to have backed off a bit. They seem to be saying, 'We'll sit this dance out.'

"We see April as a bellwether month due to the tax situation. If you consider demographics of these people, they are the ones who will feel the variability of this new tax season the most."

Makers of less expensive European makes cited a ripple effect from the upmarket makes as cause for their worries.

"Generally," said Tony Ciminera, executive vice president of Yugo America, "most of our outlets are dualed or tripled with major makes. When the others suffer, we suffer."

Yugo has taken many steps to improve sales, including an extended warranty program, increased ad spending and a consumer rebate program that carries through April.

Another company fighting the sales disease is Peugeot. It has both dealer and consumer incentive programs to stem declining sales.

The most effective program for Peugeot has been a $3,000 rebate first offered to current Peugeot owners and recently extended to owners of all cars.

"We've seen some success in March sales," said a Peugeot spokeswoman. "Our unit sales are up, 558 vs. 326 units in February." The trade-in allowance began in February.

Peugeot is also involved in a direct-mail campaign targeting import owners and high-end domestic-car buyers.

With the aid of R.L. Polk, 500,000 direct-mail pieces will solicit current import owners. The letter informs them of Peugeot's $3,000 cash incentive with the purchase of any Peugeot 505 sedan.

"There is so much competition in the market that the only way to reach the consumer is to increase advertising," said the Volvo spokesman. "Our advertising costs are up about a third (over last year). This year, you have to shout louder — spend more — to have your message heard."

Volvo has a fixed-price lease program as well as a 10-year retail financing schedule carried through Chase Manhattan bank. Volvo also offers dealer and customer incentive plans.

Sales drop 25% for U.S. cars in early April

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

The crack of the bat and opening day in baseball stadiums across the country in early April were accompanied by a slump in sales of new domestic cars.

Nicked by one less selling day, the industry's deliveries of U.S.-built new cars tumbled to 144,954 units for April 1-10, down 24.95 percent from 193,139 in 1987. There were eight selling days in the period this year and nine last year.

Major sales incentive programs continued unabated through the month's first 10 days.

Only Honda dealers, with a 17.05 percent improvement, delivered more cars in the April 1-10 period than they did a year ago.

Nissan reported a falloff of 56.24 percent in sales of cars built in this country, and Volkswagen reported a dip of 51.09 percent.

For General Motors, the decline amounted to 27.84 percent. For Toyota, it was 25.64 percent; and for Ford Motor, 25.26 percent. Chrysler Motors reported a drop of 18.02 percent in retail sales for early April.

Mazda, which started building cars in this country in September, sold 230 units in the period.

The daily selling rate in the period this year was 18,119 cars vs. 21,460 in 1987.

Car dealers and manufacturers are throwing all their marketing pitches as spring runs its course. Some say they are able to observe direct results of some programs.

Yugo of America executives, for example, say Yugo's strong month-to-month sales increase in March over February stemmed directly from three efforts.

William E. Prior, president, said, "Our dealers report significant renewed customer interest in the Yugo, with many dealerships reporting sales volume increases well over 100 percent."

The company recently increased its warranty, launched an aggressive advertising campaign and put in play a $500 cash rebate.

DOMESTIC SALES

	April 1-10, 1988	April 1-10, 1987
Eagle	937	715
Chrysler	5,784	8,147
Plymouth	6,200	8,643
Dodge	9,719	10,111
Chrysler Motors	22,640	27,616
Ford	29,896	39,259
Mercury	9,656	13,270
Lincoln	3,427	4,974
Ford Motor Co.	42,979	57,503
Buick	8,339	14,156
Cadillac	4,376	6,324
Chevrolet	32,272	41,544
Oldsmobile	12,358	17,492
Pontiac	13,939	19,276
General Motors	71,284	98,792
Volkswagen	538	1,100
Honda	5,610	4,793
Nissan	1,154	2,637
Toyota	519	698
Mazda	230	—
U.S. industry total	144,954	193,139

Import car-truck inventory declines 4.3% for month

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

Stocks of unsold new imported cars and trucks in this country, a subject of concern in import circles, have been pared only slightly in recent weeks.

On April 1, they were just 4.30 percent below the bulging levels of a month earlier. In comparison to a year ago, car stocks remained significantly higher while truck stocks were down.

An Automotive News analysis indicates there were 872,028 cars and trucks on hand April 1. That was the equivalent of a 69-day supply at the current rate of sales. A month before, the car and truck total was 911,194 units, equal to a 78-day supply.

On April 1, 1987, the import car and truck inventory totaled 761,917 units, a 59-day supply at then-current selling rates.

Most importers have sales incentives of one sort or another in force. They include cash rebates, dealer bonuses, U.S. savings bonds and free options.

The inventory of unsold imported passenger cars as of April 1 was 670,608, a 67-day stock, down sharply from the 702,748 units, or a 75-day supply, on March 1 and 539,759 cars, a 57-day inventory, on April 1, 1987.

The stockpile of unsold imported trucks at ports of entry, in transit and in dealers' hands as of April 1 also was smaller than it was a month earlier and was significantly down in number — but not in days' supply — from that of a year earlier.

As of April 1, the inventory of trucks totaled 201,420 units, a 74-day stock, down from 208,446, or 91 days, on March 1 and 222,158 units, a 65-day supply, at the selling rate on April 1, 1987.

By nation of origin, car inventories shaped up this way on April 1: Japan, 62.42 percent; Germany, 14.85 percent and others 22.73 percent.

A month earlier Japan accounted for 63.16 percent of the total stockpile, Germany, 14.31 percent and others 22.53 percent.

A year before, it was Japan, 67.22 percent; Germany 20.59 percent and others 12.19 percent.

Honda, which normally has a low inventory, reported only a 10-days supply as of April 1. Toyota had an 18-day stockpile; Acura, 26 days; and Mercedes-Benz, 34 days.

There was a 208-day supply of Merkur at current selling rates.

IMPORT DAYS' SUPPLIES

	Apr. 1, 1988	Mar. 1, 1988	Apr. 1, 1987
Chevrolet	153	140	137
Chrysler/Mitsubishi	126	115	87
Acura	26	24	44
Daihatsu	78	75	—
Honda	10	11	11
Isuzu	154	174	161
Mazda	48	53	55
Mitsubishi	105	111	43
Nissan	96	150	62
Subaru	97	98	110
Toyota	18	23	16
JAPAN	64	71	55
Audi	231	191	248
BMW	85	85	64
Mercedes-Benz	34	45	34
Merkur	208	171	49
Porsche	60	112	68
VW	92	85	130
GERMANY	87	88	92
Alfa Romeo	65	46	53
Festiva	102	106	—
Hyundai	45	50	20
Jaguar	55	49	33
Peugeot	83	167	95
Pontiac	86	170	—
Eagle/Renault	49	51	210
Saab	61	80	63
Sterling	81	67	30
Volvo	76	82	46
Yugo	127	146	34
Other Countries	67	78	39
Total Import Cars	67	75	57
Isuzu	123	110	66
Mazda	58	64	71
Mitsubishi	62	64	70
Nissan*	110	159	84
Range Rover	30	29	—
Suzuki	95	106	16
Toyota	31	43	48
Chrysler	114	111	89
Total Imp. Trucks	74	91	65
Total Imp. Vehicles	69	78	59

*—Includes domestic trucks.

Truck group plans forum on hiring

The California Trucking Association will conduct a forum on attracting qualified drivers and other employees at the International Trucking Show in Anaheim, Calif., May 3.

Driver shortages are a major concern of trucking companies nationally.

Several Western trucking associations are helping to draft a career recruiting packet for the parley.

In other truck industry news:

• Freightliner Corp. has expanded its SpecPro software program for custom spec'ing of heavy-duty Freightliner trucks to include its FL-112 medium-length conventional models.

TRUCKING TRENDS

JOSEPH BOHN

With the addition of those vehicles, SpecPro encompasses the entire Class 8 Freightliner product line, including the Hard Hat series of special-duty trucks and tractors.

The SpecPro computer program was developed by the Freightliner software group to help customers choose the right vehicle and components to meet specific operating requirements.

• To support its customers and truck operators, Rockwell International's automotive operations has formed a Distributor Advisory Council. It includes 15 brake and driveline distributors, representing Rockwell's national independent warehouse distribution network.

• A composites truck of tomorrow will be one of the highlights at the AUTOCOM '88 Conference and Exhibits slated for May 23-26 at Detroit's Westin Hotel.

The Sedona light-duty truck is a total truck body using composites and mounted on a modified steel-frame T10 chassis.

The Sedona project is an advanced vehicle engineering study by the General Motors truck and bus group. It seeks to determine the viability of composites structures as applied to high-volume, light-duty trucks.

Sponsors of the third annual AUTOCOM are the Society of Manufacturing Engineers and the composites group of SME. They expect more than 500 executives, engineers and technicians to attend.

• Kenco of Milford, Pa., manufacturer of pickup and van accessories, expects to report a first-quarter sales increase of about 50 percent over last year because of booming pickup sales.

Kenco produces a variety of truck and van accessories, including running boards, bug and stone deflectors, bed mats, rear slider windows and off-road lighting.

Jim Pedranti, Kenco senior vice president, said women and yuppies who like spruced up trucks are helping boost demand.

LIGHT-DUTY TRUCK SALES

	March 1988	March 1987	3 Mos., 1988	3 Mos., 1987
Vans	21,257	17,940	49,004	42,067
Aerostar	19,219	13,916	46,767	34,192
Club Wagon	3,060	2,581	7,270	6,793
Ranger	29,447	31,530	74,885	76,838
Bronco	5,402	4,833	13,855	11,831
Bronco II	10,818	9,073	30,173	26,533
Pickups	61,319	52,253	150,701	122,627
Ford	**150,522**	**132,126**	**372,655**	**326,881**
Vans	12,733	9,578	33,357	22,553
Sportsvan	2,030	1,400	4,240	3,136
Astro	16,696	11,781	41,647	31,401
S-10	20,460	22,006	61,668	56,720
S-10 Blazer	12,139	12,465	35,035	35,989
El Camino	62	1,086	352	3,018
Blazer	2,576	2,864	7,977	7,018
Suburban	6,058	4,695	15,640	11,412
Pickups	48,676	40,461	128,924	91,195
Chevrolet	**121,430**	**106,336**	**329,840**	**262,442**
Vans	6,365	5,565	15,090	14,302
Ram Wagon	2,517	2,896	6,599	7,641
Voyager	17,474	10,438	44,067	22,799
Caravan	19,942	11,307	49,966	25,579
Mini Ram Van	1,833	1,255	4,321	3,198
Ram 50	6,292	6,880	15,873	17,411
Raider	462	1,448	2,057	3,762
Ramcharger	2,064	2,821	5,980	6,371
Dakota	9,367	9,331	23,994	23,630
Pickups	8,396	11,342	21,748	25,621
Chrysler	**74,712**	**63,283**	**189,695**	**150,314**
Vans	5,322	3,256	11,336	8,870
Safari	3,399	2,808	7,894	6,966
S-15	5,406	4,547	13,150	11,939
S-15 Jimmy	3,296	3,335	8,782	9,024
Jimmy	936	682	2,141	1,844
Caballero	6	122	54	384
Suburban	2,359	1,640	5,483	4,029
Pickups	15,387	11,029	36,150	24,396
P Model	327	432	995	1,509
W-4	143	149	329	354
GMC	**36,581**	**26,000**	**86,314**	**69,315**
Wrangler/CJ	3,558	2,355	8,721	6,318
Wagoneer	915	1,007	2,410	3,076
Cherokee	13,366	8,493	34,796	24,912
Grand Wagoneer	1,098	1,057	3,453	3,241
Comanche	3,943	2,889	9,549	8,958
J-10/J-20	25	72	101	391
Jeep	**22,927**	**15,873**	**59,030**	**45,896**
Toyota	23,528	28,046	57,728	66,886
Nissan	14,928	21,320	41,688	56,128
Mazda	10,567	10,915	26,991	27,831
Isuzu	6,309	8,589	19,127	21,673
Mitsubishi	4,887	3,800	12,964	11,126
Suzuki	6,406	8,267	16,783	20,601
Subaru	3	219	7	697
Range Rover	372	79	897	79
Imports	67,000	81,235	176,185	205,021
Industry Total	**473,172**	**426,853**	**1,213,719**	**1,054,869**

Compiled by Karen Dedowski

Mystery firm plans Tennessee venture

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

A new medium/heavy truck manufacturing firm of somewhat mysterious origins is priming itself to begin assembling trucks in Mt. Pleasant, Tenn. Operations are scheduled to begin later this spring.

The firm is called Viamax and was formed by a group of investors. Tom Pepin is president of Viamax.

Little is known about Pepin or other principal investors in the firm.

Bob Maury, city manager of Mt. Pleasant, could tie the firm only to "some people who are in the trucking business in Illinois."

Maury said he believed Viamax has no connection with General Motors' Saturn plant in nearby Spring Hill, Tenn., or with Nissan's plant in Smyrna. At this time, Viamax does not have an office in Mt. Pleasant.

One truck supplier told Automotive News his company had recently been approached at a truck show by M.M. McGinty, president of J.I.T. Associates, a consultant to to Viamax.

The supplier said McGinty identified himself only as representing a new original-equipment manufacturer of Class 7 trucks. He said the company was studying assembly of very economical line-haul trucks of "something less than 80,000 pounds gross combined vehicle weight, probably in the 33,000- to 35,000-pound GVW range."

McGinty said the firm planned to build about 600 trucks a year, was a true OEM and was seeking OEM status from the supplier.

McGinty did not discuss component specifications, but said the firm planned to use Cummins C-series diesels. He said the firm had enough capital to start the project.

A Viamax press release, provided by Maury, said the company had chosen Mt. Pleasant as the site of its new custom truck-tractor assembly and manufacturing facility.

Viamax, a newly formed Tennessee corporation, said it will develop and market a truck tractor in the Class 7 range for lighter long hauls.

It said it will invest $12.3 million in new facilities using "factory of the future" designs and modern participatory employee/supervisory working relationships.

The company said in the press release that it will use two existing buildings in the Mt. Pleasant Industrial Park complex.

Operations there will begin sometime this spring "in an assembly mode, via a major component acquisition, using highly acceptable transport-industry-known components," the release said.

It listed such components as Cummins engines, Fuller transmissions and Rockwell axles."

The company's release said Viamax will emphasize an "energy-saving configuration" in its truck design, user-benefits and custom cab identification.

A second-stage expansion will involve state-of-the-art technology and processes to fabricate a cab, cab/sleeper, hood and fenders, the release added.

An additional planned expansion will provide facilities for beam design and processes to produce a truck frame in-house, according to the release.

Viamax expects to employ 25 people initially, 80 people during the first year.

It expects employment to total at least 160 people within two years.

KENWORTH: *Company sees gain in market share with model for regional short hauls*

By Len Fairfield
SPECIAL CORRESPONDENT

LOUISVILLE, Ky. — Kenworth has introduced a new T400A Class 8, the latest of several recent entries by American truck manufacturers in the rapidly expanding regional short-haul market.

Production of the T400A will begin in July and is projected to total 800 units this year and 2,400 in 1989.

Kenworth officials expect the new model to increase the company's market penetration by 2 percentage points. Kenworth had 10.69 percent of the Class 8 market in 1987.

The T400A, introduced at the Mid-America Truck Show, is a full Class 8 truck in its componentry and design. It shares many of the features of Kenworth's other conventional models, particularly the T600A and the T800. Perhaps the most significant difference is its short 112-inch bumper-to-back-of-cab dimension. This "medium conventional" design makes the T400A lighter and more maneuverable than its stablemates.

Kenworth officials believe there will be a gradual increase in sales of medium conventionals because their design characteristics make them particularly economical to operate in regional hauling applications.

A vehicle of this size can pull trailers up to 53 feet in length and still conform with overall 65-foot length restrictions.

Hank Kiefer, Kenworth general manager, said the new vehicle is a direct response to the emerging "hub-and-spoke" distribution patterns in the trucking industry.

"In order to optimize operating efficiencies, customers are utilizing trucks designed for specific applications," Kiefer said.

Kenworth T400A Class 8

Long-haul trucks, like the Kenworth T600A and the T800, are being used to carry goods between major distribution centers — the hubs. The T400A was designed to make deliveries from the hubs to surrounding locations — the spokes.

Trucks in regional operations generally run less than 400 miles per day, and much of that mileage is in inner-city deliveries. Since the driver and his equipment return to the hub terminal every evening, Kenworth is not offering a sleeper box on the T400A.

The vehicle has a sloped hood, aerodynamic design that offers good visibility for the driver and better fuel economy than conventional designs. Its 12,000-pound front axle is set back 43 inches from the bumper. That, combined with the short BBC dimension and a sharp front-axle turn angle, results in a relatively small 49-foot wall-to-wall turning diameter.

TRW's TAS65 power steering unit is standard.

Standard engine is a 270-horsepower version of the Cummins L10, with 240-hp and 300-hp versions of that engine optional.

Officials also plan to offer Caterpillar's new 3176 engine as an option. It has horsepower ratings of 250 to 325.

Kenworth settled on those engines after evaluating the needs of the medium conventional market. Though some competing vehicles in that class offer larger 14-liter engines, Kenworth felt that demand for engines of that size would be limited due to their higher operating expense.

At the other end of the spectrum, the Cummins 8.3-liter C engine was considered too light because of its 65,000-pound cargo hauling limitation.

In an era of driver shortages, driver acceptance of a vehicle is an important factor in design considerations.

Other Kenworth models have been highly regarded by drivers, and Kenworth has tried to get the same response to its latest entry.

The T400A has the same aluminum/fiberglass cab and many of the interior features being offered in Kenworth's other conventionals. To allow easier access into the vehicle — an important consideration for local delivery applications — the cab is mounted three inches lower than competitive cabs. It has wide, equally spaced steps integrated into the side fairings.

Kenworth's past marketing practice has been to offer prospective buyers just about any option they wanted. It is modifying that policy, though, and limiting option availability on the T400A to keep costs and prices down. Officials plan to gauge optional equipment demand in order to determine which additional accessories they may offer in the future.

AUCTION DATES

Chrysler Motors

April 19 — Florida Auto Auction of Orlando, Ocoee, Fla.; Aptco Auto Auction, Taylor, Mich.; South Seattle Auto Auction, Kent, Wash.; Arena Auto Auction, Chicago; Hatfield Auto Auction, Hatfield, Pa.; and Riverside Auto Auction, Riverside, Calif.

April 20 — Nashville Auto Auction, Nashville, Tenn.; Southern Auto Auction, Warehouse Point, Conn.; and Columbus Fair Auto Auction, Obetz, Ohio

April 21 — Fredericksburg Auto Auction, Fredericksburg, Va.; Omaha Auto Auction, Omaha, Neb.; Salt Lake City Auto Auction, Salt Lake City; and Indianapolis Auto Auction, Indianapolis

April 22 — St. Louis Auto Auction, Bridgeton, Mo.

April 26 — American Auto Auction, Walpole, Mass.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

April 27 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; Minneapolis Auto Auction, Plymouth, Minn.; and Denver Auto Auction, Aurora, Colo.

Used Car Sales
Auction Averages

April 1988	$5,621
Month ago	$5,367
Year ago	$5,896

Ford Motor Co.

April 19 — South Seattle Auto Auction, Kent, Wash.

April 20 — Columbus Fair Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fontana, Calif.; and Salt Lake City Auto Auction, Salt Lake City

April 21 — Baltimore-Washington Auto Exchange, Baltimore; Skyline Auto Exchange, Fairfield, N.J.; and St. Louis Auto Auction, Bridgeton, Mo.

April 26 — Harrisonburg Auto Auction Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

April 27 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.; and Newburgh Auto Auction Inc., Newburgh, N.Y.

April 28 — Greater Houston Auto Auction, Houston

Model Breakdown
Auction Averages

	APRIL 1988	MARCH 1988	FEB 1988
1988	$12,635	$12,283	$10,741
1987	$8,644	$8,682	$8,443
1986	$6,942	$6,927	$6,732
1985	$5,878	$5,837	$5,731
1984	$4,403	$4,380	$4,363
1983	$3,784	$3,765	$3,689
1982	$2,380	$2,534	$2,454
1981	$1,934	$1,906	$1,817
Overall Average	$5,621	$5,589	$5,309

General Motors

April 19 — Florida Auto Auction of Orlando, Ocoee, Fla.

April 20 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

April 21 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; and Southwest Auto Auction, Phoenix, Ariz.

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Chrysler urges dealers to use its auctions

"Chrysler Motors Action Auctions" is a slick new eight-panel, two-color brochure aimed at getting the company's franchised dealers to attend the closed auctions conducted by the company.

Highlighting the brochure is a message from Hal Barton, general manager of fleet operations, urging dealers to take advantage of Chrysler auctions.

He says more than 50 closed auctions are conducted every month for Chrysler, Plymouth, Dodge and Jeep-Eagle dealers.

"You'll find a good mix of top-quality, low-mileage, factory executive, employee lease and Guaranteed Depreciation Program rental vehicles that can provide more opportunity, flexibility and profitability," Barton says.

His pitch includes praise for the facilities offered at auctions.

"You can rely on these closed auctions for fair, honest dealings because they're all factory-controlled with a Chrysler Motors representative present," he says.

The brochure has letters from the chairmen of Chrysler Motors' dealer councils, urging dealers to support the program. The chairmen are James B. Clark, National Dodge Dealer Advisory Council; Dick Bournival, National Chrysler-Plymouth Dealer Council; and Ray Tatum, National Jeep-Eagle Dealer Advisory Council.

There are testimonials from Chrysler Motors dealers, including one who says the cars "account for 20 percent of this dealership's overall profitability."

And for dealers who haven't attended an auction recently or who have never been to one, there are step-by-step instructions on how a Chrysler Motors auction works from registration to payment after the sale.

AUCTION BRIEFS

CHARLES THOMAS

PRODUCTION

Car output moves past 2 million

By Kathy Barboglio
AUTOMOTIVE NEWS STAFF REPORTER

U.S. automakers built their two-millionth car of the year last Friday, 19 days behind 1987.

So far this year, 2,011,502 cars have been assembled, 15.08 percent below the 2,368,592 completed last year at this point.

Last week, the makers scheduled production of 165,868 cars, the highest weekly build since the week ended March 21, 1987, when 171,149 were assembled.

Last week's total was 23.20 percent more than the prior week's 134,637 and 30.30 percent more than year-ago week's 127,561. Those were both holiday weeks.

Companies shared last week's estimated production as follows: General Motors, 50.45 percent; Ford Motor Co., 24.58 percent; Chrysler Motors, 15.37 percent; Honda of America Manufacturing Inc., 4.94 percent; New United Motor Manufacturing Inc., 1.71 percent; Nissan Motor Manufacturing Co. U.S.A., 1.57 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 1.38 percent.

Volkswagen of America's plant in Westmoreland, Pa., is idle until May 9 for model changeover.

Last week's scheduled truck output of 87,636 was 16.58 percent more than the previous week's 75,171 and 30.07 percent more than the year-ago week's 67,378.

Year-to-date, 1,243,437 trucks have been built, 10.09 percent more than the 1,129,429 assembled last year at this time.

GM's Leeds, Mo., plant closed today, resulting in the layoff of about 1,700 workers. Production of the Oldsmobile Firenza line has been discontinued.

GM has increased production of Pontiac Grand Am models from 4,800 units per week to 5,400 at its Lansing, Mich., plant.

A second shift will be added to GM's Pontiac East truck plant in Pontiac, Mich., in September. About 1,300 workers will be called back.

Overtime was slated last Saturday at GM's Detroit-Hamtramck; Willow Run, Mich.; and Lordstown, Ohio, plants.

All Ford plants except the Edison, N.J., facility are scheduled for daily overtime this week.

Cars and trucks gain in Canada

Canadian car production was scheduled at 26,965 units last week, 1.33 percent more than the prior week's 26,610 and 85.93 percent more than the year-ago week's 14,503.

The year-ago week's output was trimmed by the Easter holiday.

So far this year, 341,671 cars have been assembled, 34.87 percent more than the 253,342 completed last year at this point.

Truckmakers estimated production at 20,030 units last week, 1.35 percent more than the previous week's 19,763 and 55.43 percent more than the year-ago week's 12,887.

Year-to-date, 285,394 trucks have been built, 18.31 percent more than the 241,222 assembled last year at this time.

U.S. CAR						
Allieros	0	0	0	0	0	10,007
Total Eagle	0	0	0	0	0	10,007
Horizon	2,333	0	2,071	4,675	39,552	32,997
Rendezvous	2,199	1,544	1,935	4,322	31,726	33,709
Reliant	2,430	1,702	1,975	4,775	28,703	28,305
Caravelle	483	777	539	997	5,933	17,000
Gran Fury	250	78	247	551	3,313	471
Total Plymouth	7,709	4,201	6,468	15,468	84,396	123,551
LeBaron K	969	1,327	457	1,017	6,110	27,370
LeBaron J	1,968	2,460	1,261	3,709	17,702	88,129
LeBaron GTS	199	703	199	246	2,695	12,813
E. Yorker E-Class	0	1,838	0	0	0	27,232
E. Yorker C-Class	2,709	0	2,182	5,222	69,191	0
Fifth Avenue	309	1,118	276	585	11,774	7,999
Total Chrysler	5,303	7,186	4,564	10,852	69,604	103,237
Omni	2,500	0	2,051	4,836	36,200	28,365
Daytona	1,833	1,227	1,514	3,675	15,883	14,233
Shadow	2,253	1,071	1,743	4,308	32,228	31,419
Aries	2,109	1,468	1,616	4,258	22,410	33,924
Dodge 600	599	774	388	985	5,112	15,735
Dynasty	2,209	0	1,789	4,370	33,291	0
Lancer	220	311	216	491	3,305	8,454
Diplomat	883	157	810	1,351	6,940	713
Total Dodge	10,363	5,008	10,088	24,294	146,448	132,835
CHRYSLER MOTORS	25,509	17,618	21,115	59,564	309,448	369,958
Escort	8,014	6,712	6,971	15,102	99,135	111,339
Mustang	4,074	3,692	3,238	8,091	64,789	68,420
Tempo	4,709	3,244	3,199	8,504	60,087	68,513
Taurus	8,838	7,984	7,910	17,139	117,838	141,852
Thunderbird	3,465	3,316	2,775	6,791	46,114	48,849
Total Ford Div.	29,048	24,948	22,578	55,866	388,701	424,577
Lynx	0	0	0	0	0	18,093
Topaz	1,660	1,109	1,125	3,091	22,910	18,324
Cougar	2,312	2,176	1,841	4,516	33,091	52,884
Sable	3,534	2,308	2,825	6,835	28,793	44,489
Total Mercury	7,506	5,591	5,792	14,424	84,794	132,190
Continental	938	338	838	1,958	13,189	5,548
Mark VII	471	491	482	958	7,857	8,356
Lincoln	2,691	2,481	2,549	5,838	43,703	41,514
Total Lincoln	4,200	3,309	4,032	8,904	64,849	55,354
Total L-M Division	11,706	8,891	9,824	23,328	152,393	187,512
FORD MOTOR CO.	40,772	34,393	32,420	79,194	552,040	612,089
Skyhawk	1,182	448	877	2,204	11,178	13,314
Skyhawk/Somerset	1,810	1,535	822	2,350	8,361	24,277
Century	2,599	1,312	2,865	4,280	34,385	56,191
Regal (rwd)	0	826	0	0	0	19,136
Riviera	194	428	128	365	2,578	5,623
Electra	2,288	1,694	2,285	4,718	32,099	32,494
LeSabre (fwd)	2,575	2,611	2,719	6,046	37,618	36,139
LeSabre (rwd)	288	240	282	561	2,368	4,161
Reatta	136	0	103	207	1,015	0
Total Buick	12,966	9,497	9,749	20,529	169,577	189,553
Cimmaron	123	0	99	233	3,328	5,511
Bonneville	1,219	287	979	2,330	11,164	7,955
Seville	729	288	610	1,358	7,237	5,118
Brougham (rwd)*	1,121	688	1,121	2,488	6,819	25,980
Deville (fwd)	3,849	2,468	2,810	6,827	86,488	84,558
Allante	68	87	88	127	738	884
Total Cadillac	5,770	3,771	5,688	13,540	85,889	99,086
Cavalier	7,181	6,888	5,629	13,885	88,887	111,764
Corsica	2,438	2,811	1,885	4,703	21,345	31,088
Celebrity	2,488	2,285	2,778	6,827	46,047	113,891
Corsica/Beretta	6,858	7,186	7,188	17,588	117,388	76,822
Monte Carlo	0	1,438	0	0	0	21,338
Caprice	3,815	4,588	3,288	7,888	57,327	68,758
Corvette	448	512	357	888	6,389	8,248
Total Chevrolet	28,281	25,187	21,138	51,513	348,211	434,578
Calais	2,988	2,338	1,188	4,488	30,382	34,035
Firenza	488	388	316	804	5,188	2,988
Cutlass Ciera	0	881	0	0	0	85,238
Cutlass Supreme*	9,137	3,578	9,137	20,181	88,347	18,878
Toronado	487	388	488	948	5,177	4,948
88 (fwd)	3,783	3,288	2,888	7,184	47,888	88,888
88 (rwd)	338	338	288	881	3,918	5,788
Olds 98	3,055	1,888	1,288	4,888	27,488	25,528
Total Oldsmobile	20,188	11,588	15,282	38,757	178,478	218,888
Sunbird	2,288	1,838	1,828	4,888	31,827	36,758
Grand Am	4,888	4,188	3,888	8,088	68,818	78,784
Firebird	1,888	1,748	1,484	3,383	18,981	24,888
Grand Prix	3,188	0	2,788	6,413	38,881	0
Pontiac 6000	2,438	2,038	2,278	5,148	28,884	25,488
Bonneville	3,018	2,504	2,024	5,327	25,943	44,888
Sunbird/Firebird	238	382	218	487	2,238	4,082
Fiero	488	888	512	1,088	5,788	10,888
Total Pontiac	16,138	13,514	14,538	35,488	205,781	223,588
GENERAL MOTORS	83,858	68,448	88,282	182,788	880,884	1,183,258
HONDA	8,188	5,288	7,837	17,274	108,938	88,118
Civic	2,288	1,331	2,188	4,787	27,484	32,288
Accord	5,918	3,888	5,748	12,507	81,448	88,888
MAZDA†	2,288	0	2,088	4,888	28,878	0
NISSAN	2,818	2,487	2,281	5,348	28,284	42,127
NUMMI	2,848	2,772	2,888	6,827	47,277	88,088
Corolla	1,208	585	1,028	2,414	17,588	11,848
Nova	1,848	2,287	1,838	3,813	29,881	48,258
VOLKSWAGEN	0	1,828	0	288	17,284	24,318
Golf/GTI	0	1,378	0	188	11,731	20,118
Jetta	0	288	0	88	5,553	4,208
Total Cars, U.S.	185,888	127,881	134,857	325,888	2,011,502	2,388,592
Total Cars, Canada	26,985	14,888	28,818	87,888	341,871	288,342
U.S., Canada Cars	192,888	142,084	161,247	388,748	2,388,173	2,821,984
U.S., Canada Cars and Trucks	280,488	222,888	288,181	882,818	3,882,884	3,882,885

Monthly estimates may contain error of one or two units due to rounding.
*—Estimate. †—Total includes Mazda MX-6 and Ford Probe.

CANADIAN CAR						
Eagle	0	—	0	0	0	—
Premier	1,888	—	1,878	3,888	28,881	—
CHRYSLER MOTORS	1,888	88	1,878	3,888	28,881	2,188
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,288	—	4,281	8,288	62,188	—
Topaz	1,348	—	1,388	2,884	20,888	—
Crown Victoria	2,881	—	2,817	6,848	42,888	—
Grand Marquis	2,888	—	2,888	6,271	41,388	—
FORD MOTOR CO.	11,488	9,888	11,487	24,773	188,174	188,888
Celebrity	388	—	348	741	5,388	—
Cutlass Ciera	7,228	—	7,288	15,748	74,588	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,488	—	1,278	2,887	14,885	—
Regal	4,088	—	3,888	8,251	48,714	—
GENERAL MOTORS	12,088	4,488	12,734	27,888	148,388	88,734
HONDA	788	188	888	1,485	8,481	2,388
VOLVO	178	188	188	388	1,882	3,188
Total Cars, Canada	26,288	14,888	28,818	87,888	341,871	288,342
U.S. TRUCK†						
Caravan	2,388	—	1,881	4,827	28,888	—
Dakota	2,288	—	2,278	5,888	36,854	—
Mini-Ram Van	888	—	841	748	4,882	—
Pickups	1,288	—	1,188	2,578	17,388	—
Total Dodge	6,788	4,887	5,881	18,388	88,817	78,384
Chevette	3,888	—	3,127	7,488	82,842	—
Commando	1,888	—	888	2,882	14,441	—
Grand Wagoneer	388	—	288	888	4,185	—
Pickups	0	—	0	0	0	—
Wagoneer	288	—	287	474	3,841	—
Total Jeep	5,388	3,488	4,882	10,871	75,288	88,834
Voyager	2,888	—	1,888	3,884	27,547	—
Total Plymouth	2,888	—	1,888	3,884	27,547	—
CHRYSLER MOTORS	14,888	8,382	11,788	27,818	180,833	188,738
Aerostar	2,388	—	2,888	5,888	88,888	—
Bronco	1,248	—	1,888	2,481	18,378	—
Bronco II	2,518	—	2,888	5,888	43,888	—
Econoline	5,888	—	4,181	10,882	74,972	—
Heavy trucks	1,418	—	1,188	2,518	18,888	—
Light trucks	10,418	—	8,541	21,818	181,528	—
Ranger	7,888	—	8,288	15,318	108,128	—
Total Ford Div.	32,827	25,888	27,757	65,878	483,348	481,847
FORD MOTOR CO.	32,827	25,888	27,757	65,878	483,348	481,847
Astro	3,888	—	3,287	7,888	82,048	—
Safari	882	—	487	1,188	8,888	—
Mediums/Heavies	418	—	278	788	5,878	—
F-Models	888	—	788	1,741	11,782	—
Pickups	7,188	—	6,288	14,784	93,887	—
S-10	5,818	—	5,787	12,888	88,847	—
S-10 Blazer	4,878	—	2,871	7,888	48,388	—
Sportsvan/Van	1,821	—	1,888	3,888	22,724	—
Suburban	1,847	—	1,387	3,288	21,388	—
Total Chevrolet	28,882	21,142	23,288	58,285	347,278	238,988
Jimmy	188	—	178	884	2,888	—
Mediums/Heavies	888	—	781	1,781	13,428	—
F-Model	128	—	81	227	1,884	—
Pickups	2,284	—	1,884	4,888	31,338	—
S-15	1,382	—	884	2,847	20,288	—
S-15 Jimmy	1,884	—	888	1,788	11,714	—
Safari	878	—	827	1,881	13,888	—
Suburban	888	—	814	1,821	18,888	—
Vandura/Rally Vans	878	—	548	1,482	12,088	—
Total GMC	8,572	6,781	6,418	15,882	118,857	118,887
GENERAL MOTORS	34,884	27,888	28,885	88,277	484,238	447,588
NAVISTAR	1,738	1,344	1,784	3,738	25,788	22,388
NISSAN	1,878	1,428	1,882	3,488	28,547	24,588
AM GENERAL*	488	488	488	888	8,888	1,588
MISCELLANEOUS*	2,288	2,288	2,288	8,888	24,848	22,288
Total Trucks, U.S.	87,838	87,378	75,171	178,288	1,243,437	1,128,428
CANADIAN TRUCK						
Caravan	3,048	—	3,813	6,488	44,881	—
Mini-Ram Van	338	—	338	728	4,114	—
Ram Wagon	578	—	572	1,238	7,188	—
Ram Van	1,488	—	1,372	3,072	17,818	—
Total Dodge	5,434	3,887	5,295	11,517	74,088	88,474
Voyager	2,788	—	2,788	5,818	41,873	—
Total Plymouth	2,788	—	2,788	5,818	41,873	—
Wrangler	1,018	—	1,051	2,242	15,182	—
Total Jeep	1,018	812	1,051	2,242	15,182	8,212
CHRYSLER MOTORS	9,212	6,888	9,131	19,877	130,873	134,888
FORD MTR. (t. trks.)	3,848	2,878	3,818	7,885	53,388	48,731
Light trucks	3,428	—	3,277	7,134	48,244	—
Vans	1,512	—	1,278	2,988	18,038	—
Total Chevrolet	4,988	—	4,888	10,088	84,278	—
Light trucks	1,388	—	1,414	3,188	23,322	—
Vans	888	—	821	1,588	10,328	—
Total GMC	2,218	—	2,285	4,888	33,845	—
GENERAL MOTORS	8,948	3,548	8,781	14,788	87,924	88,888
NAVISTAR	225	182	225	484	3,228	2,888
Total Trks., Canada	20,888	12,887	18,788	42,885	285,384	241,222
U.S., Canada Trks.	107,888	88,285	94,884	218,885	1,888,831	1,370,881

†—Includes window van production. *—Estimated.
Some Canadian models are U.S. cars. All General Motors passenger-carbased vehicles.
Ford passenger includes estimates for Merkur, Volvo-Made, Sigmarick, Aspire, Festiva, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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GM, Ford workers don't buy buyout plans

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

Innovative buyout programs designed to rid General Motors and Ford Motor Co. of thousands of excess workers have met with disappointing results because the workers don't want to leave the security of their jobs.

Many say it's because provisions contained in UAW contracts negotiated last year don't provide workers with enough money to get out. Others say workers are reluctant to abandon their plants, their relative security or their benefits.

When new contracts were negotiated last fall, at least one-third of the 50,000 GM workers with 30 years' seniority — more than 17,000 — were expected to take the buyouts or early retirements, according to a local union source. But only 7,200 GM workers took the deals before a recent deadline.

Far fewer workers were expected to take the less-lucrative buyout packages at Ford, but so far only "a handful" of workers have accepted the proposals, in part because of few layoffs and much overtime work amid Ford's hot-selling streak.

The results — far below what the companies and the UAW expected — have not gone unnoticed at Chrysler Corp., which is currently holding contract talks with the union. Chrysler officials are saying that rather than drive away workers like GM and Ford are trying to do, Chrysler needs and wants to keep them.

The atmosphere was quite different a year ago when GM and Ford added contract provisions that allow them to eliminate one permanent job for every two workers who retire, quit or die and to reduce jobs on a one-for-one basis for special programs such as buyouts and early retirements.

Since the workforce size is otherwise fixed, that's the only way companies can permanently reduce the number of workers.

But to get workers to leave, the companies had to pay incentives of up to $55,000-$65,-

see BUYOUTS, page 6

Turin show featured Lancia ECV-2, based on Delta Integrale

BARCARLO PERRI

Britain's IAD Royale, based on Subaru Alcyone components

THE TURIN LOOK:

Giugiaro, Bertone show off exotic minivan-type concepts

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

TURIN, Italy — Challenged by the glittery Japanese prototypes and concept cars at Tokyo last October, the Italian design superstars responded at the Turin auto show with some flashiness of their own. The starring design was what Europe calls the one-box, and what America might peg as the minivan-shape.

Ital Design's Giorgio Giugiaro, a strong proponent of minivans as upscale, performance cars, presented the latest evolution of one-volume designs that dates back to his famous New York Taxi of 1976.

Giugiaro seemed to steal the Turin Show — if crowded stands mean anything — on the strength of having developed three vibrant concept works off the same basic platform.

One chief designer of a major European manufacturer said that Giugiaro re-established himself at Turin this year.

Carrozzeria Bertone also showed a one-box sports car, and Pininfarina presented a lightweight, 2+2 coupe that appears closest to a production concept among the Italian design studies here.

While Italy's independent stylists and body-builders displayed concept cars, Fiat and Alfa-Lancia concentrated on technical matters.

Alfa Romeo focused on engines — the foundation of its reputation. It presented two powerplants including a 16-valve offshoot of its four-cylinder boxer that it announced will go into a sporty version of the compact 33 model early next year.

The new engine is designed for higher overall output and greater torque at low revs — specifically, 80 bhp per liter and a torque curve allowing 80 percent of maximum torque at as low as 2,000 rpm.

Alfa also showed a research project based on the Twin Spark engine that debuted on the mid-size 75 (Milano) at last year's Geneva show. The so-called Lamellar engine features lamellar valves situated in the intake pipe near the valves.

Among the stated advantages is improved torque at low revs, since part of the fuel mixture load remains trapped between intake and lamellar valves following each piston cycle, creating a turbocharging effect in the next cycle. According to Alfa, the lamellar engine has 30 percent increased torque at 1,000 rpm compared with the Twin Spark.

Domenico Chirico, Alfa's head of research and development, said the engine is just coming out of the research phase and must undergo reliability testing before being considered for production.

Fiat announced it will introduce the first direct-injection diesel engine for a passenger car, installing the system on a version of the Croma in Europe.

see TURIN, page 62

Isuzu denies it backs phony fleet claims

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

RENO, Nev. — With a dozen manufacturers trying to seat themselves in the medium-truck market, price competition is almost at the point of no-holds-barred.

General Motors and Ford Motor Co., for example, have chucked structured incentives in favor of price assistance programs in which the amount of factory money they provide a dealer to clinch a tough sale is figured, literally, on a deal-by-deal basis.

And reportedly, some Isuzu Truck of America dealers, at the urging of field sales representatives, have used phony fleet claims to cut prices and maintain their profit.

John Rock, general manager of GMC Truck Division, said that in fleet deals, "We basically don't get into a definition of how big he (customer) is or who you are. We say, 'Look, what is the competitive circumstance?' And the dealer literally, deal by deal by deal, comes to us and says, 'I need this amount of money because Ford, Navistar, Mack — somebody — is on this deal. And then we ask, as best we can, for documentation for that circumstance because our program is what it says, competitive equalization.

"We're moving to meet a competitive circumstance. And it's very important because when you move to meet a competitive circumstance, you're legal within all classes, and that's the way we're doing it."

Ford joined GM in April by installing an 800 number that its dealers can call and, depending on the sizeand kind of deal, the dealer and the circumstances,

see ISUZU, page 63

SATURN

It's on target for '90 intro; lineup to grow — LeFauve

By Kathleen Hamilton
AUTOMOTIVE NEWS STAFF REPORTER

TROY, Mich. — General Motors' Saturn project is on schedule, below budget and will some day be selling a number of models, including a 2+2 coupe and multiple sedans, but probably not minivans and definitely not a two-place Fiero successor.

In a wide-ranging interview, Saturn President Richard G. LeFauve talked about the company's unusual management structure, its plans to

see SATURN, page 63

AUTOMOTIVE NEWS/JOE WILSKEMI

LeFauve: "Hard-core import buyers are willing to give Saturn a shot because deep in their hearts, the hard-core buyer would like to buy an American car."

Iacocca's high pay dulls offer to union

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — The traditional far-out theatrics of first-week auto talks became mired in money last week — how much Chrysler Corp. executives make and how much they should share with UAW workers in the future.

Chrysler offered to forego executive bonuses in future lean years when workers do not receive profit sharing, but that was seen by many — especially the union — as lightly veiled face-saving that preceded by only one day the disclosure than Chrysler Corp. Chairman Lee A. Iacocca received $17.9 million in 1987.

Chrysler's proxy statement also revealed that Ia-

see PAY, page 6

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Imports find rental game is for high rollers — Page 2
Survey: Alfa tops dealers' hit list — Page 3
Tax law changes help GM hike profits 18% — Page 4

Alfa tops dealers' hit list

Survey finds unrest in Yugo ranks, too

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

A dealer attitude survey by research firm J.D. Power and Associates on the number of dealers who may discontinue their franchises in 1988 has some automakers worried while others are calling the report stale or are challenging its credibility.

Power, an automotive consulting and research firm in Agoura Hills, Calif., released portions of its 1987 Dealer Attitude Survey in its April Power Report. It said that 8 percent of the dealers surveyed reported that they may discontinue at least one franchise this year; 21 percent of the high-volume operators may turn over a franchise; and 30 percent of the megadealers may opt to drop a franchise.

Alfa Romeo fared worst, with 35 percent of its 152 dealers threatening to discontinue the franchise, according to the report.

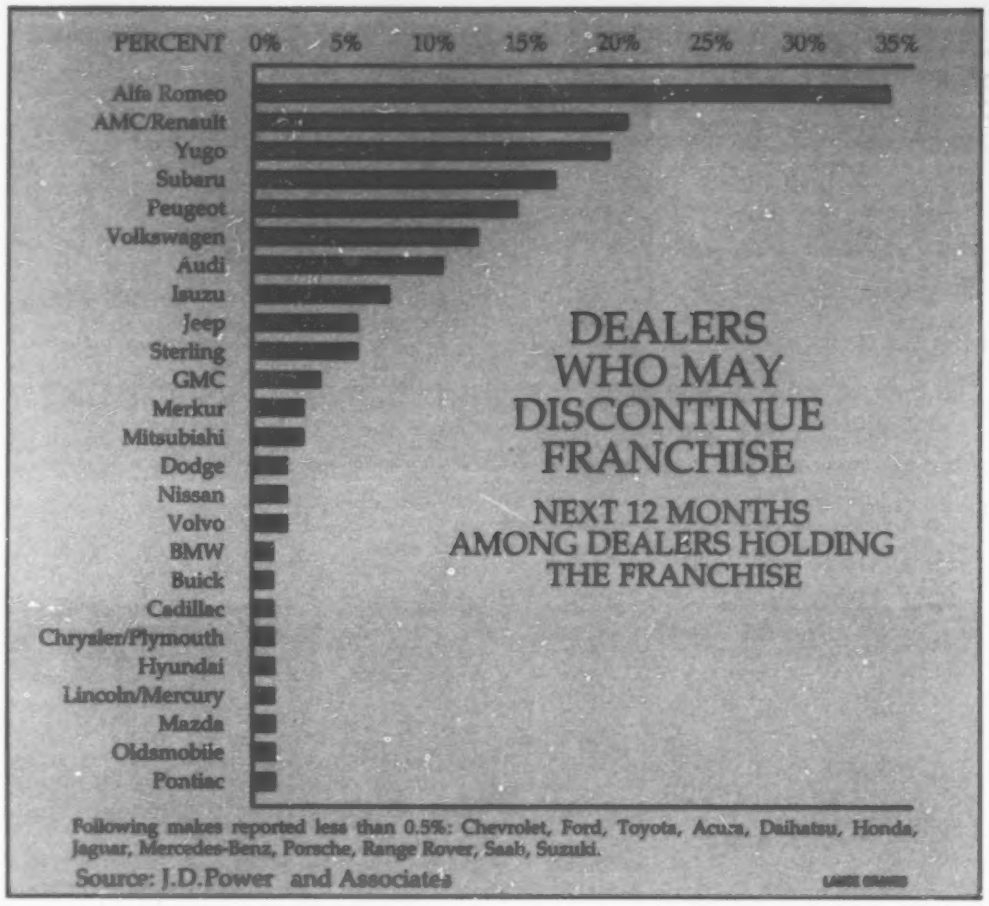
Edouard Richard, general manager of the San Francisco Autocenter in San Francisco, told Automotive News the dealership is in the midst of transferring its Alfa franchise to a neighboring dealer.

"The Italians are hopeless," said Richard. "They should stick with designing cars or making shoes because they can't build cars."

He also charged that the warranty program is in shambles, saying: "A lot of things would be better if the factory would take care of the warranties, but their attitude is that the dealer is stupid and the owner can't drive."

Richard said the dealership had the franchise purely from love for the vehicles — not as a sound business investment.

Joseph E. Cooley Jr., Alfa Romeo Inc. vice president — sales, conceded there is an element of dissatisfaction among dealers but dismissed the prospect that 35 percent of Alfa Romeo dealers could be considering discontinuing the franchise.



He said Alfa hopes to have 170 dealers by the end of the year and move toward 200 in 1989 as the company prepares to launch the larger Alfa 164.

"I'd like to know the basis of the survey," said Cooley. "I've talked to dealers and members of the dealer council — it's ridiculous."

A spokesman from J.D. Power said 10,000 questionaires were sent to dealers between Aug. 21 and Oct. 5 and 2,600 responded. He described the response rate as a good, representative sample. There are approximately 25,000 new-car dealers in the United States.

The report found 21 percent of the AMC-Renault dealers indicating they would drop the franchise in 1988. But the survey came as Chrysler was acquiring American Motors, and dealers carrying only the former AMC's cars are now few and far between.

"This is pretty old stuff, before the merger. All of our dealers are delighted and sales have never been higher," said Bob Williams, Jeep-Eagle dealer marketing manager.

Even Chris Denove, industry analyst for J.D. Power, conceded that the AMC-Renault findings are questionable because of the merger.

Twenty percent of the Yugo dealers surveyed said they may discontinue the franchise. A company spokeswoman said the numbers in the survey aren't representative of the 343 Yugo dealers.

"We calculate that J.D. Power received roughly 80 responses from dealers and 16 reported they would drop the franchise," she said. "Those that said they will drop the franchise probably will be forced to anyway."

She said Yugo is "aggressively revising" its dealer body, insisting dealers make a firm commitment to the product or face termination by Yugo.

Subaru's results — 17 percent of those surveyed saying they may discontinue the franchise — have some Subaru officials concerned.

"We were concerned about it and are not brushing it off," said C.D. "Doug" Mahin, group vice president — sales and marketing. "It was based on 182 dealers, in which 30 dealers responded negatively."

But a later survey by the National Automobile Dealers Association showed better responses from Subaru dealers, said Mahin. He added that the recent purchase of independently owned distributorships by the company has helped improve communications between Subaru and its dealers.

Pete Mastro, owner of Mastro Subaru in Tampa, Fla., agreed with the company's assessment, blaming poor dealer morale in 1987 on Subaru's former distributors.

"That survey is old," he said. "A lot of the dealer problems were related to the distributors. The dealers felt threatened and

see SURVEY, page 64

NHTSA study rebuts stand on rollovers

By Matt DeLorenzo
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Less than two weeks after NHTSA had denied a petition to conduct a safety-defect investigation into vehicle rollovers, a study done by the agency has surfaced that says there is a correlation between rollovers and a vehicle's stability factor.

NHTSA earlier denied a petition by Sen. Timothy Wirth, D-Colo., for a defect investigation and rollover standard using a stability factor based on half the vehicle's track divided by the height of the center of gravity. NHTSA said the stability factor is "too narrow and inappropriate approach."

However, a study conducted by E. Anna Harwin and Howell K. Brewer for NHTSA concluded, "An analysis of single-vehicle accident data has shown that a high degree of correlation exists between the risk of vehicle rollover and the vehicle rollover stability factor."

NHTSA's denial of the Wirth petition said "crash data available to NHTSA shows that driver behavior and the driving environment generally predominate over vehicle defects by an overwhelming margin as a cause of crashes." It concluded, "The stability factor analysis (in the petition) was not sound basis for rulemaking because of the presence of other vehicle factors in the rollover phenomenon."

The Wirth petition relied on a study by Leon S. Robertson and A. Benjamin Kelley that maintains the disproportionate involvement in single-vehicle rollover-initiated fatal crashes is the low stability factor of sport/utility and other vehicles with short tracks and high centers of gravity.

The Harwin-Brewer study for NHTSA also rules out other factors. "Various driver and environmental factors were also evaluated as to their influence on rollover risk," the study said. "Although driver's sex was shown to be consistently significant across all data sets, the overwhelming variable in explaining rollover rate variations as a function of vehicle make/model designation, is the vehicle rollover stability factor."

INDEX

Around the world	40-43
Auction dates	50
Classifieds	51-60
Coming events	32
Dealing with dealers	60
Legal briefs	47
News briefs	8
Opinion	10
Personnel	20-24
Production	65
Sales, import car	17
Sales, truck	14
Service management	18
Truck industry	14

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Retired Editor Lienert dies

Robert M. Lienert, retired editor of Automotive News, died last Wednesday in Fort Collins, Colo., after a long illness. He was 61.

Lienert was born in Inland, Neb., on April 26, 1926, and still called nearby Harvard, Neb., his hometown some 60 years later.

He was raised in rural Nebraska with seven brothers and sisters and he never lost his simple down-home style and his sense of humor, although he later traveled the globe and dealt comfortably with international industrialists.

In the days when Automotive News used the hot-metal typesetting process and linotype machines, he would frequently wear a red plaid flannel shirt and blue denim bib overalls to work on days when, as editor, he needed to be in the shop. On those occasions, he dressed as the "Nebraska farm boy" he loved to call himself.

Lienert began his journalism career in 1946 as a staff writer for the Nebraska State Journal in Lincoln. He graduated from the University of Nebraska that year. He later described his duties at the Journal as "night sports editor, reporter and copyreader."

In 1947, he earned a master of science degree from the Medill School of Journalism at Northwestern University and was hired as a copy editor by the Detroit Free Press, where he worked until joining Automotive News in 1953.

He was appointed news editor of this publication in 1962, managing editor in 1966 and editor in 1974.

"Bob Lienert was an invaluable asset to the growth and resurgence of Automotive News over the last three decades," said Keith E. Crain, publisher and editorial director of Automotive News.

"His retirement last year was well-earned and we are all saddened by his untimely passing."

It was Crain who appointed Lienert editor. Crain Communications acquired Automotive News in 1971. Under Lienert's editorship, the paper expanded its scope from coverage of dealer issues to become the leading industry-wide automotive trade journal.

"Bob Lienert was a real pro," said Chrysler Chairman Lee A. Iacocca, "He knew journalism and he knew our industry. He was well-respected and well-liked and will be sorely missed.

"My sympathy goes to his family," Iacocca said.

"I was greatly saddened to learn of the death of Bob Lienert," said Ford Vice Chairman Harold A. Poling."

"He was an automotive journalist of great in-

see LIENERT, page 64

AUTOMOTIVE NEWS/ARTHUR FLAX

Lienert at retirement party last August

March truck sales by manufacturer and segment

		14,000 & LESS GVW CLASS 1-3	14,001-16,000 GVW CLASS 4	16,001-19,500 GVW CLASS 5	19,501-26,000 GVW CLASS 6	26,001-33,000 GVW CLASS 7	33,001 & OVER GVW CLASS 8	TOTAL 1988	TOTAL 1987
CHRYSLER-PLYMOUTH	MO	17,474						17,474	10,438
	YR	44,067						44,067	22,799
DODGE	MO	57,238						57,238	52,845
	YR	145,628						145,628	127,515
JEEP	MO	22,927						22,927	15,873
	YR	59,030						59,030	46,896
TOYOTA	MO	23,528						23,528	28,046
	YR	57,728						57,728	66,886
NISSAN	MO	14,928						14,928	21,320
	YR	41,688						41,688	56,126
MAZDA	MO	10,567						10,567	10,915
	YR	26,991						26,991	27,831
ISUZU	MO	6,309						6,309	8,589
	YR	19,127						19,127	21,673
MITSUBISHI	MO	4,887						4,887	3,900
	YR	12,984						12,984	11,128
SUZUKI	MO	6,406						6,406	8,267
	YR	16,783						16,783	20,601
RANGE ROVER	MO	372						372	79
	YR	897						897	79
FORD	MO	148,652	1,870		1,678	3,679	1,154	156,433	136,767
	YR	369,229	3,426		2,540	8,717	2,984	386,896	332,461
FREIGHTLINER	MO						2,192	2,192	1,890
	YR						6,007	6,007	4,677
CHEVROLET	MO	121,430		34	561	855	31	122,911	107,726
	YR	329,840		53	2,083	2,310	103	334,389	266,100
GMC	MO	38,581		297	1,269	2,183	193	40,523	32,386
	YR	96,314		1,030	4,200	4,140	598	96,282	81,036
KENWORTH	MO					38	1,370	1,408	1,064
	YR					130	3,473	3,603	3,034
MACK	MO				183	242	1,683	2,108	2,197
	YR				475	630	3,917	5,022	5,167
MERCEDES	MO				133	186		319	315
	YR				257	459		716	918
NAVISTAR	MO		21	27	1,728	2,864	2,843	7,483	6,277
	YR		54	103	5,095	7,788	7,939	20,979	16,250
PETERBILT	MO					40	1,426	1,466	850
	YR					64	3,492	3,556	2,023
VOLVO	MO					124	1,342	1,466	941
	YR					263	3,106	3,369	2,606
HINO	MO			84	62	123		269	194
	YR			175	132	245		552	460
NISSAN DIESEL	MO			84	53	131		268	128
	YR			196	112	281		589	376
ISUZU TRUCK	MO	547	35	10	48	58		696	404
	YR	1,068	51	29	402	75		1,625	1,096
MITSUBISHI FUSO	MO	110		45	19	82		256	103
	YR	251		55	54	152		512	163
SCANIA	MO						20	20	16
	YR						48	48	48
IVECO TRUCKS	MO	84	59	41	13			197	286
	YR	209	109	71	44			432	583
WESTERN STAR	MO						133	133	110
	YR						458	458	241
OTHER DOMESTICS	MO				10		67	77	452,047
	YR				14		161	175	1,119,483
GRAND TOTAL	MO	472,040	1,985	822	5,157	10,803	12,454	502,861	
	YR	1,211,813	3,640	1,712	15,408	29,254	32,286	1,290,113	
1987 YR to DATE		1,056,278	128	2,883	9,486	23,316	27,405	1,119,453	

NOTE: Subaru sales of 2 units included in Class 3 Grant Total and also in 1988 monthly grand total. Sales of 4 Subarus included in year-to-date 1988 Class 3 total and year-to-date 1988 Grand Total. Sales of 478 Subarus included in 1987 Class 3 and 1987 Grand Total.
Class 1-3 sales data reported by individual manufacturers; Class 4-8 data reported by Motor Vehicle Manufacturers Association.

Isuzu, with GM help, seeks big-truck lead

By Jake Lucas
SPECIAL CORRESPONDENT

LONDON — Isuzu Motor Co. is planning to expand its truck assembly and distribution worldwide through joint ventures with General Motors in order to overtake Daimler-Benz as the world's leading maker of big trucks.

Kazuo Tobiyama, Isuzu president, said, "I have been giving our employees the target of making Isuzu the world's No. 1 maker of commercial vehicles." Isuzu already is the world's second-largest producer of trucks over 4 metric tons.

"If we try just a bit harder, we believe we can draw level with Mercedes-Benz," Tobiyama said in an interview with Japanese Motor Business, published by the Economist Intelligence Unit, London.

Tobiyama said an Australian joint venture would soon be set up with GM to distribute trucks. A GM Holden factory would be used to assemble knockdown kits, and Isuzu trucks would be sold through the GM Holden dealer network.

"We hope in the future to expand this sort of business with GM on a worldwide basis," he said. GM recently increased its stake in Isuzu to 41.6 percent.

Isuzu and GM already have a joint truck venture in Britain. The former Bedford van plant at Luton is now operated by GM and Isuzu management and produces Isuzu and Suzuki vans. Tobiyama told the publication that the company hopes to build other vehicles there.

He said GM executives in Britain are looking at the off-road, four-wheel-drive market and that the Isuzu Trooper would be an obvious vehicle to sell in Europe. The Ford-Nissan study regarding the viability of building a 4wd vehicle at Motor Iberica in Spain may convince GM it should act sooner.

Tobiyama also said Isuzu is considering importing the Pontiac LeMans, built by Daewoo Motor in Korea, for the Japanese market, if it can be cheaply priced.

"We would want to sell the car at a very low price rather than in direct competition with comparable Japanese models, including our own Gemini," he said. "We see the market for the car in areas like the rent-a-car industry and among younger buyers. Price is the key."

Negotiations to import the Opel Senator and Omega models from Germany and have Isuzu sell the cars in Japan under the Opel name are also continuing. Most likely, the Ascona and Manta would be added at a later date.

Isuzu would also consider assembling Opels in Japan, Tobiyama said, "if sufficient volumes were involved. The cars would, of course, be cheaper if we built them in Japan."

Isuzu already produces 400,000 to 500,000 five-speed transmissions for Opel and recently began to supply GM's plant in Spain with 1.5-liter diesel engines. It can provide up to 60,000 engines a year for the Corsa model.

The Isuzu president warned that total transplant capacity in America in the coming years of up to 1.5 million units will create overcapacity and fierce competition in the "fight for survival."

However, he expects Isuzu to be less affected than others because it will build 1-ton trucks — not cars — at the joint Isuzu/Fuji Heavy Industries plant in the United States.

Tobiyama also painted a brighter financial picture for the company. Following a 10 percent sales decline in 1987, Tobiyama predicted Isuzu sales in 1988 will increase from 530,000 to 570,000, and operating profit will be 17 billion yen ($136 million). In 1987, Isuzu recorded an operating loss of 15.6 billion yen ($125 million).

Isuzu to offer low-floor cab-chassis model

RENO, Nev. — Isuzu Truck will introduce a new cab chassis, the NPR Flat Low, in November with flat bed, van, stake platform and other body applications.

It features a low body floor height for customers who load and unload vehicles by hand. Minimum loading deck height without wheel wells is 34.5 inches.

The vehicle has a 10,500-pound GVW rating and accommodates 5,300 pounds of body and payload. It has a load capacity of up to 3,900 pounds and is available in 109.0-inch, 132.5-inch and 150.0-inch wheelbases. It is powered by a 126-horsepower turbodiesel engine and Electromatic four-speed automatic transmission with third and fourth gear lockup.

— Joseph Bohn

New Sleeper for Volvo model
An optional new WhiteGMC Integral Tall Sleeper Aero tractor was added by Volvo GM Heavy Truck to broaden its Class 8 product line. The Integral Tall Sleeper Aero has two stacked bunk beds in the 102-inch-high sleeping compartment — a 36-inch-wide-lower bunk and a 29-inch-high upper bunk.

JWT eyes comeback, a la Ford

By Laura Clark and Stephen Downer
AUTOMOTIVE NEWS STAFF

DETROIT — J. Walter Thompson's top executive predicts the giant ad agency will stage a comeback in the advertising business the same way its biggest client, Ford Motor Co., did in the automotive industry.

JWT Chairman Burton Manning said the agency, like Ford, must stress "product, quality, innovation and maintaining sensible costs" to make a comeback.

Despite the optimistic forecast, JWT is facing a tough fight to retain its Ford business overseas as other Ford agencies — namely Young & Rubicam and Ogilvy & Mather — set their sights on more Ford ad business.

In an interview, Manning told Automotive News that the agency is not worried about losing more Ford business to competitive agencies. JWT, which was bought by Britain's WPP Group for $566 million in July, has lost nearly $500 million in billings since its ownership change, including approximately $105 million in Ford accounts outside the United States.

"It's a waste of time and energy to think about what you've lost," he said. "What (accounts) you have are very important, and you have to be sure that they're getting the best support, the best people, the best strategy."

Ford switched several of its advertising accounts outside the United States from JWT to Young & Rubicam and Ogilvy & Mather, consolidating much of its international advertising under those agencies. The switch gave nine European advertising accounts to Ogilvy and the Ford of Canada account to Young & Rubicam. Though the move was termed a consolidation, sources say the switch was to show Ford's displeasure with the WPP takeover.

Young & Rubicam also handles Ford's Lincoln-Mercury Division, and Ogilvy last summer took over the Ford parts and service division account from Young & Rubicam.

The shift of European and Canadian ad accounts was followed by Ford's $5 million shift of two of its Latin American advertising accounts in mid-December. JWT lost the $3 million Ford Brasil account to Salles/Inter-Americana (an independent agency) and the $2 million Ford Motor de Venezuela account to Corpa/Ogilvy & Mather.

JWT is facing competition from Young & Rubicam and Ogilvy for its Ford of Mexico advertising account, now under review. A former Ford of Mexico senior executive said top managers have been given orders from Ford's world headquarters to drop JWT.

Manning said JWT representatives flew to Mexico recently to present the agency's capabilities for the Ford of Mexico account. WPP Chairman Martin Sorrell flew from London for the presentation, sources in Mexico said.

Ford officials have said they are pleased with JWT's work for Ford Division in the United States despite widespread speculation from industry observers that JWT will lose the account sooner or later. In an apparent show of support for JWT, several Ford executives — including Ford Division General Manager Thomas Wagner — were on hand for a speech Manning gave at a recent Adcraft Club of Detroit luncheon.

CANADIAN CAR AND TRUCK SALES

Domestic Cars	Mar. 1988	Mar.1987	3 mos., 1988	3 mos., 1987
General Motors	38,056	37,255	80,185	79,142
Ford	20,173	17,592	45,654	42,416
Chrysler	17,560	15,417	34,599	32,253
Honda	831	473	1,824	864
Volvo	178	223	440	504
Domestic car total	**76,848**	**70,960**	**162,702**	**154,981**
Import cars				
Toyota	8,157	5,868	14,707	12,259
Honda	5,560	6,884	13,064	14,674
Volkswagen	3,851	3,089	8,773	6,546
Nissan	3,819	3,815	6,921	8,194
Mazda	3,136	2,355	7,050	5,235
Hyundai	3,024	5,648	7,230	12,857
GM	2,197	1,265	5,031	2,859
Chrysler	938	1,087	1,294	2,325
Suzuki	901	234	1,766	459
Ford	589	833	1,411	1,569
BMW	450	472	1,115	948
Mercedes-Benz	433	375	926	992
Subaru	414	820	1,359	1,830
Volvo	333	545	952	1,306
Jaguar	190	168	605	517
Saab	161	151	349	389
Lada	91	86	248	206
Skoda	53	64	146	156
Import car total	**32,299**	**33,169**	**72,947**	**73,320**
TOTAL — ALL CARS	**109,147**	**104,129**	**235,649**	**228,301**
Domestic trucks (including vans)				
GM	18,752	14,415	39,698	34,972
Ford	14,129	11,876	33,385	30,357
Chrysler	12,215	7,203	25,584	14,919
Domestic truck total	**45,096**	**33,494**	**98,667**	**80,248**
Import trucks (including vans)				
Toyota	1,588	1,142	3,524	2,372
Nissan	1,347	1,500	3,202	4,212
Mazda	1,234	820	2,337	2,151
Suzuki	676	295	1,433	647
Chrysler	345	197	870	478
GM	193	82	500	219
Volkswagen	67	136	190	259
Lada	9	14	27	47
Import truck total	**5,459**	**4,188**	**12,083**	**10,385**
TOTAL — ALL TRUCKS	**50,555**	**37,682**	**110,750**	**90,633**

Sales rise in Canada

Ford, Chrysler advance 7% for quarter

By Bill Vance
SPECIAL CORRESPONDENT

TORONTO — The Big 3 domestic automakers posted moderate car sales increases in Canada for March and the first quarter of 1988.

First-quarter gains at Ford and Chrysler were similar — Ford tallied a 7.63 percent rise while Chrysler was up 7.27 percent. General Motors' sales increased 1.32 percent.

Adding in Honda's and Volvo's Canadian-built units brought the March sales total for domestic cars to 76,848 units, compared with 70,960 in March 1987. Sales of domestic cars for the first three months of 1988 were 162,702 units, compared with 154,981 in the year-earlier period.

Total sales of North American-built cars and imported cars were 235,649 units for the first quarter, compared with 228,301 in 1987. Sales for March totaled 109,147, a 4.82 percent increase over 104,129 in March 1987.

Ford was up 13.17 percent in March, compared with the year-earlier period, and Chrysler sales rose 13.90 percent. GM sales climbed 2.15 percent.

For imported cars, Suzuki, as the result of more dealerships and an increase in advertising, continued to show the hottest growth curve, posting a 285.04 percent gain over March 1987.

Mazda's monthly gain was a healthy 33.25 percent, while Volkswagen was up 24.67 percent.

Import loser of the month was Subaru whose sales slipped 49.5 percent, followed by Hyundai, which was down 40.10 percent.

The Big 3 showed substantial truck gains in March. The pace was set by Chrysler with 12,215 sales, a 69.58 percent increase over March 1987. For the first quarter, Chrysler was up 71.49 percent, compared with the year-earlier period.

GM's domestic truck sales for the quarter were 39,698 units, a 13.51 percent increase over the 1987 period. Ford tallied a 9.97 percent gain over the same three-month period last year.

Suzuki, Mazda and Toyota showed the highest percentage gains for March among truck importers. Suzuki was up 129.15 percent compared with March 1987; Mazda gained 50.49 percent; and Toyota increased 39.05 percent.

Nissan's truck sales were down 10.20 percent for the month and 23.98 for the first quarter compared with 1987 periods.

IMPORT SALES BY MODEL

	March 1988	March 1987	3 Mos. 1988	3 Mos. 1987
ACURA	10,470	8,774	28,495	21,497
Integra	5,032	5,205	12,924	13,166
Legend	5,437	3,569	15,571	8,331
ALFA ROMEO	545	538	1,308	1,830
GTV-6	0	0	1	0
Milano	292	0	727	0
Spider	253	0	578	0
AUDI	1,843	2,489	5,274	8,533
4000S	31	478	109	1,198
4000CS Quattro	11	172	50	549
5000S	328	1,308	923	3,334
5000CS Turbo	66	200	243	545
5000CS Turbo Quattro	77	217	411	873
80	625	0	1,692	0
90	651	0	1,633	0
Coupe GT	54	114	143	293
BMW	6,403	7,504	16,782	19,077
318i	0	2	6	6
524 TD	0	10	1	22
325	3,579	5,294	9,571	13,561
528e	773	981	2,114	2,557
535i/535iS	448	583	1,195	1,471
6-Series	169	188	347	481
7-Series	1,179	326	2,875	812
M3	165	0	434	0
M5	34	39	92	40
M6	56	81	127	127
CHEVROLET	10,111	10,571	31,118	29,314
Spectrum	6,250	6,673	18,273	17,934
Sprint	3,861	3,898	12,845	11,380
CHRYSLER/MITSUBISHI	10,931	11,259	20,386	29,662
Colt	8,270	6,710	22,027	18,543
Conquest	963	1,522	2,405	3,243
Vista	1,698	3,037	4,954	7,871
DAIHATSU	804	0	2,587	0
EAGLE/RENAULT	1,624	1,139	6,523	1,139
18i	0	0	0	0
Fuego	0	0	0	0
Medallion	1,524	1,139	6,523	1,139
FORD Festiva	6,894	0	18,062	0
HONDA	18,567	21,536	59,840	63,815
Civic/CRX	12,353	9,953	33,343	28,415
Accord	2,352	7,183	12,773	21,116
Prelude	3,862	4,400	13,724	14,284
HYUNDAI	26,166	16,602	71,026	58,164
ISUZU	1,675	1,917	4,664	5,489
I-Mark	1,189	1,418	3,084	3,557
Impulse	486	499	1,620	1,932
JAGUAR	1,854	1,545	4,422	4,068
XJ6	1,411	1,119	3,364	3,001
XJS	443	426	1,058	1,067
MASERATI	104	123	249	248
MAZDA	22,430	19,188	58,838	40,280
323	9,394	7,541	24,409	15,556
626	6,583	7,753	16,690	16,168
MX-6	1,243	0	4,106	0
929	2,352	0	6,107	0
RX-7	2,858	3,894	7,526	8,556
MERCEDES BENZ	7,603	7,946	19,302	22,120
190	1,367	1,671	3,239	4,805
260E	695	521	1,662	1,186
300	2,059	2,145	5,323	5,968
300SDL Turbo	9	648	76	1,761
300SEL	759	0	1,878	0
420SEL	926	1,188	2,470	3,296
560SEL	478	548	1,422	1,631
560SL	1,132	961	2,715	2,855
560SEC	154	180	449	490
Tourist	24	84	68	168
MERKUR	764	1,219	2,267	2,115
XR4Ti	400	1,219	1,286	2,115
Scorpio	364	0	981	0
MITSUBISHI	5,790	6,431	16,273	14,071
Starion	321	531	767	1,378
Cordia	490	351	1,374	983
Tredia	80	304	283	971
Mirage	582	1,322	2,305	3,646
Galant	850	867	2,597	3,081
Precis	2,518	2,457	6,867	2,451
Van/Wagon	569	595	1,530	1,556
NISSAN	39,536	41,824	92,163	119,452
Sentra	17,813	14,606	39,215	38,286
Pulsar	4,322	6,643	10,526	18,156
Stanza	8,410	5,968	16,410	17,637
Maxima	4,837	7,938	15,014	23,154
200SX	2,195	3,076	3,646	9,815
300ZX	2,175	3,344	6,026	11,606
Hawaii	784	222	1,232	792
PEUGEOT	563	714	1,247	2,273
PONTIAC LeMans	6,843	0	13,996	0
PORSCHE	1,872	2,394	4,426	5,563
924 S	263	273	544	582
944	458	567	1,122	1,402
944S	87	278	187	735
944 Turbo	251	244	577	661
911 Coupe	340	406	854	1,023
911 Turbo	86	150	267	312
911 Cabriolet	239	288	492	626
928S	129	188	383	522
SAAB	3,996	3,817	9,791	10,768
900	536	812	1,596	2,231
900S	950	1,119	2,462	3,309
900 Turbo	851	792	2,112	2,055
9000S	446	340	1,019	561
9000 Turbo	1,195	881	2,526	2,374
Tourist	18	73	66	132
STERLING	937	1,535	3,054	2,578
SUBARU	13,951	13,942	36,498	34,943
Hatchback	803	663	1,754	1,990
3-Door	691	1,153	1,737	2,887
4-Door Sedan	2,564	3,538	6,281	8,637
XT	1,396	1,938	3,344	4,627
Station Wagon	5,324	5,665	14,842	14,719
Justy	3,373	905	8,540	2,083
TOYOTA	42,734	37,099	127,050	101,117
Corolla	9,963	7,885	32,211	19,481
Tercel	6,003	6,287	18,655	16,202
Celica	5,662	4,905	14,566	14,901
Supra	1,962	1,365	5,338	6,128
Camry	13,417	10,909	41,964	29,837
Cressida	1,140	1,583	3,117	4,957
Land Cruiser	925	330	2,073	969
Van	684	1,410	1,792	3,477
4Runner SR 5	1,933	96	4,785	314
MR2	1,045	1,455	2,659	3,803
Hatchback	0	324	0	986
VOLKSWAGEN*	12,567	8,474	36,421	20,987
Cabriolet	1,393	1,204	3,224	2,857
Jetta	5,520	4,382	15,645	11,571
Vanagon	569	880	1,648	2,092
Quantum	242	524	756	1,415
Scirocco	291	587	861	1,616
Fox	4,552	897	14,283	1,436
VOLVO	8,293	10,562	24,123	32,224
240 Series	3,055	5,185	9,643	15,791
740 Series	4,214	4,206	11,516	12,725
760 Series	879	1,070	2,545	3,426
780	101	0	309	1
Tourist	44	101	110	281
YUGO	3,563	4,571	8,921	13,804
IMPORT TOTAL	269,433	246,543	734,106	661,231

*Total Adjusted

Compiled by Kimm Dettmeski

Chrysler turns to console-type diagnostic system

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Motors is developing a console type computerized diagnostic system for its dealers, breaking with a practice of emphasizing hand-held diagnostic tools.

Chrysler Motors has had a philosophy of putting as much diagnostic information as possible into the on-board engine and body control computer. Then, with the aid of a sophisticated scanner device — Chrysler's DRBII — the technician could analyze the engine and body control systems.

However, Chrysler has responded to dealer and service industry demand for a personal-computer-based diagnostic system and is now developing its own system comparable to "General Motors' Computerized Automotive Maintenance System (CAMS) and Ford's On-Line Automotive Service Information System (OASIS)," according to Ray Bollman, manager of serviceability and technical service liaison for Chrysler Motors.

The Ford service information system is a relatively simple computerized unit that provides a clearinghouse of technical service information for dealers, but the company also has developed a personal-computer-based diagnostic unit similar to GM's. Ford's is called the Service Bay Diagnostic System (SBDS).

The GM and Ford personal-computer-based consoles combine artificial intelligence, diagnostic routines and an up-to-date storehouse of visual and written service information.

The units can walk less-skilled technicians through diagnostic procedures, provide the latest service bulletins for specific models and also allow skilled technicians to diagnose malfunctions with speed and accuracy.

To date, Chrysler Motors has focused much of its service development on "scanner" tools that read trouble codes and, in some cases, voltages and resistances throughout the engine or vehicle control circuit. Those devices can also "exercise" electro-mechanical systems in the vehicle.

A Chrysler Motors service engineer said, "Our philosophy has been that the vehicle must be able to deliver as much information to the technician as possible."

Chrysler's on-board diagnostics have more on-board readout capability than competitive systems, he claimed.

"The mechanic can use a DRBII and our fault tree and zoom in on a problem," he said.

However, technicians are not always able to keep up with the tremendous amount of new information provided to them — new repair procedures in service manuals and technical service bulletins, for example, often go unread.

"Even with a competent mechanic, it will take a few minutes to find a service bulletin or service manual. The technician may not look for it. Or the technician may get stuck on a problem. With a service bay computer system, all the information would be in one package," the engineer said.

The Chrysler service bay system will work, or interface, with the company's DRBII device, he said.

Chrysler gave its dealers a first look at the computerized console type project at the National Automobile Dealers Association convention in San Francisco in February, he noted.

Personal computer type units enable less-skilled technicians to repair cars more easily. However, because of their price — GM's CAMS is about $18,000 — every technician in the dealership may not have access to the equipment at all times.

Scanning devices, however, provide a great deal of service information at a reasonable cost. The DRBII, for example, costs about $700.

A skilled mechanic often can diagnose a malfunction with a hand-held unit in the same time as a technician using a more sophisticated computer tool, according to Douglas Graham, national account manager for OTC tool and equipment division of Sealed Power Corp. at the company's Detroit-area technical center.

"In terms of speed, the technician who knows what he is doing with a hand-held tool doesn't have to go through an automated test procedure that a less-skilled mechanic would use on a console type machine," Graham said. "However, most console machines can run manually, so the main advantage of the hand-held unit is its price."

OTC manufactures the Monitor 2000 hand-held diagnostic tool. The device is quite popular, with 120,000 units placed in the field since its 1984 introduction, Graham said.

The device takes plug-in software cartridges for GM, Ford and Chrysler products and a unit (with GM software) costs about $425, he noted.

"The device," he said, "is as common as a digital volt-ohmeter. Many mechanics purchase it for their own use."

In addition to computerized service-bay consoles and hand-held scanners dedicated to a manufacturer's line, the aftermarket provides a great deal of generic service equipment.

One of the most basic of electronic test tools offered by manufacturers and the aftermarket is called a "breakout-box." It enables technicians to tap into the car's electronic control module harness and read voltage and resistance readings with a digital volt-ohmeter.

A breakout box is often used in concert with a scanner. It enables a technician to pinpoint a malfunction. The device may also serve as a teaching tool.

A breakout box enables technicians to teach themselves how systems work said Thomas F. Hornung, founder of of Concept Technology, a Detroit-area manufacturer of such devices.

"You have to have a wise technician to use a breakout box, but it also allows curious technicians to educate themselves," he said.

"For example, they can attach a breakout box, push on the gas pedal and watch the relationship of voltages.

"A technician can first learn how to use the breakout box. Then, through experience, the technician learns to recognize symptoms and narrow down areas that cause the problems," he said.

There are also a number of relatively inexpensive universal service tools in the field. Those tools include test lights, pressure gauges for fuel injection systems and fuel injector pulse testers.

Graham of OTC said the manufacturer sells a basic fuel pressure test kit for $250 and a fuel injector pulse tester for $50.

Breakout boxes from various manufacturers generally range from $300 to $450.

Dealer beeps patrons

Pager warns service clients if car is late

When the service shop at Leesburg Jeep-Eagle in Leesburg, Va., runs into a problem and finds it will take longer or cost more than anticipated to repair a customer's car, it has no difficulty notifying customers ahead of time.

Each customer gets an electronic paging beeper that allows the service department to contact them.

"We've virtually eliminated what we call service shock," said Gary Cohen, dealership owner. "The beepers allow us to contact customers who just can't be reached by telephone.

Leesburg Jeep-Eagle also provides a free loaner car to customers who can't find alternative transportation while their cars are in the shop.

SHOP TALK

ARTHUR FLAX

Electronic catalog

Bell and Howell's IDB2000 electronic parts catalog system will be offered for installation at Honda dealerships by late spring, the computer maker announced.

The system, which is currently offered to General Motors and Chrysler Motors dealers, provides parts illustrations as well as parts numbers and bulletins.

Mercedes program grows

Mercedes-Benz of North America has expanded its roadside-assistance program.

The program, which Mercedes started in 1981, now operates 24 hours a day in the New York metropolitan area. The former hours were 5 p.m. to midnight weekdays and 8 a.m. to midnight weekends and holidays.

Mercedes will phase in 24-hour service across the rest of the country by the end of June.

Karl-Heinz Faber, Mercedes-Benz of North America vice president for product compliance and service, said, "The response to our roadside-assistance program has been overwhelmingly positive. Providing 24-hour coverage will make it even more valuable, particularly for long-distance travelers."

The Mercedes program differs from others in that it is automatically available to every Mercedes owner, regardless of the age of the car or if it was bought new or used. Service is covered during the four-year/50,000-mile warranty or is paid by the customer if the car is out of warranty.

Ford training

Ford has devised a computer-training program for its dealers that allows technicians in training to interact with a video screen.

The program, known as the Intelligent Video Learning System, allows a technician to answer questions, make repair decisions and perform simulated-diagnostic procedures by following a narrator's instructions and pointing a light pen at the appropriate point on a video screen. The screen displays components and vehicle systems.

Ford computer trains technicians

The system consists of a video-disc player, television monitor, microcomputer and light pen. A 16-program disc library covers numerous subjects including air conditioning, carburetion and electronic engine controls.

The system will provide an opportunity to reach technicians who aren't able to attend training sessions conducted by district service engineers and also will allow training as work schedules permit, Ford said.

Award for Regal

Home Mechanix magazine gave the 1988 Buick Regal its "Easy Maintenance Car of the Year" award. The magazine lauded the Regal's serviceability, noting the car's easily accessible spark plugs and front MacPherson strut shock-absorber cartridges.

Regal's V-6 engine tilts forward (after removing bolts that can be reached easily) to allow access to the rear bank of spark plugs. The strut cartridges can be lifted out from the top of the engine compartment.

Service, parts business advances 5% for month

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

Service and parts business at new-car dealerships was slightly above the 1987 pace at the beginning of 1988.

In January 1988, shop volume at new-car dealerships was 5.0 percent above the year-earlier figure. January 1987, however, was a weak month for service business, registering 98.3 percent of the volume for January 1986.

Shop business in December 1987 was up 4.3 percent over the year-earlier month, and business for all of 1987 also was up 4.3 percent over 1986.

An analyst at one of the Big 3 automakers said nasty winter weather helped shop business. He said he expected February and March service volume figures to continue at high levels.

However, he predicted a slowdown for April, saying customers are becoming less certain about economic conditions. Dealers, he added, are requesting that the automakers offer special service incentives to their customers. This follows a long period when the dealers had all the shop business they could handle.

Warranty business also has declined as a result of a stable vehicle population and vehicle improvements, he said. Service-contract and customer-paid business, however, is rising, particularly as more service contracts — previously a small segment of the business — are sold and take over from warranty work, the analyst said.

A Northeastern Chevrolet dealer whose service business increased attributed his performance to "better control of work through computer scheduling and better trained mechanics."

An Eastern Chevrolet dealer said service volume rose because of increased traffic into the dealership and more labor sales per repair order.

An Eastern Cadillac dealer who service volume declined noted that his shop had one less working day in January 1988 than in January 1987.

Gross profit on all labor, parts and accessory sales led January business indicators with a 9.2 percent increase over January 1987.

Shop-parts sales (customer-paid and warranty) rose 6.1 percent over the year-earlier month; sales of all parts and accessories climbed 5.8 percent; and total labor sales (customer-paid and warranty) increased 3.4 percent.

Repair orders written fell 0.3 percent.

Parts and accessories sales to off-premises customers in January 1988 were up 5.6 percent, compared with the year-earlier month.

SERVICE INDEX 105.0*

	Jan., '88 vs. Jan., '87
Gross Profit on All Labor and P&A Sales	+9.2%
Repair Orders Written	−0.3%
Total Labor Sales (Customer & Warranty)	+3.4%
Shop Parts Sales (Customer & Warranty)	+6.1%
Sales of All P&A	+5.8%

* Survey by Automotive News shows that dealers' service and parts business in January 1988 was 105.0 percent of business in January 1987.

AUCTION DATES

Chrysler Motors

April 26 — American Auto Auction, Walpole, Mass.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

April 27 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; Minneapolis Auto Auction, Plymouth, Minn.; and Denver Auto Auction, Aurora, Colo.

April 28 — Clanton's Auto Auction, Darlington, S.C.; Ark-La-Tek Auto Auction, Shreveport, La.; Northway Exchange, Clifton Park, N.Y.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Southwest Auto Auction, Phoenix, Ariz.

April 29 — Manheim Auto Auction, Manheim, Calif.

Ford Motor Co.

April 26 — Harrisonburg Auto Auction Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

April 27 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.; and Newburgh Auto Auction Inc., Newburgh, N.Y.

Used Car Sales
Auction Averages

April 1988	$5,712
Month ago	$5,255
Year ago	$5,823

April 28 — Greater Houston Auto Auction, Houston

General Motors

April 26 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

April 27 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; Southern California Auto Auction, Fontana, Calif.; and Omaha Auto Auction, Omaha, Neb.

April 28 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; and St. Louis Auto Auction, Bridgeton, Mo.

Model Breakdown
Auction Averages

	APR 1988	MAR 1988	FEB 1988
1988	$12,498	$12,283	$10,741
1987	$8,691	$8,682	$8,443
1986	$7,214	$6,927	$6,732
1985	$5,915	$5,837	$5,731
1984	$4,425	$4,380	$4,363
1983	$3,807	$3,765	$3,689
1982	$2,374	$2,534	$2,454
1981	$1,947	$1,906	$1,817
Overall Average	$5,712	$5,589	$5,309

Auction fees earmarked for charity

Metro Auto Auctions of Kansas City, Mo., will donate proceeds from its annual Marathon IV sale to the National Independent Automobile Dealers Association and the Missouri Independent Automobile Dealers Association, which will donate the money to a national charity.

Metro's Marathon IV sale will start at 10 a.m. May 24. The consignment fee of $20 per vehicle will be donated to the charity. The goal is 2,000 consignments.

New Jersey's Skyline group adds Houston auction, looks for more

Texas Dealer Auction in Houston has been sold to New Jersey-based Skyline Auction Group for an undisclosed amount.

The auction has four lanes with a consignment of about 700 vehicles per month.

The group also owns Skyline Auto Auction in Fairfield, N.J., and Gulf Coast Auto Auction in Bradenton, Fla. The company bought Gulf Coast Auto auction last August.

Leonard P. Nedlin, president of the Skyline Auction Group, said he is on the acquisition trail but doesn't know how many auctions the company eventually will own.

"We are negotiating to buy other auctions," he said. "We will get as big as we are comfortable being."

The company is also on the prowl for personnel, including a chief executive officer, general operating managers, fleet managers and lease managers.

Canadian growth

Canadian auction owner Michael B. Lawrence has opened a seventh auction sale. It is located in Mississauga, Ontario.

AUCTION BRIEFS

CHARLES THOMAS

The Ontario Auto Auction (Toronto) Inc. officially opened March 3, selling 55 percent of a 480-vehicle consignment.

The new sale is dealer-only and is conducted every Thursday beginning at 10 a.m. at the company's full-service facility.

The sale is part of a network of auctions jointly owned by Lawrence and others.

The network handles about 450,000 vehicles annually in Canada at an estimated value of $2.25 billion (Canadian).

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PENNSYLVANIA

Carriage Trade, Norristown, Pa. Every Mon. & Thurs., 6 PM (400 units), except 3rd Thurs. when GMAC auction (off lease/repos) at 11 AM. All dealers. Call: 215-CAR-SALE.

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Rawls Auto Auction — Since 1938. Pickup, delivery unlimited. Recon facilities. Sale every Tues., 11 A.M. 803-657-5111 or 657-7244, Leesville, South Carolina.

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Clanton's Auto Auction, P.O. Box 51, Darlington, South Carolina, 803-393-2861. Sale every Thurs., Regular Consignment, 11 a.m. & Early Bird, 9 a.m. (repos & lease units).

TENNESSEE

Memphis Auto Auction, 2650 Mt. Moriah Rd, Memphis, Tenn. 38115. 901-794-7700. Sale every Tuesday at 11 AM. Mid-South's newest auto auction.

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Fort Worth Auto Auction, 2245 Jacksboro Hwy., Ft. Worth, TX 76114. Sale every Thursday. Contact: George Horton, 817-626-5494.

TEXAS

San Antonio Auto Auction (div. of GECAA), 1500 Ackerman Rd., San Antonio, Texas 78219. Sale every Weds. Contact: Frank Post or Michael Milikien, 512-661-4200.

WASHINGTON

So. Seattle Auto Auction. The lease & Fleet Specialists. Tom Chase, 1-800-872-6800. P.O. Box 5189, Kent, Washington 98064.

WISCONSIN

Metro Milwaukee Auto Auction. Sale every Wednesday. FMC, GMAC, all leasing. 414-835-4436, Caledonia, Wisconsin.

Auction advertising builds auction traffic.

PRODUCTION

Truck output stays high after record

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

U.S. truckmakers scheduled output of 92,418 units last week, slightly below (0.87 percent) the prior week's 93,226.

The previous week's build was the highest for any week ever, topping the prior record of 88,469 set the week ended March 26, 1988.

Year-to-date, 1,341,445 trucks have been assembled, 12.04 percent more than the 1,197,340 completed last year at this point.

Last week's scheduled auto production totaled 162,504, 1.56 percent below the previous week's 165,073 but 17.00 percent more than the year-ago week's 138,895.

The year-ago week's output was affected by the Easter holiday.

So far this year, 2,173,211 cars have been built, 13.08 percent below the 2,500,243 assembled last year at this time.

Companies split last week's estimated production as follows: General Motors, 49.82 percent; Ford Motor Co., 25.60 percent; Chrysler Motors, 14.95 percent; Honda of America Manufacturing Inc., 4.62 percent; New United Motor Manufacturing Inc., 2.00 percent; Nissan Motor Manufacturing Co. U.S.A., 1.61 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.40 percent.

Volkswagen of America's Westmoreland, Pa., plant remains idle for model changeover until May 9.

As reported earlier, GM closed its Leeds, Mo., plant and discontinued the Firenza line on April 15, idling approximately 1,700 workers.

GM slated overtime last Saturday at its Buick City car plant in Flint, Mich.

Overtime was also scheduled last Saturday at three GM truck plants: Lordstown, Ohio; Fort Wayne, Ind.; and Moraine, Ohio.

Ford slated overtime last Saturday at its Wixom, Mich.; Edison, N.J.; Wayne, Mich.; Kansas City, Mo.; and Norfolk, Va., plants.

Daily overtime is scheduled this week at all Ford plants except the Edison, N.J., facility.

Canada slates best week ever: 27,020 cars

Canadian automakers scheduled production of 27,020 units last week, their highest weekly output ever. The total surpassed the previous peak of 26,733 for the week ended Dec. 14, 1985.

Last week's targeted build was 14.33 percent more than the previous week's 23,634, and 54.12 percent more than the year-ago week's 17,532.

So far this year, 365,360 cars have been built, 34.78 percent more than the 271,076 completed last year at this point.

Truck output was slated at 20,530 units last week, 1.84 percent more than the prior week's 20,159, and 12.08 percent more than the year-ago week's 18,317.

Year-to-date, 306,053 trucks have been built, 18.23 percent more than the 258,864 assembled last year at this time.

U.S. CAR	Week Ended April 23, 1988	Week Ended April 25, 1987	Week Ended April 18, 1988	April to Date	Jan. 1 to April 23, 1988	Jan. 1 to April 25, 1987
Alliance	0	608	0	0	0	10,627
Total Eagle	0	608	0	0	0	10,627
Horizon	2,100	0	2,244	6,719	28,436	32,997
Sundance	2,100	1,926	2,581	6,903	34,316	35,537
Reliant	2,400	1,808	2,618	7,391	29,471	40,377
Caravelle	400	776	482	1,339	6,335	18,662
Gran Fury	200	118	454	935	3,717	559
Total Plymouth	7,200	4,628	8,379	23,287	102,275	128,132
LeBaron K	500	1,305	518	1,535	5,637	28,505
LeBaron J	1,900	3,294	1,926	5,715	19,688	31,188
LeBaron GTS	100	890	156	402	2,681	13,516
N. Yorker E-Class	0	1,563	0	0	0	28,768
N. Yorker C-Class	2,700	0	2,532	7,754	35,656	0
Fifth Avenue	300	1,179	350	958	12,124	8,918
Total Chrysler	5,500	8,231	5,482	16,364	74,086	110,895
Omni	2,100	0	2,476	6,931	28,279	28,363
Daytona	1,800	1,260	1,914	5,539	18,747	15,455
Shadow	2,200	2,114	2,222	6,480	34,398	33,290
Aries	2,100	1,648	2,082	6,351	24,501	35,523
Dodge 600	500	748	493	1,458	5,605	16,506
Dynasty	2,200	0	2,087	6,465	35,378	0
Lancer	200	386	243	684	3,558	8,850
Diplomat	500	163	553	1,754	7,349	872
Total Dodge	11,600	6,319	12,070	35,664	157,815	138,859
CHRYSLER MOTORS	24,300	19,786	25,931	75,315	334,176	388,513
Escort	8,997	5,667	7,733	23,878	107,851	117,109
Mustang	4,167	4,309	4,055	12,179	68,907	70,759
Tempo	3,945	3,246	4,676	12,425	64,008	62,805
Taurus	8,849	7,122	8,863	26,029	126,515	148,798
Thunderbird	3,376	3,116	3,455	10,157	51,490	48,821
Total Ford Div.	29,334	23,460	28,782	84,668	418,771	448,292
Lynx	0	523	0	0	0	17,494
Topaz	1,576	1,162	1,721	4,698	24,527	19,139
Cougar	2,251	2,109	2,315	6,772	38,345	54,752
Sable	3,550	2,201	3,552	10,403	42,307	46,694
Total Mercury	7,377	5,995	7,588	21,873	105,179	138,079
Continental	1,086	327	933	3,059	14,280	5,870
Mark VII	548	488	467	1,542	8,241	8,789
Lincoln	3,260	2,450	2,800	9,197	47,022	43,975
Total Lincoln	4,894	3,265	4,200	13,798	69,543	58,634
Total L-M Division	12,271	9,260	11,788	35,671	174,722	196,713
FORD MOTOR CO.	41,605	32,720	40,570	120,339	593,493	645,005
Skyhawk	186	587	998	2,236	11,207	13,762
Skylark/Somerset	1,810	1,513	1,824	4,214	10,175	25,813
Century	3,045	4,062	3,602	10,086	27,432	62,127
Regal (rwd)	0	886	0	0	0	14,042
Riviera	128	200	151	420	2,201	6,077
Electra	2,263	2,066	2,262	6,980	24,351	34,569
LeSabre (fwd)	3,375	2,092	2,805	9,353	41,151	37,009
LeSabre (rwd)	315	244	371	942	2,743	4,350
Reatta	172	0	151	444	1,470	0
Total Buick	11,294	11,650	12,164	34,675	120,730	197,749
Cimmaron	120	58	121	354	3,386	5,668
Eldorado	1,006	365	1,174	3,300	12,134	5,403
Seville	601	328	711	1,975	7,796	8,121
Brougham (rwd)*	1,121	890	1,121	3,587	10,940	26,687
DeVille (fwd)	3,540	3,212	3,512	10,509	59,921	56,962
Allante	65	81	65	192	800	935
Total Cadillac	6,453	4,934	6,704	19,918	94,977	103,776
Cavalier	7,153	6,957	7,134	21,031	107,003	117,579
Camaro	2,430	2,667	2,342	7,042	23,687	33,624
Celebrity	3,975	6,073	3,540	10,877	50,097	113,344
Corsica/Beretta	6,960	5,307	6,973	26,561	126,239	84,917
Monte Carlo	0	1,400	0	0	0	23,029
Caprice	3,825	4,413	3,987	11,630	61,324	72,815
Corvette	440	511	446	1,315	6,805	9,721
Total Chevrolet	26,783	27,328	26,422	78,457	375,155	458,029
Calais	2,990	2,255	3,065	7,554	33,457	36,394
Firenza	64	535	366	825	5,177	3,396
Cutlass Ciera	0	2,943	0	0	0	58,316
Cutlass Supreme*	9,137	2,689	9,137	29,238	68,484	21,454
Toronado	405	373	477	1,344	5,572	5,313
88 (fwd)	3,371	3,609	3,774	10,486	50,442	70,336
88 (rwd)	330	362	324	955	4,242	6,109
Olds 98	1,595	983	1,578	4,776	27,524	27,395
Total Oldsmobile	17,892	13,749	18,720	55,179	194,898	232,313
Sunbird	2,287	1,799	2,062	6,560	33,687	36,665
Grand Am	5,400	5,027	5,315	14,998	75,725	81,849
Firebird	1,690	1,661	1,672	5,035	18,653	26,365
Grand Prix	3,235	0	3,364	9,827	33,005	0
Pontiac 6000	2,425	2,067	2,589	7,733	23,278	27,533
Bonneville	2,648	2,587	3,027	8,036	31,802	47,390
Safari/Parisienne	245	261	272	769	2,572	4,324
Fiero	610	926	492	1,704	6,379	11,806
Total Pontiac	18,540	14,328	18,793	54,663	224,901	237,972
GENERAL MOTORS	80,962	71,989	82,803	242,892	1,010,661	1,229,839
HONDA	7,500	6,605	7,882	24,461	116,126	105,738
Civic	2,090	1,603	1,996	6,575	29,302	33,929
Accord	5,410	5,002	5,884	17,886	86,824	71,809
MAZDA†	2,277	0	1,995	6,619	22,668	0
NISSAN	2,610	2,965	2,574	7,919	27,796	44,534
NUMMI	3,250	3,250	3,318	9,755	51,005	60,667
Corolla	1,200	649	1,227	3,641	18,813	12,410
Nova	2,050	2,601	2,091	6,114	32,192	48,257
VOLKSWAGEN	0	1,580	0	258	17,284	25,497
Golf/GTI	0	1,330	0	189	11,731	21,497
Jetta	0	250	0	69	5,553	4,450
Total Cars, U.S.	162,504	138,895	165,073	487,559	2,173,211	2,500,243
Total Cars, Canada	27,020	17,532	23,634	81,588	365,360	271,076
U.S., Canada Cars	189,524	156,427	188,707	569,147	2,538,571	2,771,319
U.S., Canada Cars and Trucks	302,472	240,824	302,092	906,879	4,186,069	4,227,523

Monthly estimates may contain error of one or two units due to rounding.
*—Estimate. †—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended April 23, 1988	Week Ended April 25, 1987	Week Ended April 18, 1988	April to Date	Jan. 1 to April 23, 1988	Jan. 1 to April 25, 1987
Eagle	0	—	0	0	0	—
Premier	1,650	—	1,650	5,250	22,531	—
CHRYSLER MOTORS	1,650	88	1,650	5,250	22,531	2,211
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,292	—	4,347	13,670	66,513	—
Topaz	1,348	—	1,353	4,287	21,942	—
Crown Victoria	2,831	—	2,752	8,977	44,825	—
Grand Marquis	2,909	—	2,820	9,091	44,146	—
FORD MOTOR CO.	11,380	11,527	11,272	36,025	177,426	170,684
Celebrity	335	—	342	1,083	5,697	—
Cutlass Ciera	7,225	—	5,123	20,863	79,722	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,400	—	863	3,820	15,548	—
Regal	4,000	—	3,534	11,785	52,248	—
GENERAL MOTORS	12,960	5,439	9,862	37,550	153,215	92,260
HONDA	890	253	706	2,296	10,212	2,591
VOLVO	140	225	144	467	1,976	3,330
Total Cars, Canada	27,020	17,532	23,634	81,588	365,360	271,076

U.S. TRUCK☆	Week Ended April 23, 1988	Week Ended April 25, 1987	Week Ended April 16, 1988	April to Date	Jan. 1 to April 23, 1988	Jan. 1 to April 25, 1987
Caravan	1,900	—	2,245	6,372	31,803	—
Dakota	2,800	—	2,826	8,359	38,680	—
Mini-Ram Van	300	—	408	1,104	5,010	—
Pickups	1,200	—	1,378	3,901	18,881	—
Total Dodge	6,200	3,889	6,857	19,737	94,374	77,871
Cherokee	3,100	—	3,813	10,542	55,955	—
Comanche	900	—	1,037	2,969	15,378	—
Grand Wagoneer	300	—	350	986	4,515	—
Pickups	4,300	—	5,200	9,500	9,500	—
Wagoneer	150	—	287	711	4,078	—
Total Jeep	8,750	3,595	10,687	24,706	89,426	70,029
Voyager	1,700	—	2,011	5,575	29,258	—
Total Plymouth	1,700	—	2,011	5,575	29,258	—
CHRYSLER MOTORS	16,650	7,484	19,555	50,021	213,058	147,900
Aerostar	4,512	—	4,308	13,075	71,407	—
Bronco	1,269	—	1,245	3,716	19,644	—
Bronco II	2,476	—	2,513	7,539	46,085	—
Econoline	5,144	—	5,104	15,241	80,151	—
Heavy trucks	1,736	—	1,339	4,478	21,492	—
Light trucks	11,656	—	10,381	33,239	163,150	—
Ranger	7,914	—	7,874	23,234	116,048	—
Total Ford Div.	34,707	25,693	32,764	100,522	517,987	486,848
FORD MOTOR CO.	34,707	25,693	32,764	100,522	517,987	486,848
Astro	3,253	—	3,922	10,925	55,368	—
Blazer	531	—	643	1,741	8,601	—
Mediums/Heavies	415	—	333	1,069	5,412	—
P-Model	897	—	839	2,580	12,541	—
Pickups	7,497	—	7,382	22,457	103,750	—
S-10	6,527	—	5,679	19,026	90,335	—
S-10 Blazer	3,677	—	3,954	11,161	49,944	—
Sportsvan/Van	1,929	—	1,685	5,823	24,717	—
Suburban	1,382	—	1,600	4,565	22,674	—
Total Chevrolet	26,108	18,666	26,037	79,348	373,342	357,890
Jimmy	154	—	172	527	2,823	—
Mediums/Heavies	835	—	908	2,659	14,333	—
P-Model	123	—	186	413	1,250	—
Pickups	2,457	—	2,029	6,700	33,468	—
S-15	1,517	—	1,550	4,052	21,991	—
S-15 Jimmy	970	—	1,189	2,865	12,819	—
Safari	826	—	986	2,784	14,339	—
Suburban	674	—	850	2,242	11,611	—
Vandura/Rally Vans	1,047	—	719	2,369	12,943	—
Total GMC	8,603	8,011	8,589	24,612	125,577	117,829
GENERAL MOTORS	34,711	26,677	34,626	103,960	498,919	475,719
NAVISTAR	1,930	1,662	1,054	5,788	27,807	23,998
NISSAN	1,670	1,814	1,677	5,146	40,224	26,425
AM GENERAL*	450	450	450	1,440	7,110	1,950
MISCELLANEOUS*	2,300	2,300	2,300	7,360	36,340	34,500
Total Trucks, U.S.	92,418	66,080	93,225	274,238	1,341,445	1,197,340

CANADIAN TRUCK	Week Ended April 23, 1988	Week Ended April 25, 1987	Week Ended April 16, 1988	April to Date	Jan. 1 to April 23, 1988	Jan. 1 to April 25, 1987
Caravan	3,048	—	2,992	9,481	47,973	—
Mini-Ram Van	336	—	337	1,057	4,451	—
Ram Wagon	570	—	569	1,805	7,672	—
Ram Van	1,480	—	1,438	4,510	19,248	—
Total Dodge	5,434	8,345	5,336	16,853	79,344	133,889
Voyager	2,760	—	2,741	8,659	44,414	—
Total Plymouth	2,760	—	2,741	8,659	44,414	—
Wrangler	1,018	—	1,071	3,313	16,263	—
Total Jeep	1,018	759	1,071	3,313	16,263	9,974
CHRYSLER MOTORS	9,212	9,104	9,148	28,825	140,021	143,863
FORD MTR (lt. trks)	3,648	3,503	3,648	11,533	57,017	50,015
Light trucks	3,761	—	3,847	11,322	50,432	—
Vans	1,512	—	1,243	4,208	19,278	—
Total Chevrolet	5,273	—	5,090	15,530	69,710	—
Light trucks	1,519	—	1,268	4,507	24,729	—
Vans	633	—	780	2,369	11,103	—
Total GMC	2,152	—	2,048	6,877	35,832	—
GENERAL MOTORS	7,425	5,507	7,138	22,407	105,542	61,972
NAVISTAR	245	203	225	729	3,473	3,014
Total Trks., Canada	20,530	18,317	20,159	63,494	306,053	258,864
U.S., Canada Trks.	112,948	84,397	113,385	337,732	1,647,498	1,456,204

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Dealer plays 'good guy' in Ford plan

$250 eases pain after warranty

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

When the rust spots on the trunk of William Hill's 1983 Lincoln Mark VI grew into a four-inch patch last year, the 63-year-old stockbroker was a bit puzzled.

This was Midland, Texas, after all, where body panels normally are immune to the ravages of rust.

Hill, a Lincoln owner since 1964, had never paid attention to Ford's corrosion warranty. And while he knew the problem wasn't his fault, he'd doubted that he'd get a break on his four-year-old car.

Hill's dealer fixed the car at no charge, even though the warranty expired after three years. But what was more unusual was that the dealer was able to extend the goodwill payment on the spot, instead of sending the request through cumbersome company channels.

At the time, Texas was part of a Ford Motor Co. test that gives dealers up to $250 per car to help cover repairs that no longer are covered under warranty. Ford is now rolling out the program across the country. This week, it goes into effect in Cleveland; Philadelphia; Louisville, Ky.; and San Jose, Calif.

By deciding the cases themselves, dealers say they'll take a big step toward making themselves and the company look like good guys in the eyes of customers. In the process, they say, they'll be able to take care of the customer in a hurry.

see FORD, page 66

AUTOMOTIVE NEWS/JOE WILSSENS

Iacocca: Chrysler will continue to use incentives to reach market share objectives

Chrysler slates output hike

Will add 110,000 units in bid to boost market share

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — In a bid to win 15.3 percent of the North American market in 1988, Chrysler Motors announced it will increase third- and fourth-quarter production by 12.6 percent, but acknowledged its strategy of stressing market share gains over profits eroded first-quarter earnings.

Chrysler earnings in the first quarter of 1988 fell 32 percent because of marketing costs and a one-time charge of $93.1 million for previously announced plant closings in the company's Acustar parts-making subsidiary.

Chrysler, with $183.7 million, was the only one of the Big 3 to report a decline in net earnings for the quarter. Ford earned $1.62 billion; General Motors, $1.09 billion. The total for the Big Three was $2.89 billion, up 7.8 percent from last year's $2.68 billion.

Chrysler Corp. Chairman Lee Iacocca last week said the company will continue to use incentives to reach market share objectives and that Chrysler will add 110,000 cars and trucks to its production schedule for the second half of 1988. Chrysler now holds 14.8 percent of the North American car and truck market, Iacocca said.

The increased production means that Chrysler's Kenosha, Wis., assembly plant will be given a three-month stay of execution. Iacocca said the plant, which was expected to close in September, will continue producing Dodge Omni and Plymouth Horizon America models and the Chrysler Fifth Avenue, Dodge Diplomat and Plymouth Gran Fury until the end of 1988.

Omni and Horizon, however, will remain in

see CHRYSLER, page 66

AUTOMAKERS' FIRST QUARTER
(In millions of dollars)

	1988 Sales	1988 Profit	1987 Sales	1987 Profit
Chrysler Corp.	$ 7,710	$ 184	$ 7,670	$ 299
Ford Motor Co.	20,700	1,623	18,100	1,490
General Motors	26,440	1,090	26,100	923
TOTAL	54,850	2,897	51,870	2,682

GM's plan reflects dip in car share

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

General Motors in the future will offer fewer car and truck models built off fewer platforms and will cut its production capacity to reflect its reduced market share.

Facing the possibility that GM may never again sell half the cars in the United States, top company officials told Wall Street analysts in a closed-door briefing in New York that the company will modify its capacity to reflect its present 37-percent share of the U.S. car market, even if that means closing more plants than previously planned.

The announcement was viewed by many as a reversal of GM's previous position that its eroding share of the U.S. car market was a temporary problem that could be solved by propping up its sales through incentives. Its current market share is fractionally better than its 1987 performance, but down four points from 1986 when it had a 41-percent share and a far cry from 1978, when the auto giant held 48 percent of the car market.

GM Chairman Roger Smith told a group gathered at GM's "Teamwork and Technology" exhibit in Chicago last week that the 37-percent car market share was to be used as a planning base and that GM was not limiting itself to that share. Smith said the flexibility in GM's new plants could give the company a 45-percent share of the U.S. car market.

However, top GM officers told analysts in New York that the company will operate its truck plants at capacity, reflecting a 32- to 34-percent share of the U.S. truck market. GM held a 31-percent truck share, including light, medium and heavy-duty trucks, in 1987. This would indicate that GM is planning to increase its truck capacity.

Wall Street analysts — who praised GM for helping to reduce the growing capacity glut of the U.S. auto industry — said the giant automaker must reduce its capacity by 1 million cars by closing as many as five North American assembly plants in addition to the five it has already closed.

GM President Robert C. Stempel said GM wants

see GM, page 67

BOOM TOWN ON THE BORDER

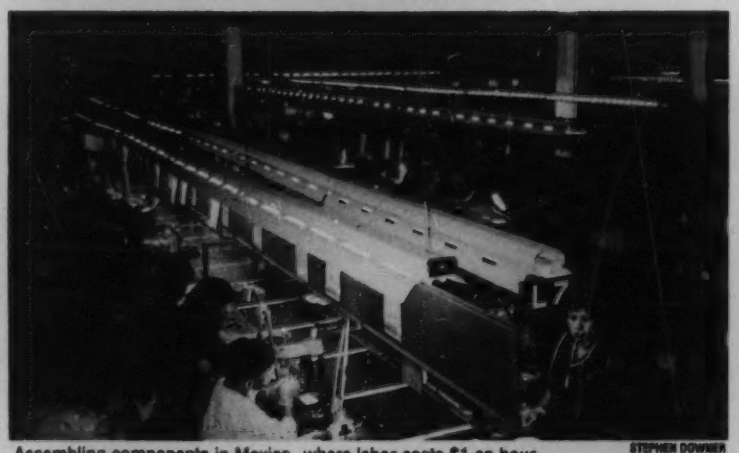
Mexico's low labor costs attract huge parts business

By Stephen Downer
STAFF CORRESPONDENT

CIUDAD JUAREZ, Mexico — This city, located in the northern part of the rugged state of Chihuahua, was once the marketing center of a cotton-growing region.

Today, it is at the heart of the so-called in-bond program — known in Mexico as "maquiladora." It is a bustling city of one million or so, with modern shopping malls and virtually no unemployment.

Every day, millions of dollars worth of materials are shipped to Mexican border towns like this, assembled into automotive components with very low labor cost and re-exported to factories in the United States, including those of General Motors, Ford Motor Co. and Chrysler Motors. The in-bond products must be ex-



STEPHEN DOWNER

Assembling components in Mexico, where labor costs $1 an hour

K-car tumult: Part of pre-pact hype?

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Despite the muddle over Chrysler's plan to source K-cars in Mexico, there was relief that labor talks were back on track last week. It didn't seem to matter that — as one UAW local official said — "maybe it was all a smokescreen."

With Chrysler Corp. Chairman Lee Iacocca's announcement that K-car production will not be moved to Mexico unless the market warrants, both sides said they are optimistic a settlement can be reached this week.

"Maybe Chrysler wasn't really going to do it (move K-cars to Mexico) or it wasn't that serious, but it sure made all of them look good," one union official said.

"It's all politics, and the average worker gets whipsawed a little, but it's okay if no jobs are lost in the long run."

Both Chrysler's chief bargainer, Vice President Anthony St. John and, later, Iacocca argued that no

see LABOR, page 68

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Soviets eye U.S. for sales, engines Page 2
Production gets 2nd-quarter boost Page 3
GM ousts Firestone: Is trend starting? Page 6

Dealers slap truck franchise

Arbitration clouds Nissan Diesel pact

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Nissan Diesel, which is planning to expand its truck range, is running into some opposition as it begins signing dealers to new franchise agreements.

The importer of medium-duty trucks began presenting two new franchise agreements to its 160 dealers last week, one replacing the present agreement and the other for a new light-duty vehicle.

In two days last week, the company signed 11 dealers to its new franchise agreements and presented them to 75 others who indicated an interest in signing up, said Rick Bliss, senior vice president of sales.

But some dealers are getting close legal scrutiny of the new contracts' fine print — especially their mandatory binding arbitration clauses — and at least one dealer has refused to sign while seeking his state's ruling on the legality of the contracts.

The contracts require mandatory binding arbitration for dealers in states that do not have any state franchising laws overriding it and also require that such dealers have all their disputes settled in Texas. Nissan Diesel's headquarters is in Irving, Texas.

Bill Ray, owner of Baird-Ray Nissan, Longwood, Fla., said he refused to sign the contract because of these provisions.

"The rest of the agreement reminds you of the late 1940s and early 1950s, it's so damn bad," Ray added.

"The worst thing is that it sets forth a whole list of items under which they can take your franchise away. They even go so far as to say that if you do not follow any of the written policy directives they send you, they can take the franchise," Ray added.

He said the contracts contain a new performance criteria which specify how many trucks a dealer must stock and sell in a given year.

Pat McGowan, the Nissan Diesel attorney who wrote the franchise

see NISSAN, page 67

Solo 2: big brother of the Solo hinted for U.S.

Buick, Olds may sell Solo

Deal could mean Quad 4 for Panther sports car

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — The mid-engine Solo sports car being developed by Panther Car Co. in the United Kingdom may be sold in the United States through selected Buick and Oldsmobile dealers.

A distribution arrangement under consideration by General Motors' Buick-Oldsmobile-Cadillac Group and Panther officials is part of a deal that would include fitting the Solo with Oldsmobile's new multi-valve Quad 4 engine, GM sources said.

The tie-up would also give GM a potentially strategic link with Panther's new South Korean parent, the Ssangyong industrial group.

Panther is supervising Ssangyong's passenger-vehicle engineering as well as developing its own Solo two-place sports car, which is now planned in two versions.

The 150-mph Cosworth-powered Solo 2, which was shown at the Frankfurt auto show last September, is scheduled to be in pilot production later this year. The £28,000 ($52,360) Solo 2 will be equipped with four-wheel drive, anti-lock braking and other high-tech features.

But Panther also is developing a far less expensive, rear-wheel-drive model, dubbed Solo 1, that now seems more likely to go to the United States.

Panther Chairman Young C. Kim said recently that the company's U.S. import plans depend in part on the strength of the British pound. The pound's recent rise in value has complicated plans for U.S. export of the Solo 2. The price is now projected at over $50,000 at the current rate of $1.90 to the pound, compared with $35,000 when planning for the vehicle began.

Solo 1, which is expected to cost about half as much and possibly be produced in Korea, is an alternative for the U.S. market.

Either way, Panther is looking for a U.S. engine supplier because Solo 2's 204-horsepower four-cylinder Cosworth powerplant cannot be economically certified for the United States.

There has been speculation about using Ford of Europe's 2.9-liter V-6, which is being federalized by Panther for the U.S. version of its 1930s-style Kallista roadster.

Kim has declined to talk about U.S. engine prospects for either Solo 1 or 2 models, saying only, "We are looking for an American engine."

But GM insiders say B-O-C may supply the 2.3-liter, 16-valve Quad 4 as part of a distribution package with Panther. The engine is said to be currently under evaluation by Panther engineers.

Panther is expected to need fewer than 100 dealers for the introduction of the Solo in the United States. The company currently has about 25 dealers selling the Kallista roadster in the United States.

U.S. volume projections for Solo depend on the version that is imported. The Solo 2 is pegged for an initial output of about 600 annually at the company's new factory in Harlow, north of London.

Kim said recently that the Solo 1 would be built in significantly higher volume and could be produced by Ssangyong in Korea.

The Solo 1 is expected to debut at the Frankfurt show in September 1989 or possibly at Geneva in March 1990. The small version was originally shown as a prototype at the 1984 Birmingham show. However, when Toyota introduced the MR2 two-seater at a comparable price, Panther shelved the baby Solo in favor of the higher-tech Solo 2.

Ssangyong, South Korea's seventh-largest industrial group, acquired 80 percent of Panther last year after earlier taking over Dong-A Motor, a limited-volume maker of 4x4 sport-utility and specialty vehicles in Korea.

EDS, GM settle differences, sign contracts

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Electronic Data Systems has signed five-year, fixed-price contracts with four more General Motors groups, thereby bringing 65 percent of its GM business under such contracts.

EDS announced last week it has signed contracts with GM's automotive components group, Chevrolet-Pontiac-Canada Group, service parts operations and Delco Electronics. EDS also obtained fixed-price contracts to provide a broad range of information-processing and communications services to both the GM customer sales and service staff and the industrial relations staff.

EDS said the contracts are important because they demonstrate EDS's commitment to GM, adding, "the partnership between EDS and GM is a strong one."

GM recently completed an audit of EDS to determine if its software company had mischarged for services, said Bruce Bredehoft, director of research for Minneapolis-based Sit Investment Associates, an institutional investment firm.

"The divisions had held up the contracts for a year," he said. "EDS passed the audit with flying colors, and now they can settle the contracts and get on with life. The signing of the contracts resolves something that had been ongoing even before Ross Perot left. It removes some of the rough edges between EDS and GM."

A GM spokesman said the corporation audits all of its divisions but he was unaware of any special audit of EDS.

The contracts have been a source of tension between the the parent and subsidiary, and between H. Ross Perot, EDS founder and former GM board member, and GM Chairman Roger B. Smith. When GM acquired EDS in 1984, Perot had insisted on the long-term, fixed-price contracts to strengthen the value of EDS stock — a special class of GM shares traded independently on the New York Stock Exchange as GM E Class .

The Texas billionaire pressed GM for the contracts again when the automaker bought out Perot and several of his longtime executives for about $750 million in December 1986.

An EDS spokesman said the company historically has fixed-price contracts with its customers and there was no reason to change the practice with GM.

EDS had hoped to get 75 percent of its $2.9 billion business with GM under long-term, fixed-price contracts. The latest agreements put 65 percent of its business with GM groups under those contracts. Others include the truck and bus group and General Motors Acceptance Corp.

The Buick-Oldsmobile-Cadillac Group will sign very soon, the EDS spokesman said. "We are very close," he said.

EDS said the reason it is taking so long to sign all the GM contracts is the mountainous workload.

Although sales to GM accounted for more than 75 percent of EDS' total revenues after the merger, that share is decreasing. "It is now at 60 percent and eventually it will be less than 50 percent," the spokesman said.

The remaining GM contracts will involve research and special projects that are difficult to put under long-term contracts, said the spokesman.

INDEX

Around the world	29-35
Auction dates	52
Classifieds	55-65
Coming events	38
Extra section	E1
Legal briefs	26
News briefs	8
Opinion	10
Personnel	40-41
Production	69
Recreation on wheels	12
Sales, car	44

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Bullish Big 3 raise schedules for 2nd quarter

By Kathy Barbaglia and Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTERS

Stronger-than-expected sales and reasonable inventory levels have prompted Detroit's Big 3 to add 237,855 cars to their second-quarter production schedules.

The increase is expected to boost second-quarter production to 2,044,792 units, up 5.93 percent from the 1,930,389 cars built in the second quarter of 1987.

In addition, both Ford Motor Co. and Chrysler Motors announced last week that they will increase their production schedules for the remainder of the year.

General Motors added 142,859 to its original second-quarter forecast, made in March, bringing its anticipated quarterly total to 974,206, fractionally higher than the 965,890 built in 1987.

Ford Motor Co. now plans to build 49,000 more cars than it originally scheduled. Output is expected to reach 523,000 cars, 7.00 percent more than the 488,803 built in the same period last year.

UPDATED SECOND QUARTER AUTO PRODUCTION
1988 forecast vs. 1987 actual

	1988	1987	% change
GM	974,206	965,890	+0.86
Ford	523,000	488,803	+7.00
Chrysler	332,000	287,903	+15.32
Honda	95,740	83,623	+14.50
NUMMI	40,300	50,068	−19.54
Nissan	32,086	33,258	−1.12
VW	15,200	20,824	−27.00
Mazda	31,480	—	—
Industry	2,044,792	1,930,389	+5.93

Ford also plans to boost its third-quarter car and truck production. It has slated 790,000 units, 32,000 more than the April 1 estimate of 758,000.

Chrysler's revised production schedule calls for the company to build 46,000 more cars than it had originally scheduled for the second quarter. Chrysler projects it will build 332,000 cars in the period, up 15.32 percent from the 287,903 units it produced in the second quarter of 1987.

In the second half of the year, Chrysler plans to produce 983,000 units in North America, up from a previously projected build of 873,000 units.

The increase includes 12,000 more Omni/Horizon America subcompacts, 57,000 more America K-cars and 23,000 more Fifth Avenues, Diplomats and Gran Furys.

Ford is boosting production to match the pace of its increasing market share, a spokesman said. Ford's share of the U.S. car market in the first quarter of 1988 was 21.80 percent, up from 20.00 percent in the 1987 period, and its truck share was 29.70 percent, up from 29.40 percent, he said.

The industry's car and truck sales during the first quarter of 1988 ran at an annualized rate of 16 million, well above Ford's original full-year estimate of 15 million.

David Healy, analyst with Drexel Burnham Lambert, said new-car orders indicate the current sales rate will be sustained and, in that light, production hikes don't appear to be a big risk.

Inventories of new cars from the Big 3 should remain reasonable through the second and third quarters, he said.

Detroit analyst Arvid Jouppi attributed the strong Big 3 sales and production rates to the weakness of the dollar against the yen, which helped the domestic makers against the Japanese. He also mentioned incentives and a strong market for lower-priced automobiles and trucks.

Mercedes loses bout to reduce 1984-1985 CAFE

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Mercedes-Benz of North America is considering an administrative challenge of NHTSA's decision not to lower corporate average fuel economy standards for the 1984 and 1985 model years.

Last week, the agency rejected Mercedes' petition, and a petition filed by General Motors for CAFE relief for the 1985 model year.

While GM officials were disappointed, their solution appears to hinge on changing the law.

Mercedes-Benz of North America was the first company to make the innovative appeal for retroactive relief for the 1984 and 1985 model years. GM followed, but only sought relief for the 1985 model year. Both automakers requested a CAFE level of 26 mpg or lower. The 1984 CAFE of 27.0 mpg was set by NHTSA; the 1985 CAFE of 27.5 mpg was set by Congress in the 1975 law.

"The CAFE law should have been reduced for 1985 to 26 mpg for the same reasons that DOT reduced it to that level for 1986, 1987 and 1988 — because the agency found that the 27.5 mpg standard exceeded the 'maximum feasible' level during that period," a GM spokesman said. "The negative effects of the law should be removed either by repeal or amendment, or by administrative action by DOT."

A Mercedes spokesman said the company is "reviewing the decision to see what — if any — further action might be appropriate."

Mercedes' request for the rollback came after NHTSA warned the company on May 4, 1987 that it had a shortfall of $5,509,400 for the 1985 model year.

NHTSA warned Mercedes that because of a Center for Auto Safety suit against the EPA over the CAFE adjustment number (created because EPA changed its 1975 test procedures that measure fuel economy), the exact amount might need to be refigured.

The center won in the lower court and the decision was upheld by a three-judge appellate panel. However, the matter — which involves an even more important issue of whether the center has standing to sue — still has not been settled because GM and other automakers as intervenors appealed to the full federal appeals court. Caught up in the standing to sue are numerous other CAFE cases.

Last August, Mercedes said it would not question the calculation of the 1985 civil penalty, but it would in a formal agency proceeding reserve the right to challenge assessment of any additional penalties because of the Center for Auto Safety suit against the EPA over the test-procedure-adjustment factor.

Mercedes said NHTSA's interpretation, based on what GM and Ford Motor Co. can achieve, is wrong because it fails to account for the rest of the industry, especially European and limited-line automakers that should be treated separately.

GM had been advised by NHTSA in May 1987 of its 1985 model year shortfall and its potential liability. But, unlike Mercedes, GM in June filed a three-year carryback plan that the agency approved in October.

That means GM's liability for CAFE civil penalties is zero. The penalty is $5 for each 0.1 mpg by which a company's fleet misses the standard, times the number of cars sold during the model year. While GM probably knew its 1988 sales would fall within the CAFE limits, it may well have petitioned NHTSA partly because Mercedes had done so. If the full appellate court for the District of Columbia circuit ruled against EPA in the CAFE adjustment case, GM would stand to gain.

NHTSA presented a lengthy explanation of its reasons for denying both companies any retroactive change in CAFE standards. It relied on the language of the law and its legislative intent, and its own reasoning for granting and denying rollbacks as well as references to litigation history.

Porsche, Jaguar paid $10 million in 1985 fines

WASHINGTON — The corporate average fuel economy standard of 27.5 mpg for the 1985 model year caused more turmoil for the auto companies than any other single year's standard, but only two auto companies have paid civil penalties.

Jaguar paid $8,799,010, and Porsche paid $1,253,580.

Mercedes-Benz owes $5,509,400 since NHTSA has denied its petition to roll back the 1985 standard to 26 mpg or less.

Companies that had faced possible civil penalties in the 1985 model year but have had them offset by either three-year carryforward or carryback plans include: BMW, $4,730,805; Ford domestic, $92,745,873; Ford imports, $1,503,625; General Motors domestic, $385,798,065; Peugeot, $2,397,405; Saab, $2,192,190; Volvo, $1,496,280.

In response to earlier petitions, NHTSA has rolled back CAFE standards for the 1986, 1987 and 1988 model years.

The 1989 CAFE standard automatically reverts to 27.5 mpg. But pending before NHTSA are a petition filed by the Automobile Importers of America to roll back the 1989 CAFE level to 26 mpg, and a petition filed by Mercedes-Benz of North America to roll it back to 22 mpg.

Lemon toll is $3 million in Mass.

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

Unhappy car owners have won more than $3.2 million in arbitration cases against automakers in the 20 months the Massachusetts lemon law has been in effect.

The state's 1987 lemon law report also found that consumers are continuing to win almost two-thirds of the cases and that almost half the cases accepted for arbitration never reach a hearing because automakers have doubled their settlement offers.

Paula W. Gold, Massachusetts secretary of consumer affairs, said satisfying the customers early in the process is "exactly what the law envisioned" and "I can't think of better news to give consumers during National Consumers Week."

The state's Office of Consumer Affairs also produced a "lemon rating" for 1987. For the second year in a row, Yugo was fingered as the make with the highest rate of complaints — 19 times as many arbitration cases as its market share. Massachusetts said Yugo has 0.01 percent of the state's new-car sales but accounts for almost 2 percent of the arbitration cases.

The next four makes in the rating are: Alfa Romeo, Jaguar, AMC-Jeep-Renault and Peugeot.

Faring best in the state's lemon rating are Range Rover and Sterling with ratings of minus 100, meaning they had no cases accepted for arbitration.

The lemon rating shows the percentage of complaints accepted against a manufacturer compared to its market share. A company with a 20 percent market share might be expected to have 20 percent of the complaints. If, however, it had 30 percent of the complaints, it would have a lemon rating of plus 50. A 20 percent market share and 10 percent of the complaints would mean a lemon rating of minus 50.

Most-Troubled Cars

Manufacturer	Lemon Rating
1. Yugo	+1,825
2. Alfa Romeo	+1,315
3. Jaguar	+ 156
4. AMC/Jeep/Renault	+ 109
5. Peugeot	+ 101
6. General Motors	+ 60
7. Chrysler	– 2
8. Subaur	– 21
9. Porsche	– 23
10. Ford Motor Co.	– 28
11. Saab	– 32
12. Volvo	– 32
13. Mitsubishi	– 44
14. Volkswagen	– 46
15. Hyundai	– 45
16. Audi	– 49
17. Isuzu	– 54
18. Nissan	– 55
19. BMW	– 69
20. Mazda	– 70
21. Toyota	– 70
22. Suzuki	– 76
23. Mercedes Benz	– 78
24. Honda	– 89
25. Sterling	– 100
26. Range Rover	– 100

Gold noted the General Motors rating is "quite high" (plus 60) compared with that of Chrysler (minus 2) or of Ford (minus 28).

According to Gold, a high lemon rating means that either a company is producing more than its share of allegedly defective cars or is not settling as many cases before arbitration, or both.

The 1987 report from the state also shows that after being accepted for arbitration, GM settled 41 percent of its cases; Ford, 58 percent; and Chrysler, 74 percent.

During 1987, Massachusetts' arbitration program received 1,043 requests for arbitration — an increase of 15 percent over 1986 — and accepted 786 of them. Consumers won 64 percent of the cases; the automakers won 36 percent.

Only about 4 percent of the consumer victories were appealed by the manufacturers. Gold said Ford drastically reduced the number of cases it appealed from 40 percent in 1986 to 7 percent in 1987.

Massachusetts has one of the toughest of more then 40 state lemon laws. It mandates refund or replacement of new vehicles that remain substantially impaired in performance, value or safety after three repair attempts for the same defect or are out of service for 15 business days for any combination of defects.

Will Firestone ouster start trend?

By Edd Pritchard
and Charles M. Thomas
CRAIN NEWS SERVICE

General Motors' decision to drop Chicago-based Firestone Tire & Rubber as a supplier of tires for its cars and light trucks produced in North America has industry analysts predicting a major reshuffle over the next two years as tire makers realign themselves for carmakers' business.

A GM spokeswoman declined to give specific reasons for dropping Firestone, which supplies 20 percent of GM's tires, other than to say that the automaker thought it was no longer viable to operate with five tire suppliers. "It was a very difficult decision," she said.

The Firestone cutback is slated to begin in July and continue for two years.

Securities analysts who follow the tire industry believe Groupe Michelin will gain the most from Firestone's loss. Also benefiting will be Uniroyal Goodrich Tire Co., which might start pushing its Goodrich brands for original equipment use.

Goodyear and Continental A.G.'s General Tire subsidiary also will continue to supply GM.

Firestone, which is being acquired by Tokyo-based Bridgestone Corp., said GM accounts for roughly 20 percent of its North American tire production.

However, the tire maker's biggest customer is Ford Motor Co. at roughly 40 percent, say analysts. Firestone also has a foothold with several Japanese automakers including Nissan and Toyota.

The GM spokeswoman said the move to drop Firestone had no connection with the planned acquisition. She said Bridgestone will continue to supply the Japanese-built Chevrolet Sprint and Spectrum and GM's European models. Firestone also continues to be sole supplier of tires for Saturn cars, slated to go into production in 1990.

But some analysts in Japan speculated that the move was a negative reaction toward Japanese companies. One analyst wondered why GM didn't delay its decision until after the Bridgestone-Firestone takeover and give the Japanese tire maker a chance to make a counter-offer.

Another Japanese analyst, however, argued that price is the primary reason behind GM's decision, noting that Bridgestone is not known for reducing prices.

John J. Nevin, Firestone chairman and chief executive officer, said Firestone was surprised and disappointed by the GM decision. He said Firestone is very confident it can find other markets and that profits will not be affected.

Bridgestone has said the action will have no effect on the proposed acquisition. Ford said it has no plans to change its supplier relationship with Firestone.

GM said it has informed its other tire suppliers that it will increase their business, but "nothing has been finalized as to how much of an increase."

Industry analyst Donald F. DeScenza of New York-based Nomura Securities said France's Michelin could be the big winner in the shuffle.

"GM could decide that its four tire suppliers should have between 20 and 30 percent of its tire business, which would mean a big boost for Michelin that has only 4 percent now," he said.

DeScenza said production capacity at all of the tire makers is limited, so that they would have to reduce sales to other automakers to take on additional GM business. Firestone may pick up additional business at Chrysler if GM forces Goodyear to reduce its Chrysler business.

"In the end, everybody could have the same amount of business, just at different companies," he said.

DeScenza also suggested that as automakers bring suppliers into the design of future products earlier, the automakers will insist on protecting their secrecy.

"Would you want a company that supplies 40 percent of its tires to your arch-rival, Ford, and the Japanese, who have beaten you up so badly, in on your forward-product planning?" he asked.

Analyst Harry Millis of Cleveland-based McDonald & Co., agreed.

"GM must have felt uncomfortable developing specifications on products coming out three and four years down the road with a company that is so closely tied with the Japanese automakers," he said. "It's not the official reason, but it was on the back of someone's mind there."

He, too, said Michelin stands to make the biggest gain at GM, and that Firestone has been overweighted in the OEM market, causing it to shortchange the replacement market.

"It will relieve Firestone of the pressure to expand and build a plant," he said.

Feast appointed editor of AutoWeek

DETROIT — Veteran auto journalist Richard Feast has been named editor of AutoWeek, the only U.S. consumer automotive newsweekly.

Feast, until recently international editor at Automotive News, is former editor of Autosport, the British motorsports weekly, and What Car?, the largest automotive consumer magazine in England. He also served seven years as European editor in London for Automotive News.

AutoWeek and Automotive News are published by Crain Communications. AutoWeek has the largest circulation of any of the 25 publications in the Crain group.

AutoWeek publisher Leon Mandel said, "I'm delighted and AutoWeek is fortunate to have an editor of international reputation and wide experience."

Feast replaces George Levy, who resigned last week to pursue personal interests after a four-year tenure as editor of AutoWeek.

Van lists show top players

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — In the highly competitive van conversion business, some newer, more aggressive companies have displaced older, more established companies at the top.

For an up-to-date check on the hottest current competitors, Automotive News put together lists of the top van conversion pool companies for each of the major manufacturers.

The lists for Chevrolet and Dodge rank companies in order of their volume and, in the case of Dodge, their retail turn rates. For Ford and GMC, the companies are unranked, though Starcraft is the top GMC van converter and Bivouac is the top Ford account.

The lists were compiled from careful cross-checking of converters and auto company sources.

Some of the companies are a surprise, either because they have come a long way in a short time or because they have received little public attention despite prominence in the field.

As the two lists for Dodge indicate, a company's volume level doesn't always predict how fast its vans will sell at retail.

The point is worth important to dealers, interested in fast inventory turnover, and to converters. As in the case of Dodge, the speed with which a company's units sell is a major determinate in how many chassis it will receive in the future.

This gives smaller converters a chance to receive increasing more chassis, as long as they continue to sell well at retail.

Manufacturers do not compare turn rates of converters directly. Rather, they take an average rate for retail turn among their pool companies and compare individual firms against that average.

GMC uses an average of the days' supply of conversions in the field to measure an individual converters' performance.

GMC is coming on very strong in the van conversion market, according to industry sources.

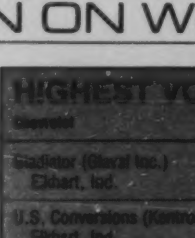
It is no longer a stepchild of Chevrolet, despite having the same chassis products, and it will be getting an increased allocation of chassis from General Motors because of its performance.

HIGHEST VOLUME VAN POOL COMPANY CONVERTERS

Chevrolet	Dodge	Ford	GMC
Gladiator (Glaval Inc.) Elkhart, Ind.	Mark III Inc. Ocala, Fla.	F.M.S. Conversions Laguna, Calif.	Starcraft Corp. Topeka, Ind.
U.S. Conversions (Kentron Inc.) Elkhart, Ind.	Country Sales White Pigeon, Mich.	Aero Vans Inc. Albany	Automatic Glass Inc. Elkhart, Ind.
Gulf Stream Coach Inc. Nappanee, Ind.	Ram Coach (Kentron Inc.) Elkhart, Ind.	B Bauder Sons Co. Bay Shore, N.Y.	Compact Conversions Inc. Lancaster, Pa.
Rockwood Inc. Goshen, Ind.	Six Six Motors Elkhart, Ind.	Ram Boys and Girls Inc. St. Cloud, Fla.	Chevrolet Motor Division Warren, Mich.
Starcraft Corp. Topeka, Ind.	Glaval Van Albuquerque, N.M.	D.M.S. Conversions Bay City, Mich.	Glaval Van Albuquerque, N.M.
Trans Air International Inc. Elkhart, Ind.	High Caliber Vans Mansfield, Texas	Roman Motor Body Corp. Lenoir, N.C.	Glaval Van Albuquerque, N.M.
Choo-Choo Customs Chattanooga, Tenn.	Regency Vans Inc. Arlington, Texas	Advanced Coachwork Bucyrus, Ohio	Regency Vans Inc. Arlington, Texas
Chariot Vans Elkhart, Ind.	Roman Wheels Midwest Inc. Elkhart, Ind.	Ram Boys Vans Inc. Arlington, Texas	Chariot Vans Elkhart, Ind.
The Beasley Group Vans Van Grandview, Texas	Compact Conversions Co. Lancaster, Calif.	Vans Plus Inc. Carrollton, Texas	Compact Conversions Inc. Lancaster, Pa.
Advantage (Rockwood Inc.) Goshen, Ind.	Frank Hamilton Brown City, Mich.	Regency Vans Arlington, Texas	Regency Vans Inc. Arlington, Texas

TraTech adds full-sized van, luxury mini

TRUCKING TRENDS



JOSEPH BOHN

TraTech, celebrating its 10th anniversary next year, is offering an all-new full-sized Centennial van conversion model and a new luxury General Motors minivan.

The company also announced that it appointed Dick Nesbitt product designer, and William L. Maloney president.

Officials noted they have sold more than 40,000 van conversions since startup in 1979 and that the company was Chevrolet's largest bailment pool converter in 1987.

TraTech recently named Jones, Pointer, Winn Inc. as its advertising and public relations firm and is developing an aggressive co-op ad program for its major dealers.

TraTech, based in Fort Worth, Texas, is a subsidiary of Neoax Inc., a large specialty-vehicle manufacturer of stretch limousines, conversion vans and funeral coaches.

Gulf Stream additions

Gulf Stream Coach Inc., Nappanee, Ind., has introduced a companion package for its Monogram Conversions' Monocet model. It is called the Exocet.

The package is priced in the low- to mid-range category but offers a number of extras, such as twin headphone sets for the van's second AM/FM/stereo cassette radio system and a full-width, overhead lighted console with an electronic function monitoring panel and electronic compass.

George Mahalick, Monogram general manager, said the high-tech panels are new to the van conversion market and offer information such as a door being ajar.

The package also includes newly designed luxury seats with contoured thigh and head-support systems, a raised sport-top roof, rear, under-sofa air conditioning and other features.

Kudos to Compliment

Phil Barger, who joined Compliment Vans, Comanche, Iowa, as president last October, said the company received good response to a Euro Vista luxury van with European styling that it introduced at the National Automobile Dealers Association convention in February.

During the past six months, the company has introduced 10 new products, additional product upgrades and several marketing tools for dealers.

The company recently introduced conversions for two- and four-wheel-drive Suburbans, and it plans to introduce a mini version of the Euro Vista and restyled versions of its Buena Vista, Ultra Vista and Vista Silver models.

Compliment, a Neoax company, has been in the conversion business since 1963 and has been dealing exclusively with van conversions since 1973.

It has manufacturing plants in Camanche, Iowa, and Pueblo, Colo., and claims more than 600 car dealers in its national network.

Name change
Southern Coach of Greensboro, N.C., plans to market conversion vans and trucks under the new name of Southern Coach of America to reflect the company's growth. The firm's name change and expansion began with the repurchase of all its outstanding stock by key management last fall. Southern distributes products to 25 states east of the Mississippi River. This Ford conversion is one example.

Recreational Vehicle Wholesale Deliveries

	Apr. 1988	Apr. 1987	% chg.	4 mos. 1988	4 mos. 1987	% chg.
Travel trailers	4,300	4,900	- 12.2	8,200	10,000	- 18.0
Park trailers	800	800	+ 0.0	1,400	1,200	+ 16.7
Travel trailers—fifth wheel	2,700	1,800	+ 50.0	4,900	3,900	+ 25.6
Folding camping trailers	3,500	3,200	+ 9.4	6,900	6,000	+ 15.0
Truck campers	800	700	+ 14.3	1,700	1,800	- 5.6
Towable RV total	12,000	11,300	+ 6.2	23,100	23,000	+ 0.4
Conventional (type A)	2,700	2,200	+ 22.7	5,200	5,100	+ 2.0
Van Campers (type B)	400	600	- 33.3	700	1,100	- 36.4
Compact vans (type C)	2,200	2,300	- 4.3	4,700	4,300	+ 9.3
Motor home total	5,300	5,100	+ 3.9	10,600	10,500	+ 1.0
Van conversions	16,500	14,500	+ 13.8	30,500	28,700	+ 6.3
TOTAL ALL RVs	34,300	31,900	+ 7.5	65,100	63,100	+ 3.2

Wholesale shipments highest since 1977

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

RV wholesale shipments increased 7.52 percent in February, and shipments for the first two months of 1988 were the highest since 1977.

Manufacturers shipped 34,300 units in February, up from 31,900 last year. During January and February, 65,100 were shipped, a 3.17 percent rise over 63,100 in 1987, according to the Recreation Vehicle Industry Association.

The two-month total represents a seasonally adjusted annual rate of more than 440,000 units, the best since 1977, RVIA said.

The Index of Consumer Sentiment, as measured by the University of Michigan's Survey Research Center, stood at 91.6 in February, up slightly from the previous month and substantially ahead of November's 83.1.

RV retail sales also moved ahead in February, particularly for travel trailers and type A motor homes, RVIA said.

Van conversions were a major factor in the industry's upsurge. Manufacturers shipped 16,500 van conversions in February, 13.01 percent more than a year ago.

For January and February, manufacturers shipped 30,500 van conversions, 6.27 percent more than a year earlier.

Van shipments by Detroit manufacturers to converters also increased in February, reversing the previous month's decline and bringing two-month shipments closer to the 1987 level.

The four major domestic manufacturers shipped 17,000 vans with the seat-delete option to converters in February, up 8.28 percent from last year.

For the first two months of this year, manufacturers shipped 29,000 vans with the seat-delete option, 4.29 percent fewer than the 30,300 of like 1987.

For the two-month period, compact-van shipments by Detroit automakers to converters totaled 8,200, up 49.09 percent from 5,500 last year.

Full-sized van shipments by Detroit makers totaled 20,800 units in January and February, off 16.13 percent from 24,800 a year earlier.

MADE IN MEXICO

MEXICAN PLANT OWNERS

Company	Parent	Location	Product	Employees
General Motors				
Alambrados y Circuitos Electricos	Packard Electric	Chihuahua, Chihuahua State	wire harnesses	3,424 (two shifts)
D.R. de Chihuahua	Delco Remy	Chihuahua, Chihuahua	automotive solenoids	657
Alambrados y Circuitos	Packard Electric	Ciudad Cuauhtemoc, Chihuahua State	wire harnesses	800
Alambrados y Circuitos Electricos	Packard Electric	Ciudad Delicias, Chihuahua State	wire harnesses	797 (three shifts)
Cableados de Juarez	Packard Electric	Ciudad Juarez	wire harnesses	1,809 (two shifts)
Central Cableados	Packard Electric	Ciudad Juarez	wire harnesses	n/a
Conductores y Componentes Electricos de Juarez	Packard Electric	Ciudad Juarez	wire harnesses	1,864 (two shifts)
Delmex de Juarez	Delco Products Division	Ciudad Juarez	aerials, ISC motors, electrical components	834 (three shifts)
Rio Bravo Electricos (plant One)	Packard Electric	Ciudad Juarez	wire harnesses	706 (two shifts)
Sistemas Electricos y Conmutadores	Delco Remy	Ciudad Juarez	engine controls, solenoids, turn signals	1,265 (three shifts)
Rio Bravo Electricos (plant two)	Packard Electric	Ciudad Juarez	wire harnesses	1,177 (two shifts)
Rio Bravo Electricos (plant three)	Packard Electric	Ciudad Juarez	wire harnesses	470
Rio Bravo Electricos (plant four)	Packard Electric	Ciudad Juarez	wire harnesses	910 (two shifts)
Rio Bravo Electricos (plant five)	Packard Electric	Ciudad Juarez	wire harnesses	n/a
Vestiduras Fronterizas	Inland Division	Ciudad Juarez	automotive trim, seat covers	950 (two shifts)
Delmex de Juarez	Rochester Products	Ciudad Juarez	n/a	n/a
Alambrados y Circuitos	Packard Electric	Nuevo-Casas Grandes, Chihuahua State	wire harnesses	800
Conductores y Componentes Electricos	Packard Electric	Villa Ahumada, Chihuahua State	wire harnesses	n/a
Componentes Mecanicos de Matamoros	Inland Division	Matamoros, Tamaulipas State	dashboards, steering wheels, brake-hose assemblies	2,163 (three shifts)
Deltronics de Matamoros	Delco Electronics	Matamoros, Tamaulipas	electronic parts	2,479 (two shifts)
Rimir	Fisher-Guide	Matamoros, Tamaulipas	interior and exterior plastic components	1,127 (three shifts)
Alambres Automotrices	Packard Electric	Nuevo Laredo, Tamaulipas State	wire harnesses	452
Delnosa	Delco Electronics	Reynosa, Tamaulipas State	engine controls, electronic dash displays, air conditioners	600 (two shifts)
Marmon Group, Chicago				
American Safety de Mexico	American Safety Equipment Corp.	Ciudad Juarez	seat belts	1,105 (two shifts)
Chrysler Corp.				
Autoelectronica de Juarez	Acustar	Ciudad Juarez	automotive electronics, electro-mechanical parts	700 (two shifts)
Productos Electricos Diversificados	Acustar	Ciudad Juarez	wire harnesses	4,000 (two shifts)
Ensamble de Interiores Automotrices	Acustar	Ciudad Juarez	automotive trim and seat covers	several hundred
Circuitos Mexicanos de Nogales	Coleman Products	Nogales, Sonora	automotive wiring	450 (two shifts)
Essex Group				
Essex International de Mexico	Automotive Products Division	Chihuahua, Chihuahua State	wire harnesses	920 (two shifts)
Essex International de Mexico (plant two)	Automotive Products Division	Chihuahua, Chihuahua State	wire harnesses	500 (two shifts)
Essex International de Chihuahua	Essex International Group	Ciudad Juarez	wire harnesses	780 (two shifts)
Essex International de Chihuahua (plant two)	Essex International Group	Ciudad Juarez	wire harnesses	1,350 (two shifts)
Essex International de Chihuahua (plant three)	Essex International Group	Ciudad Juarez	wire harnesses	500 (two shifts)
Ford Motor Co.				
Alta Tecnologia de Chihuahua	Ford	Chihuahua, Chihuahua State	automotive electronics, radios	3,000 in both plants
Alta Tecnologia de Chihuahua (plant two)	Ford	Chihuahua, Chihuahua State	automotive electronics and radios	
Autovesta	Ford	Ciudad Juarez	seat covers	n/a
Coclisa	Climate Control Division	Ciudad Juarez	air conditioners	326 (two shifts)
Favesa	Ford	Ciudad Juarez	automotive trim, seat covers	907 (two shifts)
Favesa (plant two)	Ford	Ciudad Juarez	automotive trim, seat covers	805 (two shifts)
Favesa (plant three)	Ford	Ciudad Juarez	automotive trim, seat covers	1,486 (two shifts)
Coclisa	Ford	Ciudad Juarez	heaters, air conditioners, radiators	196
Favesa (plant four)	Ford	Ciudad Juarez	automotive trim, seat covers	n/a
Lamosa	Ford	Nuevo Laredo, Tamaulipas State	catalytic converters, stabilizer bars, coils, wheels	240
American Yazaki Corp.				
Autopartes y Arneses de Mexico	American Yazaki	Ciudad Juarez	wire harnesses	1,116
Autopartes y Arneses de Mexico	American Yazaki	Nueva Casas Grandes, Chihuahua State	wire harnesses	1,100

SOURCE: Mexico Communications, El Paso, Texas

Dodson: "Elamex doesn't run sweat shops." STEPHEN DOWNER

MEXICO

FROM PAGE 1

ported; they cannot be sold in Mexico.

The simple reason for the booming cross-border trade is money.

Labor costs in the United States are $12 per hour on average and factory operating costs are $24 an hour, according to Chuck Dodson, chairman of Elamex, which has offered contract assembly services in Ciudad Juarez for 15 years. In Mexico, he said, labor costs are $1 an hour and operating costs are $6.28.

"With one operator in Mexico doing assembly work, you save $43,000 per year," he said. "With 100 workers, your savings are $4.3 million."

The added attraction for the U.S. companies is that, under the provisions of U.S. Customs Codes 806 and 807, there is no U.S. import duty on the portion of the finished product that originated in the United States.

But the main attractions of in-bond remain: low operating costs, totally non-union labor and the fact that foreign investors are allowed to own 100 percent of an enterprise. Businesses other than in-bond must by law be 51 percent in Mexican hands.

GM, Ford and Chrysler are important players in fact as they are in the manufacture of cars in Mexico for sale in the United States.

The trade in built-up vehicle imports from Mexico has leapt from 13,650 worth $69 million in 1985 to 126,300 worth $1.18 billion last year, according to U.S. Commerce Department figures.

The automakers and companies like Essex International already have about 42 so-called in-bond plants operating south of the 2,000-mile-long U.S.-Mexico border.

The auto plants employ about 42,000 persons. About 300,000 persons work in Mexico's 1,200 in-bond plants.

The number is likely to increase. But the auto companies are loath to discuss their plans. Their reticence apparently springs from the U.S. unions' growing disenchantment with the policy of moving more and more assembly to Mexico.

"Runaway shops that once padlocked their doors in the industrial Midwest and Northeast and reopened in the Sunbelt, seeking low wages and no unions, today are shutting down across America and moving to Taiwan, Singapore, Mexico and elsewhere," UAW President Owen Bieber said in 1986.

In a recent case, workers at Chrysler Motors' Acustar Detroit trim plant, which Chrysler said it plans to close, said they believe a large percentage of their plant's work is headed to a Chrysler plant in Mexico.

The union has pushed for legislation which, it says, must prevent corporations from exploiting low-wage workers in Mexico and elsewhere at the expense of American jobs. The UAW's magazine, "Solidarity," has featured articles on the struggle of Mexican autoworkers, who are paid $30 for a 44-hour week.

The UAW maintains it is economically unhealthy in the long run for the automakers to move their capital to countries where workers cannot afford to buy the products they manufacture.

In-bond industry supporters, like Donald Michie of the University of Texas at El Paso, said the unions' fears are unwarranted. Nevertheless, Automotive News' interest in looking inside several auto plants in Ciudad Juarez, which lies across the Rio Grande from El Paso, Texas, was referred to head offices in the United States. In every case, cooperation was denied.

GM de Mexico mentions its maquiladoras in a new public relations video, yet has failed to respond to written and oral requests for details.

Michie: Without the in-bond program, it would be difficult for American industry to offer poducts at a price comparable to those offered by foreign competitors.

According to figures compiled by the Bermudez industrial development group in Ciudad Juarez, the city had 185 in-bond plants in June 1987, an eighth of them assembling for the auto industry. They employed 96,405 people. That was 33.2 percent of the 290,743 in-bond employees in the whole of Mexico at the time.

Tijuana, in the state of Baja California Norte, close to San Diego, was the second largest employer. Its 35,762 workers (in 281 plants) represented 12.3 percent of the total.

Of the 240 plants in Ciudad Juarez today, according to the Bermudez group, about 25 assemble auto parts and components. GM-related companies have 12, Ford seven and Chrysler (Acustar) two. In addition, another five plants or so assemble products, mainly wire harnesses, for GM companies.

The statistics on the auto companies' in-bond presence in Mexico come from the 1987 Directory of In-bond Plants (Maquiladoras) in Mexico, published by Mexico Communications of El Paso, Texas, and sold for $115.

According to Wayne McClintock, Mexico Communications' chief executive, the maquiladora industry

see MEXICO, page 22

Free-trade pact eyed for Mexico

WASHINGTON — Reagan administration officials who pushed hard for a free-trade agreement with Canada are also interested in similar negotiations with the government of Mexico.

"Within the administration, there is support for expanding the free-trade agreement to all of North America," said an auto industry source who helped negotiate the U.S.-Canada pact. "There is also the realization bilateral talks with Mexico would be more controversial than the talks with Canada."

U.S. Trade Representative Clayton Yeutter recently told the Senate Finance Committee that serious free-trade negotiations with Mexico will not be undertaken this year because his office does not want to "tie the hands" of the next administration, and because his staff already has its hands full. Yeutter did express general support, however, for a free-trade agreement with Mexico at some future time.

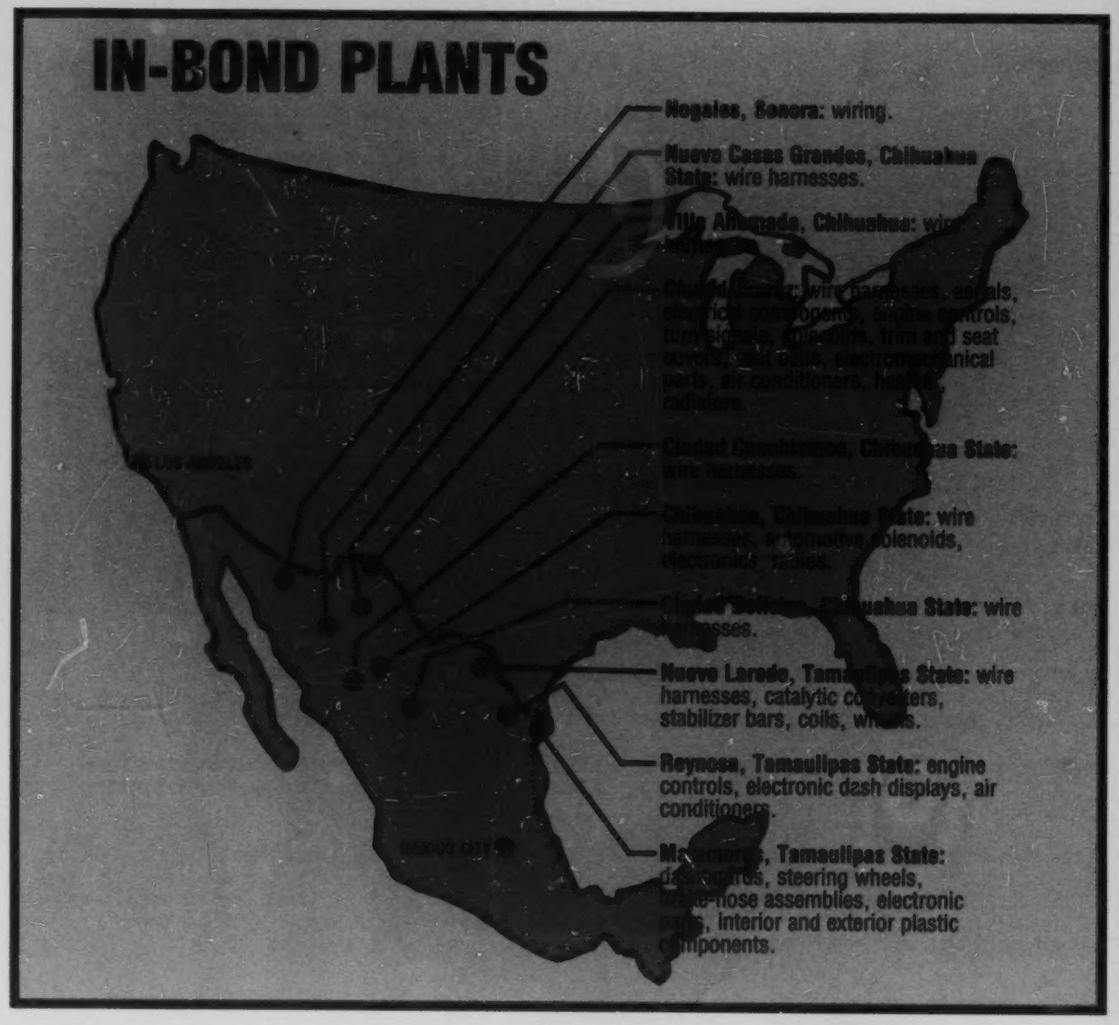
The U.S. auto industry is paying close attention to those remarks, according to trade lawyers for vehicle manufacturers.

"We have increased our investments in Mexico, but we have done so under Mexico's existing trade and financial controls," one car company official in Washington said. He added, "Lifting restrictions would be of some benefit to us, but there is concern that this would be of more benefit to new investors. It is a situation not unlike that we faced in the Canadian negotiations."

The industry representative who helped negotiate the U.S.-Canadian agreement said, "Mexico has taken several important steps in recent years that signal a different approach to international trade.

"For instance, Mexico has joined GATT (General Agreement on Tariffs and Trade). There is a movement toward more openness. I believe there is an element of fear in Mexico that excessive controls are causing Mexico to loose out on foreign investment."

— Geoff Sundstrom


IN-BOND PLANTS
Nogales, Sonora: wiring.
Nuevo Casas Grandes, Chihuahua State: wire harnesses.
Ciudad Juarez: wire harnesses, aerials, electrical components, engine controls, turn signals, solenoids, trim and seat covers, air coils, electromechanical parts, air conditioners, heaters, radiators.
Ciudad Chihuahua State: wire harnesses.
Chihuahua State: wire harnesses, automotive solenoids, electronics, radios.
State: wire harnesses.
Nuevo Laredo, Tamaulipas State: wire harnesses, catalytic converters, stabilizer bars, coils, wheels.
Reynosa, Tamaulipas State: engine controls, electronic dash displays, air conditioners.
Tamaulipas State: steering wheels, front-nose assemblies, electronic parts, interior and exterior plastic components.

MEXICO

FROM PAGE 20

in Mexico is growing by 25 percent a year.

"By the end of this year, there will be more than 1,500 of these plants," he said. "The Mexican government intends having one million-plus in-bond workers by the end of the century."

The Bermudez group, on the other hand, predicts growth of between 11 and 16 percent a year for the next five years. "The crystal ball muddies up after that," said William L. Mitchell, the Bermudez group's marketing vice president.

American industry guru Peter Drucker is on record as saying that 10 million U.S. jobs will go offshore by the turn of the century. Mexico, which would like to attract five million of those, is realistic and has set a goal of one million-plus, according to McClintock.

"I bet you that within five years, the automotive industry's in-bond plants in Mexico will be highly automated where the highest wage is paid," he said.

GM was the first major automaker to join the maquiladora program. In 1978, its Packard Electric Division established Conductores y Componentes Electricos de Juarez in Ciudad Juarez to make wire harnesses. That same year, GM's Inland Division founded Vestiduras Fronterizas in the city. About 1,000 employees produce about six million seat covers and interior trim items a year for such vehicles as the Camaro.

Since 1978, GM's Delco Products, Delco Remy, Delco Electronics, Fisher-Guide, Rochester Products and Packard Electric divisions have set up two dozen more in-bond plants in Mexico.

Wire harnesses, solenoids, car radio aerials, engine controls, dashboards, steering wheels and interior and exterior plastic automotive components are part of the GM product lines at the plants.

Ciudad Juarez is attractive to investors who have joined the in-bond program. It has three bridges that link it to the United States. Shipping delays are thus kept to a minimum.

El Paso is considered by many to be the best jumping-off point from the Mexican border to the rest of the United States. The Bermudez group said that products assembled in Ciudad Juarez are transported by road and air to 1,200 U.S. towns and cities in 49 states.

Elamex's Dodson, whose company is understood to do assembly work for Packard Electric (although he was tight-lipped when asked about it), said that such a saving does not necessarily represent profit. "It may simply help a company reduce a product's selling price and remain competitive," he said.

Elamex employs some 2,600 people in nine plants, eight in Ciudad Juarez and one in Guadalajara, Mexico's second city. Dodson

McClintock: "The Mexican government intends having one million-plus in-bond workers by the end of the century."

and his fellow executives are planning to build four more plants, three in Ciudad Juarez and one in Nuevo Laredo.

"Five years from now, I expect to have 5,000 people working for us," he said.

"In our opinion, it took too long for GM to react to this (in-bond) program," said Cesar Alarcon, director of the Maquiladora Association in Ciudad Juarez. "We had been working on them since 1973 or 1974. They didn't make up their minds until 1978. But since then, they have grown quickly."

Alarcon said that the 240 in-bond plants in Ciudad Juarez spent $570 million on wages and operating costs last year, $82 million more than in 1986 and $255 million more than in 1983.

In-bond workers earn the minimum wage, 8,000 pesos ($3.47) for an eight-hour day, which works out at 1,000 pesos (43 cents) per hour. But with fringe benefits the average worker's wage is worth 70 cents an hour or more, Alarcon said.

He said that the national minimum wage is set by the federal government after consultations with the private sector.

"We recognize that the minimum wage is not enough to feed the average family well," he said. "But it is better to have these (in-bond) jobs than to have nothing. The unemployment situation in Mexico is bad."

Ten years ago, he said, Ciudad Juarez's population was about 500,000. Since then, the factories have attracted that many again from other states of the republic.

"We have had a lot of immigration from (northern) states like Coahuila, Zacatecas and Durango," said Alarcon. "Now they are starting to come in from (southern) states like Chiapas and Oaxaca, as well as from Mexico City."

According to Alarcon, the U.S. government's crackdown on illegal immigration into the United States in the past year has benefited the Mexican in-bond industry.

"If workers had the choice, we would be struggling to find people to work in the maquiladoras," he said.

Working conditions at the plants, in Ciudad Juarez at least, appear to be good. This reporter entered one Elamex plant, which manufactures circuit boards, and found it clean, bright and cool.

"Elamex doesn't run sweat shops," said Dodson, a Harvard Business School graduate. "Working conditions are excellent. Our plants are well lit and air-conditioned. Why? Not because it makes you feel good but because, when you have a good environment, people work well.

"We try to introduce the newest technology available. We have automatic assembly operations. This is not a backward nation. It is very progressive."

He added, "Reporters ask me sometimes if I am still exploiting Mexican workers. As far as I know, all the maquiladoras pay more than the minimum wage."

Alarcon: "We recognize that the minimum wage is not enough to feed the average family well. But it is better to have these (in-bond) jobs than to have nothing. The unemployment situation in Mexico is bad."

Michie, who is director of the Institute for Manufacturing and Materials Management at the University of Texas at El Paso, said, "There is no exploitation of the Mexican worker in the maquiladora industry. You don't find a better wage/benefit package within the Mexican economy and yet by American standards the wage rate is low. You can't impose American standards on Mexico."

They provide about 40 percent of the jobs in the city, where unemployment is nil, he said, compared with the national unemployment rate of 14 percent.

Ciudad Juarez's mayor, Jaime Bermudez Cuaron, a leading figure in the in-bond industry's development, said, "The average maquiladora worker's income is almost twice the minimum wage in Mexico."

Dodson said that Elamex workers put in a 10-hour day, five days a week. Production starts at 6.30 a.m. and finishes at 4.30 p.m. Workers get a 30-minute lunch break and two coffee breaks of 15 minutes each. "There is an 80 percent subsidy on the lunch we sell at our factories," he said.

According to Alarcon, it can take a company as little as four weeks to establish an in-bond plant in Ciudad Juarez, compared with a year a decade ago. "There is very little red tape," he said.

A plant built to a company's specifications will take six to eight months to construct," he said.

"Mexico ought to be far more important (as an in-bond center) than Korea or Tai-

see MEXICO, page 24

MEXICO

FROM PAGE 22

wan," Dodson said, "First of all, because of its proximity to the United States and second, because it has a large labor force. The labor force is very trainable, very intelligent, very good. I have no reservations about it."

The Bermudez group is the largest of about six industrial developers in Ciudad Juarez and employs between 400 and 500 people.

According to group president Sergio Bermudez, the mayor's son, the group sells industrial real estate, builds plants and contracts manufacturers. It has developed four industrial parks in Ciudad Juarez.

The group's founder, Mayor Bermudez Cuaron, is considered by many to be the "godfather" of the Mexican in-bond industry. Adolfo Lopez Mateos, Mexico's president from 1958 to 1964, named Bermudez Cuaron's uncle, Antonio J. Bermudez, a former director of state oil monopoly Pemex, to head a program aimed at improving the Mexican border towns' appearance in the early 1960s.

"A lot of work was done to improve the town's appearance," said Bermudez Cuaron, who was elected mayor in 1986. "But then a group of us started talking about their economic development."

The Boston-based company Arthur D. Little was commissioned to conduct a study on the industrial possibilities of Ciudad Juarez. The company's report was published in about 1963.

However, after Antonio J. Bermudez left the border program, government interest in it began to wane, according to the mayor.

"So the same group of businessmen tried to get people to invest. It was hard. I had a supermarket chain, which I sold to concentrate on getting investors to come to Ciudad Juarez and to set up in-bond plants."

Elamex, subsequently sold, was one of them.

RCA was the first big company to support the program. It opened a plant in Ciudad Juarez, employing several hundred, in 1968. Between 1969 and 1986, the average annual output growth of the Mexican in-bond industry was 29 percent, according to the Bermudez group's research manager, Lucinda Vargas. In the same period the overall Mexican manufacturing sector's output grew 5.8 percent on average annually.

The Bermudez group said that the in-bond industry's exports have increased at an average annual rate of 37 percent in the last 20 years.

Sergio Bermudez said, "In this group, we get an average of about 15 companies a week inquiring about investment possibilities. Most are from the United States, but we are beginning to see interest from Europe and Japan."

The Bermudez group, he said, works closely with technical schools and universities both in Mexico and the United States to try to ensure a supply of trained personnel.

"The (main) problem in Mexico is (a lack of) education," he said.

McClintock of Mexico Communications agreed: "They are not able to produce enough technicians in Mexico at this point. That's one of the reasons for the high turnover within the industry."

He said that the plants' turnover is about 8 percent a month. "This is why companies are going into the interior, following the source of labor."

However, 90 percent of Mexico's maquiladoras are still close to the border, although in the Antonio J. Bermudez industrial park in Ciudad Juarez, a number of plants had "vacancy" signs outside their doors.

Another of Sergio Bermudez's concerns is the small Mexican contribution toward the input used by the maquiladoras. He said that the input is currently worth $7 billion a year, of which Mexico contributes less than 2 percent.

The problem is an old one, he said. "For many years there was no competition because Mexico was a protected market. People charged whatever they wanted, with the quality and delivery times they wanted. That's changing now."

The main reason for the change is the Mexican government's decision to take the country into the General Agreement on Tariffs and Trade in 1986 after years of procrastination.

Said Mayor Bermudez Cuaron, "Mexico could overtake Taiwan, Korea and Singapore (as an in-bond plant base). They are ahead of us. They have higher technology than we do. But we have a lot of possibilities."

Alarcon said, "I feel very optimistic about the maquiladora program, provided the Mexican government improves the infrastructure. By this I mean housing, communications, city transportation. They are deficient.

"There is a great lack of housing (in Ciudad Juarez). Telephones, telefax and microwaves are inefficient. It takes too long to contract these services. In some cases, it takes up to a year to get a telephone. It appears that the authorities were not prepared for this rapid growth and, given the present economic conditions, it is hard to find the money to meet the great demand."

Mayor Bermudez Cuaron said, "We are very much aware of the need to improve our infrastructure. We need to improve our street system and transportation. We need a tremendous amount of housing. We are trying very hard."

He added, "I have always been a firm believer in the in-bond industry and more so right now. We have a number of people who have worked in this industry for years and they have learned a lot."

According to Michie, who has studied the in-bond industry for 10 years, the in-bond program has become "critical to the United States."

He added, "It is a strategy that enables American industry to achieve price competitiveness in the U.S. economy.

"Without the in-bond program, American industry would have found it difficult to offer products at a price comparable to those offered by foreign competitors selling in the United States.

"It is not a short-term business strategy on the part of American industry. I think you will see it continue to expand at a fast rate. Companies will expand and new companies will come in. They will be from the United States and other countries. Finland is here, so are the Scandinavian countries. All the EEC countries are likely to find this industry attractive."

Michie said in an interview on the university campus that U.S. companies lost market share because their prices were higher than those of their competitors.

"Both management and labor have to assume the blame for the higher cost structure," he said, "and what we have seen in the last few years is several trends: Where labor costs for various production processes are not competitive with the rest of the world, these have been shipped offshore.

"On the management side, we have seen tremendous cutbacks in administrative costs. So one of the strengths of American industry today, relative to a few years ago, is that American industries are much leaner and aner and have become very competitive in the global market."

But he said that American labor, rather than understanding the economic process, has sought to insulate itself from the realities of what is going on in the world labor market.

"We see American labor not presenting objective information concerning its situation but primarily emotional claims and appeals in response to the situation," he said.

"Rather than recognize that certain jobs and job categories are declining, due to economic circumstance, American labor has attempted to retain certain positions, resulting in that work being shifted elsewhere.

"It is hard to justify a situation where labor costs are one-sixth of what they are in the United States and expect industry not to seek that cheaper rate, when wages represent a significant portion of the product's price."

see MEXICO, page 26

UAW SOLIDARITY PHOTOS

Clockwise, from top: Workers at a GM plant in Ciudad Juarez leave at the end of their shift; basic tire rims are finished and polished before being sent to the United States; breaking up an auto pump mold

MEXICO

FROM PAGE 24

He said that labor has an obligation to retrain in areas where employment is available.

"A few years ago, in looking for a secretary, I would have sought a competent typist," he said. "Today, that skill is way down the list."

Michie said that the number of jobs created in the United States in industries that supply the maquiladoras is on the increase.

"Last year, the border economy in Texas showed growth while the rest of the Texas economy has been in recession," he added.

"This (in-bond) industry has been a primary stimulus for economic development in El Paso, but we have not integrated this industry into our community's economic development to the degree that we should have."

He explained, "What we have not seen is the development of more basic infrastructure within our economy, such as tool and die facilities, metal stamping, plastic injection molding, the kinds of basic infrastructure that would support the diversification of our economy.

"The demand for these services has existed in this area since the mid-1970s but El Paso has not recognized that the demand is there and has not responded to building" (what is needed).

Michie said that the only explanation he can provide is that the businesses on the El Paso side of the border are small. "They don't have the technical expertise or the capital to get involved in this. They don't understand tool and die."

STEPHEN DOWNER

Bermudez Cuaron — considered by many to be the "godfather" of the Mexican in-bond industry: "The average maquiladora worker's income is almost twice the minimum wage in Mexico."

As a result, he said, El Paso's business people are restricting themselves to a service role: "trucking, for example, industrial warehouse space.

"We have 27 million square feet of industrial warehouse space in El Paso, most of which is leased or owned by the maquiladora industries," he said. "Transportation charges made by El Paso companies to the maquiladoras totaled $70 million last year. In less than five years, we have gone from four airfreight carriers to 12.

"We have one transportation company that last year bought 65 tractors, at a cost of more than $60,000 each. We now have sprint trains from here to Kansas City."

The in-bond industry, he said, is uniting U.S. border communities. "Trade was always north-south or south-north," he said. "Now there is east-west trade. In a study conducted last year, 30 percent of the maquiladora shipments were found to travel east-west or west-east along the border. This is stimulating the border regional economy. The boom is on now."

Said the Bermudez group's Vargas, "El Paso, which traditionally has been a very economically depressed border city, like most of them, is now a bright spot in the Texas economy."

According to studies, she said, 35,766 jobs were created in El Paso between 1977 and 1985 and approximately one job in five was a result of the in-bond industry in Ciudad Juarez.

Mitchell of the Bermudez group said, "The auto industry in the United States is restructuring to meet the competition. The Japanese auto industry is restructuring to meet the competition. The German auto industry is doing the same. All over the world they are doing it.

"Basically what they are doing is sharing production and reducing the cost by going to countries where labor costs less. They are bringing in more and more products (to Mexico).

"They started out with wire harnesses. Now you are into electrical parts, windshields, anti-pollution devices, radiators, air conditioners.

"The Mexican in-bond industry is going to grow as a result. More and more the Japanese are going to be shifting a lot of their production sharing to Mexico because of its proximity to the United States."

Automotive News Staff Reporter Louise Kertesz in Detroit contributed to this story.

LEGAL BRIEFS

Annual emissions tests expected in Twin Cities area

MINNEAPOLIS — A bill requiring annual emission testing of most motor vehicles registered in the seven-county Twin Cities area was awaiting the signature of Gov. Rudy Perpich last week.

State Rep. Darby Nelson, sponsor of the bill, said the goal of the new measure is to reduce carbon monoxide levels about 25 percent. It has been estimated that 85 percent of the carbon monoxide in the Twin Cities area comes from motor vehicles.

Beginning in 1991, owners of most cars, pickup trucks and vans in the metro area — some 1.5 million of them — will be required to have their vehicles tested annually. A fee of no more than $10 can be charged and will be used to finance the inspection program.

The testing will be done at public inspection stations operated by a private company or businesses under contract with the state.

If the vehicle fails the emissions test, the owner will have to correct the problem or he may be eligible for a one-year waiver. If the repair exceeds $75 for pre-1981 models or $200 for later models, the owner can request the one-year waiver.

All buses, trucks (other than pickups and vans), motorcycles and mopeds will be exempt from the annual inspection. The bill also exempts pre-1976 cars, pickups and vans.

Volvo drops lawsuit on non-OEM crash parts

WASHINGTON — Volvo North America Corp. has dropped a lawsuit over the sale of generic parts by Keystone Automotive Industries Inc. The move could spell trouble for automakers' efforts to limit the use of non-original-equipment crash parts.

Volvo brought the suit against California-based Keystone 16 months ago, alleging patent infringement. The suit sought to end the sale of replacement Volvo fenders to independent garages and body shops. It was brought in the U.S. District Court for the Central District of California.

Charles Hogarty, president of Keystone, called Volvo's action "a stunning victory for aftermarket competition."

"Keystone and its distributors are free to continue to sell competitive fenders made by other firms for installation on Volvo automobiles," Hogarty said.

However, the terms of the dismissal require Keystone to explain in its commercial literature that its parts may not meet Volvo standards.

A spokesman for Volvo Cars of North America said, "Volvo believes that consumers have the right to know whether genuine or non-genuine parts are being used in the repair of their cars.

"With genuine Volvo parts, we are sure consumers will enjoy the same fit, finish, strength and corrosion resistance as when their car was purchased. Other fenders may not be made to these standards, although they may appear similar in shape."

He added, "Volvo made the decision to discontinue litigation in this case for good business reasons. This particular patent for the design of front fenders on the Volvo 240 was mature and had only about two years left to run. The expense of further litigation could not be justified by the money damages we could win in court."

Foreign and domestic vehicle manufacturers have been attacking the use of non-OEM body parts for years, most recently in a series of print advertisements.

The insurance industry apparently was pleased by Volvo's decision to drop the case. Insurers had raised money to help with Keystone's legal defense.

— Geoff Sundstrom

California suit says Toyota had secret Camry warranty

A class-action lawsuit has been filed in California targeting Toyota's alleged secret warranty to eliminate brake pulsation in 1983-1986 Camry models.

The suit, filed in Los Angeles Superior Court by the Center for Law in the Public Interest, cites warranty service bulletins that have been sent to Toyota dealers.

The Washington-based Center for Auto Safety, which has received 1,000 consumer complaints, has asked the Federal Trade Commission to cite Toyota for an unfair trade practice. The practice allows the auto company to fix the brakes for those persons complaining but fails to inform all 400,000 owners, whose cars may or may not have the problem, the center said.

Brake pulsation, according to the suit, occurs while braking at moderate speed, and it causes steering-wheel vibration and threatens loss of control. Associated damage is "grossly uneven deterioration of tires and weakening of the automobile's lower control arms," the suit says.

The center cited repair costs ranging from $790 to $1,380 per vehicle excluding tire replacement and weakening of lower control arms.

The suit charges breach of expressed and implied warranties, unlawful competition, false and misleading advertising, fraud, deceit and breach of the obligation of good faith and fair dealing, all in violation of California law.

The effect of Toyota's failure to inform all owners potentially affected, the suit says, is that present and future owners of 1983-86 Camrys have or will suffer unnecessary repair costs, excess tire wear and depreciated resale value.

In addition to asking for recall and correction of the problem, the suit seeks compensatory, consequential and exemplary damages in unspecified amounts.

A Toyota spokeswoman said the company does not have secret warranties on any of its vehicles or parts. While acknowledging the pulsating action, she said it is not safety-related and not exclusive to Toyota models. Toyota had no comment on the pending litigation.

Named plaintiff is Kathleen Fjermedal, owner of a 1985 Camry and a resident of Santa Monica, Calif., on her own behalf and all other similarly situated Camry owners.

— Helen Kahn

Minn. pollution agency drops plans to prosecute 4 dealers

DULUTH, Minn. — Four auto dealers here will not be prosecuted by the Minnesota Pollution Control Agency for selling used cars on which the anti-pollution equipment had been tampered or removed. The action is a result of a change in the state's law.

The former law had stipulated that "no person shall rent, lease, offer for sale, or in any other manner transfer ownership of a motor vehicle unless all air pollution control systems are in place and in operating condition."

Auto dealer interests had proposed that the phrase "offer for sale" be removed from the restriction clause. An earlier statement in the law also requires that "no person shall remove, alter, or otherwise render nonoperative any air pollution control system." That requirement remains.

In April 1986, operating under the "not offer for sale" requirement, the state pollution control agency had checked 84 used cars offered for sale at four Duluth dealerships — Skyline Motors Inc., Metro-Chrysler-Plymouth Inc., Plaza Dodge Inc. and Odberg & Ryan Lincoln-Mercury.

Of the 84 used cars checked on those lots, the agency said it found 25 percent of them had been tampered with. Violations of the state provision are punishable by a minimum fine of $700 per car.

Although the alleged tampering had probably been done by previous owners, the agency held that the dealers were responsible for the cars they buy or take in trade.

Negotiations were conducted in an attempt to set an appropriate penalty for the violations. When those meetings broke down, the pollution control agency announced in late January 1988 that it would bring the dealers into court for refusing to pay penalties.

But before that process could begin, the legislative change was introduced at the state capitol, and the state agency decided to hold off to see the outcome of it.

At least one of the dealers had said that his organization would lose business if the state enforced the existing law. James Manderfeld, president of Metro-Chrysler-Plymouth said, "If we offer an individual less for his car, because of tampering, he'll just sell it through the newspaper or in (nearby) Wisconsin where the laws are different. This enforcement penalty needs to be extended to also cover private owners."

The state agency does not have the staff or authority to prosecute private parties, according to Robert Beresford of the agency's regional office in Duluth.

The most common violation was said to be enlarged filler inlets added to gas tanks, which allow leaded gasoline to be pumped into vehicles designed for unleaded gas. That can damage the catalytic converter.

Statewide, some 1,200 vehicles had been similarly inspected at 55 car dealerships and 308 of them had been found to have been tampered with.

When both houses of the state legislature made the change in the law and it was sent to the governor for signing, the state pollution control agency pondered whether to ask him to exercise his veto on it.

However, according to Beresford, it was decided that since the measure had passed both houses with a substantial majority, it might be inappropriate to press for a veto.

Beresford said the state agency will still monitor used cars for sale by dealers "but now it will take two inspections instead of one. Now, we will identify cars for sale that have been tampered with and, later, we will check to see if they have been sold and then check them at their new location for the final evidence of the tampering."

But, he added, "Since the law has now been changed, we will not proceed with our earlier plan of prosecution in these cases."

INTERVIEW

Nissan's goal: No. 1 import

John Borgen, Nissan fleet director, wants top fleet import spot

By Francis J. Gawronski

After being dormant in the fleet business for several years, Nissan Motor Corp. in U.S.A. is cranking up for an aggressive campaign.

The comeback by the Carson, Calif.-based importer will commence in the 1989 model year.

The ambitious goal: to make Nissan the No. 1 import nameplate in the fleet business.

Nissan virtually abandoned the leasing market as a result of Japan's voluntary restraint agreement (VRA) which, beginning in 1981, established quotas on numbers of cars Japanese automakers could export to the U.S.

With annual sales limited by the VRA, at a time when American motorists hungered for Japanese vehicles, Nissan decided to concentrate on the retail market and let the commercial chips fall where they may.

Unfortunately for Nissan, it didn't rake in too many of those chips.

Observes John B. Borgen, Nissan's director of fleet and leasing operations: "We were in that kind of position for several years. You could argue whether it was the wise direction to go, but it's the direction we took."

Now times have changed, and so have Nissan's feelings about fleet sales. The low-growth U.S. retail market has become hotly competitive with the arrival of low-cost entries from Korea and Eastern Europe, while the leasing and rental business has boomed.

And Nissan wants its share. The company is setting its sights on 50,000 fleet sales in the 1989 model year, a number Borgen calls "a base minimum."

He explains: "The market out there is huge. If the industry has a 10-million car year, probably 2.5 million will be fleet sales. Nissan gets about 5 percent penetration of the retail market. If we were to penetrate the fleet market to the same degree, we'd be talking 125,000 fleet sales. Our target of 50,000 is far below that. But we have to start somewhere."

Nissan's top fleet model is the compact Sentra, followed by the more luxurious Stanza.

Although the company will introduce a completely new Maxima in 1989, Borgen says he is still uncertain of the upscale model's role in the fleet market: "It probably has some application in daily rental, but it's in a market segment that isn't too heavily populated in the leasing business. However, it will be a popular car for individual leases."

According to Borgen, Nissan expects to attract fleet business because of its nationwide distribution system: "We're unique among Japanese automakers in that we have a nationwide distribution system with no distributors. It's totally factory. We've already established a nationwide courtesy delivery system, which is very important to leasing companies. They have to have the ability to sell a vehicle anywhere in the United States and get the unit delivered anywhere in the United States. We have established that system."

Nissan has 11 regional offices in the U.S. and more than 1,100 dealers nationwide.

Toyota, Honda and Nissan are the three top-selling Japanese nameplates in the United States. Among them, Toyota is tops in fleet sales.

In sizing up the trio's future in commercial markets, Borgen says, "Honda seems to show no particular interest in the fleet business *per se*. So it's between Toyota and Nissan. Toyota has been a leader in the industry in both retail and fleet for a long time, and it's our objective to become the leader."

He adds: "To be No. 1 is our stated objective in the retail market, and it's our objective in the fleet market, as well. We're not there by a long shot now, but we're going to get there. We're sort of starting from scratch — putting our organization together, trying to reestablish old contacts, trying to get current in today's fleet market and build up a new head of steam."

As part of its strategy, Nissan has developed a basic leasing program for fleet administrators, and plans to reveal it at this week's annual NAFA Conference. Borgen describes the program as "very competitive."

While Nissan's big move into the fleet market gets rolling in '89, the company has not been standing by idly in 1988. It has a small daily-rental program under way.

"We got active on our major program about nine months ago, but it was kind of late for the 1988 model year," Borgen says. "So we zeroed in on daily rental sales for this year, just trying to get as many sales as we could. We're really putting our full thrust on 1989. We'll have a comprehensive and competitive program. We'll be strong in daily rentals and will introduce a vehicle repurchase program for the first time."

Explaining the importance of a rebuy plan, Borgen points out: "In the past, the absence of a repurchase program wasn't much of an obstacle in doing fleet business. But that's changed. If you're going to sell daily rental units in quantity today, you need a repurchase program.

"A minimum of 600,000 to 700,000 units will be sold on repurchase programs in 1988, primarily by the domestic (Big Three) automakers, and the number is increasing all the time. Isuzu, Subaru and Volkswagen have had small (repurchase) programs, but we feel we'll be the first of the major imports to have a really extensive program. Up to now we've tried to sell cars to the daily rentals on an outright sale basis."

Nissan has had a limited buy-back plan in its daily-rental program this year, sort of a test run before its big push in 1989. The company also intends to have a strong program for major leasing companies, is now establishing relationships with leasing operators and is investigating the possibility of developing a special relationship with a major leasing company.

Notes Borgen: "Two large leasing firms have come to us, saying they're interested in establishing a working relationship with a manufacturer. They indicated that, rather than having to take a neutral position on all auto manufacturers when talking to lessees, they'd prefer to be in a posture of heavily marketing a particular maker's product line. Obviously, we want to be in that equation. We want to become one of those special-relationship companies."

Meantime, Borgen is taking note of the increasingly competitive environment in the leasing business, and the rapid growth of companies such as GE Capital through acquisition of major leasing firms and auto auctions.

He observes: "GE Capital has now become a huge, huge company. No-

Owning a car Hertz real bad

Operating expenses rise for the 14th year out of the past 15

With all major vehicle outlays rising, 1987 car ownership and operating expenses climbed for the 14th year out of the past 15. Typical compact models hit a record 51.14 cents a mile, up 5.5 percent or 2.7 cents from 1986's 48.48 cents, according Hertz Corp. annual estimates.

Since 1972, the last year before the first Arab oil embargo, outlays to own and run typical U.S. cars soared 220 percent, dropping 5.2 percent only in 1983. By contrast the nation's overall living costs climbed 171 percent in the 15-year period.

Hertz lists 1987 increases in all auto expense categories: insurance, licenses, taxes, fees, interest, maintenance, repairs, fuel and depreciation (the difference between car purchase price and resale value). Parking and tolls are excluded.

Typical 1987 compact car purchase prices shot up nearly 6.9 percent to $11,155 from 1986's $10,439. Since 1972 typical auto purchase prices have jumped 305 percent.

Purchase price increases can boost depreciation, loan, tax and insurance outlays, the study points out. Sticker price rises are more than operating increases because people are driving smaller cars fewer miles and are keeping them longer.

The 51.14 cents a mile 1987 figure is for a normally equipped compact make, purchased new and to be driven 10,000 miles annually for five years — typical U.S. new car driving.

Table 1 is a breakout of cost elements for compact cars purchased new and driven 10,000 miles a year for five years in 1987 and in 1986.

Auto expenses differ sharply by vehicle size, equipment, annual mileage, ownership duration and where autos are driven, the survey notes.

Subcompact models showed the sharpest 1987 advance, rising 17.7 percent to 47.57 cents a mile from 40.42 cents in 1986. Standard-size cars were up 5.4 percent to 66.37 cents a mile, nearly 40 percent above the subcompact's estimated 47.57 cents cost last year.

Table 2 shows Hertz's recent per-mile cost estimates for different sized cars bought new and driven 10,000 miles annually for five years, and use figures for individual U.S. motorists.

Study figures also demonstrate that keeping cars longer can save motorists money. New 1987 compacts driven 10,000 miles a year but traded annually cost 62.5 cents a mile, while those running 10,000 miles annually for 10 years averaged 39.8 cents a mile, some 22.72 cents under costs for annual trading, saving $22,720 over the car's life-span, Hertz's study shows. Also, used cars cost some 40 percent less than units bought new.

Hertz figures indicate some three-fourths of all auto outlays for typical driving are in so-called "fixed" or "standing" expenses, such as depreciation, interest, insurance, licenses, taxes and fees. These are largely influenced by the car's purchase price and how long the car is driven.

"Variable" or "running" costs — such as gasoline, oil, maintenance, repairs, parts and accessories — comprise the remaining 25 percent of expenses.

Trading or selling a car sooner raises the "fixed" to "variable" cost ratio to about four-fifths of total charges, while keeping a car longer usually lowers it to roughly two-thirds.

The report stresses that variations in annual driving distances also have a material effect on cents-per-mile costs because annual fixed dollar outlays are divided by more, or fewer, miles.

For the five-year driver, a new 1987 compact's costs ranged from 89.43 cents a mile at 5,000 miles a year to 28.08 cents at an annual 20,000 miles of driving — 61.35 cents a mile less.

However, on an annual dollar basis, 5,000 miles a year totals $4,-

Table 1: Compact Car Cost Elements

	1987	1986	Percent Change
Depreciation	0.1774	0.1660	1.069
Insurance, Licenses, Fees	0.1362	0.1328	1.026
Interest (P&L)	0.0774	0.0738	1.035
FIXED SUBTOTAL	0.3909	0.3736	1.046
Maintenance & Repair	0.0464	0.0453	1.024
Gas, Other Service Station Charges	0.0741	0.0659	1.129
VARIABLE SUBTOTAL	0.1205	0.1112	1.084
FIXED & VARIABLE TOTALS	**0.5114**	**0.4848**	**1.055**

SOURCE: Hertz Corp.

Table 2: Per-mile Cost Estimates for Different Sized Cars

Car Size	1987	Percent change 1987-'86	1986	1985	1984	1983	1982	1978	Percent change 1978-'87
Subcompact	0.4757	1.177	0.4042	0.4092	0.3663	0.3463	0.3418	0.2252	+1.11
Compact	0.5114	1.055	0.4848	0.4764	0.4567	0.4328	0.4467	0.2485	+1.06
Midsize	0.5997	1.068	0.5613	0.4715	0.4861	0.4546	0.4902	0.2873	+1.09
Intermediate	0.6107	1.118	0.5464	0.5283	0.5019	0.4956	0.5009	0.2891	+1.11
Standard	0.6637	1.054	0.6298	0.5977	0.6297	0.5542	0.5231	0.3233	+0.948
Five-Size Average	**0.5722**	**1.089**	**0.5253**	**0.5018**	**0.4817**	**0.4567**	**0.4605**	**0.2747**	**+1.08**

SOURCE: Hertz Corp.

INTERVIEW

Currently, Nissan's top fleet model is the compact Sentra (above), followed by the more luxurious Stanza (right). Nissan's ambitious goal is to overtake Toyota as the No. 1 import nameplate in the U.S. fleet business.

you're going to see a lot of activity in that area."

He believes buy-backs could be "the next logical step" in auto manufacturers' dealings with lessors: "Ford Motor Co. is doing something with Hewlett-Packard, probably involving buy-backs and guaranteed values of fleets, to take the risk out of the business. Minimizing risk is inevitably where things are heading.

"As long as there is overcapacity and extreme competition among manufacturers to make sure their capacity is used and the excess belongs to somebody else, it's going to be a very hard marketplace. Everyone's going to want to one-up the next guy in terms of benefits they offer fleet customers. Leasing is the next obvious area where manufacturers will put their efforts in minimizing the risk of the customer." ■

body knows exactly how extensive their operation will get. But when they combine leasing companies, financial services and the ability to dispose of units thrcugh their auctions, they potentially become a cradle-to-grave operation. GE Capital will continue to make waves in the leasing industry."

Another thing the Nissan official recognizes is the trend toward excess production capacity throughout the auto industry, and its impact on fleet business.

Says Borgen: "It's a buyer's market in dealing with auto manufacturers, and that fact isn't being lost on the leasing companies. They're aware of what's happening with all the special deals going on in daily rentals. The leasing companies have decided that to be profitable they're going to have to be more aggressive with the manufacturers in getting better deals and a greater variety of deals.

"Generally, leasing companies haven't been getting the kinds of deals offered to rental firms. In my opinion, over the next couple years,

471, while 20,000 miles a year comes to $5,616 — $1,145 a year more. Average driving distance for U.S. cars in their first five years of service was 11,005 miles in 1986, latest year for which there are mileage figures. (Cars are driven more miles in early years, fewer later.)

Data show that from the early '70s to early '80s motorists drove less, kept cars longer and bought smaller cars in an attempt to keep driving outlays in line with family incomes.

From 1972 to 1983 average yearly passenger car mileage dropped 22 percent from 10,362 to 8,037 miles before turning back upward to 8,317 in 1984, 8,586 miles in 1985, 8,894 in 1986 and 9,304 last year.

Compact cars, rather than intermediates, are now the most typical new models purchased, and most vehicles are about a foot shorter than their 1972 counterparts.

New cars are now kept an average of 5.4 years against 3.6 in 1972. Average age of all cars on the road is now 7.6 years versus 5.7 15 years ago.

Driving expenses can vary dramatically under a wide array of circumstances. For example, parking and tolls in major cities can add 10-40 cents a mile to the 51.14 cents compact average for 10,000 annual miles for five years.

If driving patterns differ, costs also can vary substantially, even for similar cars in the same locale if driven equal mileage and use periods. ■

1988 Buick Regal.
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Motor Trend
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Car and Driver
"The interior design has a fresh, modern look... but the instrument cluster is clean and functional."
The New York Times
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Car and Driver
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FEATURE

Taking it personally

Personal use of fleet vehicles is down, NAFA's annual survey reveals

NAFA received 463 responses from fleet managers in the U.S. and Canada to its 1988 Personal Use Survey.

The largest number of responses came from government fleets (70), industrial manufacturing fleets (61), insurance fleets (55), and drug and cosmetic company fleets (51).

In total, responding fleets are responsible for 518,401 vehicles — 480,126 in the United States and 38,275 in Canada. Of the U.S. total, 257,330 vehicles were company-owned and 222,796 were leased. In Canada, 26,187 were company-owned and 12,088 were leased.

Among the survey highlights:

- Fleet drivers' spouses, licensed children and others are less likely to be able to drive a company vehicle for personal use than last year, while employees themselves have decreased the amount of monthly personal-use mileage.
- Nearly 90 percent of responding fleets allow drivers personal use of a company vehicle while more than 80 percent charge drivers for such use.
- Drivers using a personal vehicle for business purposes, either because they have no assigned fleet vehicle or their assigned fleet vehicle is inoperable, will in four out of five cases be reimbursed at a cents-per-mile rate.

Survey results show 87 percent of U.S. fleet managers and 88 percent of Canadian fleet managers allow drivers to use company-provided vehicles for personal use. In Canada, 84 percent allow an employee's spouse to use the company vehicle for personal use as well, while in the U.S. the figure is 62 percent.

Another difference exists in the area of allowing licensed children to drive a company vehicle. In Canada, 57 percent permit it compared to 28 percent in the U.S. In accordance with this, 40.6 percent of Canadian fleets have set an average minimum age limit of 20 years for persons other than the employee eligible to drive a company vehicle. In the U.S., 24.1 percent of fleets have set an average minimum age requirement of 21 years.

Responding U.S. fleets claim drivers put an average of 1,975 miles on a company vehicle each month; in Canada the number is 2,661 kilometers (1,650 miles). Respectively, these groups said 408 miles and 548 kilometers of their monthly totals were for personal use by drivers.

In percentages, therefore, U.S. fleets drive 20.7 percent of their total monthly mileage for personal use, while Canadian fleets drive 20.6 percent of their total kilometers for personal use. Only 15 percent of U.S. fleets and 13 percent of Canadian fleets have set a maximum allowable number of monthly personal miles.

On that note, 75.6 percent of U.S. fleets and 83.6 percent of Canadian fleets allowing personal use of a company vehicle say employees can use the company vehicle for personal use whenever necessary.

More than 13 percent (13.2) of U.S. fleets and 3.3 percent of Canadian fleets allow personal use only to and from work; 4.7 percent of U.S. and 1.6 percent of Canadian fleets allow personal use only while working; 1.5 percent of U.S. and 3.3 percent of Canadian fleets allow personal use only while on vacation; 1.2 percent of U.S. and 3.3 percent of Canadian fleets allow personal use only on weekends and holidays; 3.8 percent of U.S. and 4.9 percent of Canadian fleets allow personal use at other times.

To cover some of the expenses of allowing drivers to use a company vehicle for personal use, 83.3 percent of U.S. fleets and 68.9 percent of Canadian fleets say they charge drivers for personal use of a company vehicle.

In the U.S., 32.5 percent of respondents charge on a cents-per-mile and flat rate per week or month; 1.2 percent on a graduated scale of cents-per-mile for the first set of miles; then a different, usually lower, amount for any miles over that limit. More than one-fourth (25.8 percent) of U.S. fleets use methods other than those to charge their drivers for personal use of a company vehicle.

In Canada the most often cited method of charging drivers for personal use of a company vehicle is by flat weekly charges (44.2 percent), while 27.9 percent use a cents-per-kilometer method and 4.7 percent use a combination of both cents-per-kilometer and flat weekly or monthly rates.

No Canadian fleets claim to use the graduated scale method of chargeback, and 23.2 percent say they use methods other than those listed on the survey form to charge their drivers for personal use of a company vehicle.

In the U.S., fleets using the cents-per-mile method when charging drivers for personal use of a company vehicle charge their drivers an average of 17.5 cents per mile. In Canada the rate is 9.3 cents per kilometer.

Those in the U.S. charging drivers each week or month do so at the average rates of $23 each week or $58 each month; for Canada, the rates are $13 and $41, respectively.

U.S. fleets using a combination of cents-per-mile and a flat weekly or monthly charge claim an average of 11.5 cents per mile, while $40 each month is charged to drivers. In Canada the amounts are 9.0 cents per kilometer and $63 each month. No one in Canada uses the graduated scale, but U.S. fleets using this method charge an average of 19.3 cents for the first 7,650 personal miles in a calendar year and 14.3 cents each mile over that.

When collecting these charges, 42 percent of U.S. fleets and 57.5 percent of Canadian fleets use salary deductions. More than one-third (38.2 percent) of U.S. and 31.9 percent of Canadian fleets have drivers fill out expense reports, while 19.8 percent of U.S. and 10.6 percent of Canadian fleets use other methods.

When an employee uses a personally owned vehicle for business purposes because his/her assigned fleet vehicle is inoperable, 87.2 percent of U.S. fleets and 71.4 percent of Canadian fleets reimburse the driver on a cents-per-mile basis. Average amount reimbursed in the U.S. is 21.4 cents per mile; in Canada it is 22.9 cents per kilometer.

When reimbursing drivers for business use of a personal vehicle with no assigned fleet vehicle, the cents-per-mile method is again most used in both countries: 81.6 percent of U.S. fleets and 78.9 percent of Canadian fleets. U.S. fleets pay an average of 21.5 cents per mile, while Canadian fleets pay an average of 23.5 cents per kilometer.

Finally, 94.2 percent of U.S. fleets and 84.1 percent of Canadian fleets say they have not had their personal use policies audited by the Internal Revenue Service, or equivalent governmental body, within the past two years. In real numbers that means 23 fleets in the U.S. and 11 in Canada were audited.

If U.S. drivers have an accident in a company-provided vehicle while they are driving the vehicle for personal use, 71.8 percent will not be charged any portion of the repair costs as a result of the accident. This is true for 47.8 percent of drivers in Canada.

Of the 28.2 percent of U.S. drivers charged a portion of accident repair costs incurred as a result of an accident during personal use of a company vehicle, 43.1 percent can expect to pay an average set dollar amount of $197, according to survey results. More than two out of five (41.3 percent) pay the insurance policy deductible amount; 12.6 percent pay the full amount of damages; 2.9 percent pay an average fixed share of 28 percent of the costs.

When Canada's 52.2 percent of drivers who have to pay a portion of accident costs from a personal-use accident are charged, 54.3 percent pay a set dollar amount averaging $184; 42.8 percent pay the insurance policy deductible amount; 2.9 percent pay the full amount of damages; none pays a fixed share percentage.

For 52.8 percent of U.S. fleets and 56.9 percent of Canadian fleets, drivers are assigned company vehicles as a fringe benefit. For 26.1 percent of U.S. fleets and 15.6 percent of Canadian fleets, a driver's yearly mileage warrants assignment of a company vehicle (annual averages — 12,843 miles, 15,594 kilometers).

For 11.7 percent of U.S. fleets and 20.2 percent of Canadian fleets, company vehicles are assigned because of the driver's job title. Only 9.4 of U.S. fleets and 7.3 percent of Canadian fleets use factors other than those listed to determine who is assigned a company vehicle.

For drivers with an assigned fleet vehicle not in operation, 33.6 percent of U.S. fleets and 27.3 percent of Canadian fleets allow the drivers to use their personal car for business.

Thirty-one percent of U.S. and 42 percent of Canadian fleets allow drivers to rent a vehicle in this situation; 27.7 percent of U.S. and 20.7 percent of Canadian fleets permit the driver to use a company pool vehicle; 5.5 percent of U.S. and 4.7 percent of Canadian fleets let drivers use the district manager's vehicle; 2.2 percent of U.S. and 5.3 percent of Canadian fleets authorize other means of transportation. ■

NAFA's Personal Use Survey

What is the total mileage a driver puts on an average company vehicle each month?

	Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing, Industrial	Manufacturing, Consumer	Public Utility	Government	Banking, Financial	Communications	Service Organization	Electronics	Other	Total
U.S. (miles)	2,129	2,076	1,834	2,008	2,219	2,116	1,879	1,830	1,380	1,843	2,203	2,300	2,027	1,975
Canada (km)	2,907	2,779	2,250	2,911	2,090	2,610	0	2,570	300	2,439	0	3,500	3,167	2,661

What is the average personal mileage driven by employees on company vehicles each month?

	Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing, Industrial	Manufacturing, Consumer	Public Utility	Government	Banking, Financial	Communications	Service Organization	Electronics	Other	Total
U.S. (miles)	299	407	318	1,229	388	271	516	227	319	370	417	676	435	408
Canada (km)	460	454	250	594	676	521	0	542	50	729	0	350	1,042	548

Percent of total monthly mileage considered to be used for personal use

	Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing, Industrial	Manufacturing, Consumer	Public Utility	Government	Banking, Financial	Communications	Service Organization	Electronics	Other	Total
U.S.	14.1%	19.6%	17.3%	61.2%	17.5%	12.8%	27.5%	12.4%	23.1%	20.1%	18.9%	29.4%	21.5%	20.7%
Canada	15.3%	16.3%	11.1%	20.4%	32.3%	20.0%	0	21.1%	16.7%	29.9%	0	10.0%	32.9%	20.6%

Is there a maximum number of monthly personal miles allowed for each driver in a company vehicle?

	Drugs & Cosmetics	Food & Beverage	Insurance	Chemical & Petroleum	Manufacturing, Industrial	Manufacturing, Consumer	Public Utility	Government	Banking, Financial	Communications	Service Organization	Electronics	Other	Total	% of Country's Total	Overall % U.S. & Canada
U.S. — yes	3	2	5	0	3	5	0	38	0	0	2	0	1	59	15%	15%
Average limit (miles)	1,000	600	850	—	200	325	—	300	—	—	213	—	372	388		
Canada — yes	1	1	0	0	0	0	0	7	0	0	0	0	0	9	13%	
Average limit (km)	615	8,000	—	—	—	—	—	2,000	—	—	—	—	—	2,513		

SOURCE: National Association of Fleet Administrators

FEATURE

Standardizing electronics

Electronics boom means more standard equipment for fleets

Fleet operators and their drivers can expect a flow of new electronic features to be available in automobiles in the next few years — many of them as standard equipment.

Although the passenger car of the early 1990s will not be fully electronic, the trend continues to move ever onward in that direction, as electronics become a mainstay of the modern motor vehicle.

Electronic powertrain controls started coming on strong in the 1970s, spurred by government-mandated emissions standards and a need for fuel economy combined with sharpened vehicle performance.

Before long, electronics popped up in instrument panels — mainly in upscale cars — to provide driver information and such niceties as climate control. Also arriving were such safety/convenience features as anti-theft systems.

Then all of a sudden along came the luxurious 1987 Cadillac Allante two-seater with more than $2,000 worth of electronics as standard equipment.

The Allante example of automotive electronic grandeur is cited as an "extreme case" in a new Frost & Sullivan report: *The Non-Entertainment Automotive Electronics Market in the U.S.* But that may be only temporary, judging from the onrushing tide of technical advances detailed in the report.

In the powertrain category, although a great deal of development has already taken place, the report looks for continued advances toward greater sophistication overall and for an "inevitable blending eventually of engine and transmission electronic controls."

The report predicts that smart sensors, which provide the necessary signals representing engine data, will proliferate as advanced powertrain controls are developed to respond to varying amounts of engine-torque demands by integrating response with driver input.

Vehicle operations to which these more sophisticated controls will be applied include manifold boost pressure, fuel mixture, spark timing, valve timing and intake-manifold geometry.

Steering, braking and other vehicle-control advances also are in the offing. All-wheel steering, for example, has already appeared in Japanese cars and could show up by the early '90s in U.S. makes.

In driver information and safety/convenience categories, consumer and fleet preferences are expected to play a strong marketing role in the next few years, as drivers come to expect convenient, readable and useful displays such as electronic navigation systems (see related story on page E34).

Indeed, F&S sees electronic navigation systems going into 1989 cars as OEM products, after which the market will take off rapidly.

Another fast-growing electronics category, F&S forecasts, will be safety and convenience products ranging from collision-avoidance systems to sophisticated interval windshield wipers.

It is generally estimated that electronics account for approximately 10 percent of the total dollar value of today's new U.S.-built car.

Important to fleet operators are the kinds of cars in which new electronic features will be offered.

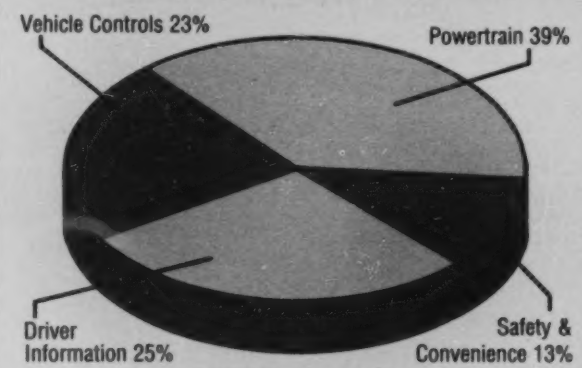
A report by the University of Michigan's Office for the Study of Automotive Transportation notes: "It is becoming increasingly clear that the U.S. passenger car market is being segmented into two categories — lower technology/high volume *(such as Chevrolet Cavalier, Ford Escort, Plymouth Reliant)* and high technology/lower volume *(such as Chevrolet Corvette, Lincoln Mark VII, Chrysler LeBaron GTS)*."

Based on that premise, a panel of more than 225 automotive executives was asked: What fraction of total vehicle cost will be represented by electronic componentry?

The panel forecast that by 1990 the amount of total vehicle cost represented by electronic componentry will be 8 percent for lower technology/high volume cars and 15 percent for high technology/lower volume cars.

They said that by 1995 the percentages are expected to increase to 10 and 20 percent, respectively. ■

Non-Entertainment Automotive Electronics Market Share in the U.S. — 1992



SOURCE: Frost & Sullivan Inc.

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Northwood presents Crain awards

Three automotive students honored for 'outstanding' work

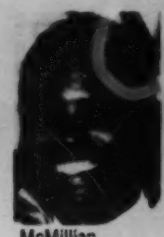
MIDLAND, Mich. — Northwood Institute has announced the winners of the 1988 G.D. Crain Award. The award is given annually to one outstanding automotive student from each of the three Northwood campuses. Each winner receives $600 and a plaque.

G.D. Crain, who died in 1973, was the founder and chairman of Crain Communications Inc., publisher of Automotive News.

Wesley E. Masure of Allenstown, N.H., is the winner from the Midland campus. He is working toward an associate's degree in automotive marketing and a bachelor's degree in business management and marketing.

Masure is president of the junior chapter of the Automotive Hall of Fame and will serve as domestic chairman of Northwood's 25th anniversary auto show. He plans to enter the retail auto business at his father's used-car dealership, Kars Etc., in Tilton, N.H.

Masure


McMillian

Talbot

Ronald McMillian is the winner from the Cedar Hill, Texas, campus. He is a Chrysler Corp. Minority Dealer Scholarship Award winner and maintains a 3.62 grade point average.

He is employed by Freedom Chrysler-Plymouth in DeSoto, Texas, where he is preparing a customer-satisfaction-index program for the dealership.

Stephen Talbot of Lewisburg, W.Va., is the winner from the West Palm Beach, Fla., campus. He is a sophomore working toward an associate's degree in automotive marketing and a bachelor's degree in marketing/management.

He has worked for the family-owned Greenbriar Motor Co. for the past three summers and plans to join the company upon graduation.

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DOMESTIC SALES

	April 11-20, 1988	April 11-20, 1987
Ford	1,422	715
Chrysler	9,178	6,984
Plymouth	9,158	6,423
Dodge	15,077	9,087
Chrysler Motors	33,842	24,769
Ford	45,518	43,628
Mercury	14,448	11,987
Lincoln	5,288	4,369
Ford Motor Co.	65,254	59,984
Buick	15,438	15,457
Cadillac	8,218	8,538
Chevrolet	48,171	38,986
Oldsmobile	19,881	20,721
Pontiac	24,249	20,444
General Motors	112,344	104,473
Volkswagen	1,371	1,162
Honda	10,158	6,128
Nissan	7,188	8,048
Toyota	11,288	7,904
Mazda	720	—
U.S. industry total	228,991	201,141

Domestic sales advance 13.8% for mid-April

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

Mid-April retail sales of new cars built in the United States climbed 13.85 percent, reversing a decline in the month's initial 10-day selling period.

Sales totaled 228,991 units for April 11-20, compared with 201,-141 a year earlier.

Particularly strong gains were reported for Honda, Chrysler Motors and Toyota.

Honda dealers' sales were up 65.51 percent from those of a year earlier. Chrysler Motors' dealers were up 36.52 percent, and Toyota dealers' were up 32.45 percent in the period.

Gains also were noted for Volkswagen, with a sales increase of 17.82 percent; Ford Motor Co., with a rise of 9.53 percent; and General Motors, with an upturn of 7.53 percent.

Nissan had the sole decline among the domestics as it reported a dip of 9.17 percent in mid-April sales.

Mazda, which began producing cars in this country in September, said its dealers delivered 720 cars in the 10-day period.

There were nine selling days in the mid-month period compared with eight last year.

The daily selling rate in the period was 25,443 units this year and 25,143 in 1987.

Sales fell 24.95 percent from the year-earlier level in the month's initial 10-day period.

AUCTION DATES

Chrysler Motors

May 3 — Florida Auto Auction of Orlando, Ocoee, Fla.; Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Aptco Auto Auction, Taylor, Mich.; Arena Auto Auction, Chicago; Riverside Auto Auction, Riverside, Calif.; South Seattle Auto Auction, Kent, Wash.; and Southern Auto Auction, Warehouse Point, Conn.

May 4 — Columbus Fair Auto Auction, Obetz, Ohio, and Nashville Auto Auction, Nashville, Tenn.

May 5 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Salt Lake City Auto Auction, Salt Lake City

May 6 — St. Louis Auto Auction, Bridgeton, Mo.

May 10 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Denver Auto Auction, Aurora, Colo.; and Golden Gate Auto Auction, Fremont, Calif.

May 11 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; and Minneapolis Auto Auction, Plymouth, Minn.

Ford Motor Co.

May 4 — Atlanta Auto Auction, Red Oak, Ga.; Concord Auto Auction, Acton, Mass.; and Southern California Auto Auction, Fontana, Calif.

May 5 — Greater Chicago Auto Auction, Chicago; Dallas Auto Auction, Grand Prairie, Texas; and Minneapolis Auto Auction, Plymouth, Minn.

May 10 — Bay Cities Auto Auction, Inc., Hayward, Calif.

May 11 — Northway Auto Auction, Clifton Park, N.Y.; Indianapolis Auto Auction, Indianapolis; and Lakeland Auto Auction, Lakeland, Fla.

May 12 — Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; Southwest Auto Auction, Phoenix, Ariz.; Brasher's Sacramento Auto Auction, Rio Linda, Calif.; and Skyline Auto Exchange, Fairfield, N.J.

May 17 — South Seattle Auto Auction, Kent, Wash.

May 18 — Columbus Fair Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fontana, Calif.; Newburgh Auto Auction Inc., Newburgh, N.Y.; Salt Lake Auto Auction, Salt Lake City, Utah; and West Palm Beach Auto Auction, West Palm Beach, Fla.

May 19 — Baltimore-Washington Auto Exchange, Baltimore

May 24 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

May 25 — Lakeland Auto Auction, Lakeland, Fla.

General Motors

May 3 — Auto Dealers Exchange of Birmingham, Moody, Ala.; Harrisonburg Auto Auction, Harrisonburg, Va.; and Florida Auto Auction of Orlando, Ocoee, Fla.

May 4 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Minneapolis Northstar Auto Auction, Shakopee, Minn.

May 5 — Butler Auto Auction, Gibsonia, Pa.; Denver Auto Auction, Englewood, Colo.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; and Nashville Auto Auction, Nashville, Tenn.

May 10 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas

Used Car Sales
Auction Averages

April 1988	$5,722
Month ago	$5,566
Year ago	$5,832

Model Breakdown
Auction Averages

	APR 1988	MAR 1988	FEB 1988
1988	$12,483	$12,283	$10,741
1987	$8,638	$8,682	$8,443
1986	$7,190	$6,927	$6,732
1985	$5,904	$5,837	$5,731
1984	$4,438	$4,380	$4,363
1983	$3,792	$3,765	$3,689
1982	$2,398	$2,534	$2,454
1981	$1,937	$1,906	$1,817
Overall Average	$5,722	$5,589	$5,309

Manheim revenues jump 31%; 1987 total reaches $100 million

Manheim Auctions, a division of Atlanta-based Cox Enterprises, had revenues of roughly $100 million in 1987, up 31 percent over the previous year, based on handling $3.5 billion in gross vehicle transactions.

Cox Enterprises is mainly a communications company with newspapers, television and radio stations; cable television systems; and other investments including cattle ranches.

Because it is not publicly traded, and therefore not required to disclose its financial results, the company's 1987 annual report is more fluff than substance, but it does provide limited insight into the growth of the company's wholesale auto auction division.

All figures provided in the annual report are approximated and company officials said they are conservative.

Operating income for the division was up 31 percent over 1986, principally due to a 16 percent increase in the value of the vehicles sold. Total registrations exceeded one million vehicles, according to the annual report. Reconditioning services contributed $18 million to Manheim's total revenues.

Company officials told Automotive News the number of cars sold exceeded 600,000, which would give the company roughly a 60 percent sales rate on consignment vehicles. However, that percentage based on more precise figures provided to Automotive News indicate the sales rate was actually closer to 55 percent, and reflects the average for all 21 auctions that were in the chain last year.

Gross sales of vehicles sold at Manheim auctions rose 25 percent in 1987. The figure has risen steadily over the years — from $1.6 billion in 1983 to $1.9 billion in 1984; $2.0 billion in 1985; and $2.8 billion in 1986.

Acquisitions last year, including Bishop Brothers Auto Auction in Atlanta and Oshawa Auto Auction in suburban Toronto, were highlighted in the report. Manheim also opened Riverside Auto Auction in southern California. Other expansion projects in 1987 included an 11-bay reconditioning center for the Atlanta Auto Auction.

In 1988, new facilities will be

see AUCTION BRIEFS, page 53

AUCTION BRIEFS

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Ford studies Aston, AC role; Cosworth tie grows

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

BRENTWOOD, England — Ford of Europe is considering various strategies for Aston Martin and AC Cars, including the production of a new small Aston and combining the two firms under one organizational roof. Ford acquired Aston Martin and AC Cars last fall.

Meanwhile, the company announced it will boost production of its new Cosworth Sierra, the high-performance model introduced in Europe last February.

Alex Trotman, Ford of Europe chairman, said there is no rush to determine precise plans for the company's two new prestige brands, Aston Martin and AC Cars.

"We're discussing alternative ways of evolving Aston Martin into perhaps a slightly larger company," he said. "For the moment our position is that Aston Martin do what it has been doing. There are a number of possibilities in the future, none of which is a concrete plan yet."

Under Ford, Aston is expected to reactivate a small-car project that had been shelved. Production of the so-called "DB4 for the 1990s" would probably be at a new factory in the United Kingdom.

Trotman said a small car "is obviously an option" and could necessitate a new plant.

"(A new factory) would depend on the volume of the car," he said.

When asked, Trotman said the new 90,000-square-foot AC Cars plant under construction in Brooklands, England, could serve as a site for Aston production.

"It gets back to volume and what kind of product you're going to put in," he said. "That would be a possibility, I suppose."

Another option is combining AC Cars and Aston Martin organizations.

"Yes, there could be some synergy between those two little companies," Trotman said, "but we clearly would keep the marques separate."

The automaker's new notchback Sierra Cosworth debuted early this year, and Trotman said the initial response has been strong.

A 150-mph Cosworth-powered version of the Sierra hatchback was introduced two years ago as a limited-production model. Output was capped at 5,000 units.

"We're rolling along, doing better than we expected frankly," he said. "It's a smash in Italy, for example."

Trotman said Ford has decided to adjust the build schedule upward by at least 20 percent in 1988 and further increases are possible.

"I think we'll be roughly to the 6,500-7,000 annual rate of production by the end of this year," he said. "We've confounded ourselves before with some of these top-of-the-line products; it's conceivable we could go higher than that. But we want to be somewhat cautious with this kind of product."

Ford and Cosworth are said to be near agreements for high-output versions of other Ford models in Europe, resulting, for example, in Cosworth Fiesta and Cosworth Escort models.

Trotman said Ford expects to continue to develop new products with Cosworth, but said there are no plans to use the Cosworth name elsewhere in the Ford range.

"That would be possible, but I think it would be extremely unlikely," he said.

Ford's profit bonanza continues

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — Ford Motor Co., bolstered by a strong performance overseas, continued its record-setting earnings pace with a 9 percent increase in profits, or $1.62 billion, for the first quarter of 1988.

The results were higher than many analysts had expected. Ford was able to post a 76 percent increase from automaking ventures outside the United States despite a two-week strike in Britain. Combined overseas automotive operations netted Ford a quarterly record $580 million.

In the United States, though, earnings fell 10 percent to just over $1 billion. The company attributed the decline to higher capital spending and marketing costs. The marketing programs helped Ford boost its share of the U.S. car market from 20 percent at the start of the year to 21.8 percent. Ford's truck share for the first quarter was up a fraction to 29.7 percent.

Altogether, Ford's quarterly profit was the highest ever recorded by an automaker. The previous high was $1.6 billion by General Motors in the first quarter of 1984.

Ford's worldwide sales for the quarter also climbed by about 9 percent, to $20.7 billion.

"What's important is how well balanced the company is," said Charles Brady, an analyst with Oppenheimer & Co. Ford is continuing to show that it doesn't have to rely on the United States alone for a strong balance sheet, Brady said.

Ford's financial picture has been helped considerably by the fact that its plants in Europe and the United States are producing at full capacity, said David N. McCammon, Ford's vice president — finance and treasurer.

Shifting exchange rates added $60 million to Ford's profits in Europe, but that gain was more than offset by $100 million in lost profits from the Ford of Britain strike, which disrupted production in that country and on the European continent. Overall European sales rose for the quarter and operating margins improved.

Autolatina, Ford's joint venture with Volkswagen AG in Brazil, earned a profit in the first quarter, McCammon said. The venture, which lost an estimated $300 million during its launch last year, is now benefiting from reduced operating costs, lower interest expenses and an improved economic picture in Brazil.

McCammon declined to reveal the size of the gain because Ford holds a minority stake — 49 percent — in Autolatina. VW will announce its financial results for 1987 this Wednesday in West Germany.

Income from Ford's financial services group was essentially unchanged in the first quarter. Its First Nationwide Bank saw earnings drop by $26 million from year-ago levels. Ford Credit's earnings climbed by $3.3 million, and newly acquired U.S. Leasing Corp. contributed $7 million to the bottom line in its first full quarter as a Ford subsidiary.

In a press conference, McCammon also announced:

- Ford's capital spending amounted to $875 million in the first quarter, up slightly from year-ago levels. The expenses are part of Ford's previously announced plan to significantly increase capital outlays in coming years.
- The U.S. industry's strong start in 1988 has Ford reconsidering earlier predictions for 15 million car and truck sales. McCammon said sales could come in as high as 15.3 million.
- An economic downturn, which once seemed possible in early 1989, now appears unlikely in the United States before mid-1989.
- The new Ford Probe, which officially goes on sale May 12, is getting off to a strong start. Dealers have already placed 75,000 orders.
- Despite Ford's reluctance to add new capacity, it may bend in order to meet the continuing demand for trucks. Among its options are converting an existing car plant or building a new assembly plant.

CHRYSLER

FROM PAGE 1

production in 1989 following an estimated six-week move to Chrysler's Jefferson Avenue assembly plant in Detroit.

Chrysler officials acknowledged earlier this year that profits could be affected by a new corporate strategy stressing gains in market share and increases in spending for engineering and future product development.

"We had to chose between shrinking margins or market share," Iacocca said. "We've got to continue to look long-term."

Chrysler Corp. Treasurer Frederick Zuckerman said that Chrysler's profit margin dropped to about 2.5 percent in the first quarter of 1988 compared to about 4 percent in the comparable period of 1987.

Although the company declined to specify its marketing costs in the first quarter, a letter sent by Chrysler to all members of the U.S. Congress April 22 said the company spent more than $400 per unit on incentives in 1987.

According to Iacocca, Chrysler's long-term focus included increasing in March its engineering research and development budget by $150 million. Chrysler spent $800 million on engineering research and development in 1987.

"We have taken a look at some of the 1991 and 1992 (vehicle) programs and we have to do more than we've been doing because we need to do it to be competitive," Iacocca said.

Iacocca said the increased production in the last half of 1988 is being prompted by a stronger-than-expected market as well as pressure exerted in the wake of the company's announcement that the Kenosha plant would be closed.

Chrysler will produce 983,000 units in the second half of the year, up from a projected build of 873,000.

The increased output includes 12,000 more Omni/Horizon America subcompacts, 57,000 more A[illegible]ica K-cars and 23,000 more M-body Fifth Avenues, Diplomats and Gran Furys.

The decision also means that Chrysler no longer has plans this year to make Mexico its sole source of the Dodge Aries and Plymouth Reliant for the U.S. market.

Iacocca said the company has a contingency plan to produce 20,000 to 40,000 K-car units in Mexico from January to May 1989 if sales are sufficiently strong. A phaseout of the model is then expected.

Chrysler posted the drop in earnings on net sales of $7.71 billion in the first quarter of 1988 up from $6.03 billion a year earlier, before it acquired American Motors.

Chrysler said it earned $183.7 million in the first quarter of 1988 and reported a one-time charge of $93.1 million due to plant closing costs in its Acustar parts-making subsidiary. Chrysler earned $269.4 million in the first quarter of 1987.

Worldwide factory sales for the quarter were 634,292, compared to 570,002 Chrysler units and 82,939 AMC units in the year-earlier period.

Chrysler Financial said its 1988 first-quarter net earnings were $65 million, 7 percent higher than the previous record of $61 million, earned in the first quarter of 1987. Its pretax earnings of $101 million in the 1988 first quarter were the second best in history.

Four-door GM10 due

POPULAR MECHANICS/JIM DUNNE PHOTO

Oldsmobile will introduce a four-door sedan version of its Cutlass Supreme (GM10) in the fall of 1989 for the 1990 model year, according to sources. The Cutlass sedan will be introduced along with four-door versions of the Pontiac Grand Prix, Buick Regal and a Chevrolet GM10 model.

FORD

FROM PAGE 1

"It's not so much what you say to a customer, but how long it takes you to get a result," said Larry Hernandez, general manager at Capitol Ford in San Jose. "We'll cut through a lot of the red tape."

According to a spokesman for the National Automobile Dealers Association, Ford's program reflects "a maturing of the relationship" between automakers and their dealers. "I think the trend is toward relaxing warranty decision-making," the spokesman said. "But I'm not aware of any programs that go as far as the Ford program goes."

Under Ford's old system, the company served as the auditor. It took days, if not weeks, to get a zone manager to approve a claim. Meanwhile, customers didn't know if they'd be out $20 or $200.

The program is aimed at providing payments for problems that aren't caused by neglect or abuse. It's not, a Ford spokesman stressed, a license to give away money.

Dealers will be able to use a lot of discretion. They will also take into account the time and mileage since the warranty expired.

Although each case is different, Ford expects dealers to chip in an average of about $20 for every $80 provided by the company. Customers may be asked to cover some of the costs, too. A dealer is more likely to ask the customer to share some of the cost when a part breaks at 30,000 miles than at 15,000.

Hill, for example, was told that a design flaw made the decklid rust common on 1983 Mark VIs. He was also a long-time Lincoln owner and a known customer at the dealership — two other factors a dealer may take into account.

Ford tested the program in five of its parts and service regions last year. Twelve more have been added this year, including the four last week. By October, it is expected to be in place in a dozen more regions and cover every Ford and Lincoln-Mercury dealership nationwide.

"From our perspective, anything that simplifies the process for obtaining reimbursement is probably a good idea," said Robert Dewey, a member of the vehicle safety staff at the Center for Auto Safety, a consumer group.

The center in the past has taken issue with the industry for its so-called secret warranties, a practice of paying for common defects only when customers raise a fuss.

Dewey said that Ford's program appears worthwhile as long as it's not kept secret and as long as it doesn't preclude an owner from pursuing a defect claim through other channels.

Dealers said it's the type of program they will use daily and would have no reason to hide it.

Ford isn't disclosing how much it expects the program to cost. And while there is risk any time the company loosens its grip on the purse strings, dealers suggest that the benefits will far outweigh the potential for abuse.

"It's super-helpful to extend a little goodwill on things where the burden shouldn't be laid totally on the customer," said Mike Jones, service manager at Tom Curo Lincoln-Mercury, Laurel, Md.

Only the first owner of the car is eligible for the program.

Ford's basic warranty currently extends for one-year/12,000 miles, with additional powertrain protection for six years/60,000 miles. Corrosion coverage is effective for six years/100,000 miles.

Porsche signs lease for new U.S. quarters in Reno

RENO, Nev. — Porsche Cars North America is sending signals it is in the United States for the long haul.

Company officials have signed a 10-year lease for 47,000 square feet of space in a new building here. The company's headquarters is already in this city.

Porsche will move to the 12-story building — to be called Porsche Plaza — when its present lease expires in about 15 months.

Security concerns for company cars was cited as a consideration in the relocation plan.

Mexico grows as source of cars for U.S. market

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Corp.'s on-again, off-again shuffle of K-car production in Mexico focused attention on North America's most geographically convenient source of low-cost cars.

South-of-the-border production is not new. The twist comes as some U.S. manufacturers shut down assembly plants at home while Mexican sourcing increases.

In 1986, Chrysler, Ford Motor Co. and General Motors combined to make 76,882 cars in Mexico. In 1987, that figure more than doubled, to 164,028.

Exports also climbed — and at a feverish rate. In 1986, the Big 3 exported 20,502 cars to the United States. A year later, that number shot up to 113,531.

Of Detroit's automakers, Ford Motor Co. led the way in both Mexican production and export totals. In its Hermosillo plant, Ford built 51,773 Mercury Tracers that were exported to the United States. Total production in Mexico was 67,578 cars including Thunderbird, Topaz and Cougar models for the home market.

If current production rates hold, Hermosillo is expected to produce some 65,000 Tracers this year — up 14,000 from 1987. By adding a second shift, the plant could build as many as 130,000 annually.

Ford plant officials also picked Hermosillo as one of the two sites where it will build the CT20, the planned successor to the Tracer and Ford Escort. The Mercury version is expected to be built in Hermosillo, beginning in mid-1990, while Ford's assembly plant in Wayne, Mich., will produce Ford versions.

In the first three months of 1988, Ford built 5,593 cars, up slightly from last year.

Chrysler's production in Mexico has grown steadily from 42,606 units in 1986 to 64,208 in 1987. Last year it built 5,017 cars in the first quarter; this year's pace more than doubled, to 10,247.

Chrysler has been building for export to the United States the Chrysler LeBaron coupe, Plymouth Reliant and Dodge Aries. On Feb. 8, it began production at its Toluca, Mexico, plant of Plymouth Sundance and Dodge Shadow units for the U.S. market. Approximately 7,900 are expected to be built for the United States this year..

"Mexico can impact North America maybe 3 percent — the whole continent — as far as shipping anything out," Chrysler Chairman Lee Iacocca said last week. "They are not a player."

GM will continue to manufacture and export its mid-sized A-body cars from its engine and vehicle assembly complex in Ramos Arizpe in northeastern Mexico.

In 1987, GM Mexico built and exported 20,724 Celebrity A-cars to the U.S. market and built another 11,518 A-cars for the Mexican market. GM exported no cars from Mexico in 1986, though it did build and export the now-discontinued GMC Caballero and Chevrolet El Camino trucks that year.

Production capacity for the A-car at Ramos Arizpe has been put at 120,000.

For the first quarter this year, GM's Mexican car production was 3,321, up by more than half from 1987's first quarter. And GM's car production for all of 1987 was more than double that of 1986 — 32,242 versus 14,260.

Automotive News Staff Reporters Mary Connelly and David Versical contributed to this report.

LABOR

FROM PAGE 1

American jobs would have been lost through increased Mexican production of K-cars during the period they were being phased out of the U.S. market. But to mention outsourcing — particularly to Mexico — during negotiations was like waving a red flag in front of a bull.

By contrast, a revelation last month that Chrysler also planned to build its P-car subcompact in Mexico went almost completely unnoticed, and the international UAW has not publicly protested the move.

Chrysler plans to build 7,900 Plymouth Sundance and Dodge Shadow P-cars in Mexico for the U.S. market during the 1988 model year. Production began in Toluca, Mexico, Feb. 8 (Automotive News, March 7).

Bill Parker, president of UAW Local 1700 at the Sterling Heights, Mich., plant, which also produces P-cars, said in March that he was very upset about the Mexican sourcing because more units could be built at Sterling Heights.

Since the P-car and K-car revelations of Mexican outsourcing got such different reactions, observers felt last week's turmoil was laced with traditional contract bargaining hype.

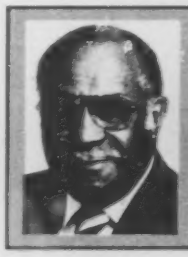
But an unlikely team of heroes — Iacocca and the union's chief Chrysler negotiator, Marc Stepp — emerged as saviors of the faltering negotiating process last week by flushing the villains: the managers Iacocca blamed, during a top-level meeting last week, for poor labor relations at Chrysler.

Stepp later fired his own volleys, citing "managerial stupidity" for "stupid announcements" and "idiocy" that "poison the waters" of labor-management relations.

The fallout on day-to-day relations may prove considerable and further polarize the parties at a time when Chrysler says it needs worker cooperation more than ever.

In blasting Chrysler managers, Stepp did not mention St. John, the company's top negotiator, by name. But it was St. John who, to deal with a news leak, called a press conference during the volatile first-week talks and thereby trumpeted a plan — which Iacocca later said was only under review — to shift all production of K-bodied cars to Mexico.

Stepp praised Iacocca for chastising the insensitivity of Chrysler management. He called Iacocca a man of his word who saw eye-to-eye with him on the labor-management relationship problem.



Stepp: Iacocca should stay in close touch with Chrysler managers during negotiations to make sure they don't commit "more tomfoolery."

Meanwhile, though Iacocca said that K-car sourcing was determined by necessary production increases, Chrysler local officials credited Stepp with making the company scrap its plan to source all K-bodies in Mexico in the 1989 model year.

St. John and the labor relations staff are taking the flak at the local level, yet will be expected to right the ship during negotiations.

"Lee Iacocca made the best statement," said Aaron Taylor, president of UAW 7, which represents the Jefferson Avenue (Detroit) plant. "He said Chrysler has come a long way in productivity and quality, but the labor relations department still has a long way to go."

Stepp called upon Iacocca to stay in close touch with Chrysler management during negotiations, to make sure they don't commit "more tomfoolery."

The recent turmoil may exact a price from Chrysler. Stepp and local union officials believe Chrysler workers — who gave up concessions and suffered anxiety over the proposed sale of Acustar and, on top of that, the moving of the K-car to Mexico — are entitled to more than workers received from Ford Motor Co. and General Motors.

"We need pattern-plus," Taylor said. "We've seen Chrysler's callous attitude. The workers want a sign that the trend will change."

Pattern-plus, Taylor said, means "no concessions whatsoever and a monetary consideration," possibly a signing bonus. "Let's see something from Iacocca in the contract — a monetary reward for the worker," he said.

UAW President Owen Bieber said that it is traditional for the latest company getting a pattern agreement to get a "sweetener," but Bieber said it would not be "too caloric."

Automotive News Staff Reporter Mary Connelly contributed to this report.

Car production in Mexico rises 31% for 1st quarter

By Kathy Barbaglia and Stephen Downer
AUTOMOTIVE NEWS STAFF

Mexican car assembly for the first three months of this year totaled 47,506, an increase of 31.77 percent over the year-ago quarter's 36,052.

Each of the five automakers in Mexico posted increases over the 1987 period.

General Motors built 3,321 cars in the first quarter, 55.11 percent more than the 2,141 assembled in the first quarter of 1987.

GM produces Chevrolet Celebrity, Buick Century and Oldsmobile Cutlass Ciera in Mexico. Only the Celebrity is exported to the United States.

Ford Motor Co.'s three-month build totaled 5,593, a slight increase (0.65 percent) over the 5,557 completed in the year-ago period.

Ford assembles Topaz, Ford Thunderbird and Mercury Cougar and Tracer models in Mexico. Tracer is the only car built for export.

In the first quarter, Chrysler assembled 10,247 cars, more than double the 5,017 built in the comparable period of 1987. Chrysler produces Aries, Reliant and LeBaron J models in Mexico; all are exported to the United States.

MEXICAN CAR PRODUCTION
First quarter 1988 vs. 1987

	1988	1987
Chrysler	10,247	5,017
Ford	5,593	5,557
GM	3,321	2,141
Nissan	14,883	13,478
Volkswagen	13,462	9,859
Total Cars, Mexico	47,506	36,052

Nissan built the most cars of the five companies in the first quarter with 14,883, up 10.42 percent over 13,478 in 1987. Nissan builds the Sentra for the Mexican market.

Volkswagen reported production of 13,462 cars in the first quarter, 36.55 percent more than the 9,859 built in the same period last year.

VW assembles the Golf, Jetta, Beetle and Corsar (Quantum) in Mexico.

Combined car production in Mexico, Canada and the United States in the first quarter totaled 2,036,395, down 13.15 percent from 2,344,766 last year.

Firebird, Camaro top theft list

By Matt DeLorenzo
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — General Motors' F-body cars — Pontiac Firebird and Chevrolet Camaro — topped NHTSA's list of final 1985 theft data with 19 and 16 thefts per thousand, respectively.

In fact, eight of the 10 cars with the highest theft rates were GM models. The other two were imports, Mazda's RX-7 in third place and Toyota's Supra, which finished 10th. The other GM models, ranking from fourth to ninth, were the Chevrolet Corvette, Buick Riviera, Chevrolet Monte Carlo, Buick Regal, Pontiac Grand Prix and Cadillac Eldorado. All cars in the top 10 had theft rates of more than 10 cars per thousand produced.

Ironically, the car with the lowest theft rate for 1985 is also sold by GM, the Chevrolet Nova, which is produced by New United Motor Manufacturing Inc. Sixteen of the 27,943 produced in 1985 were stolen for a theft rate of 0.5726 per thousand.

American Isuzu has disputed NHTSA's finding that the theft rate for the I-Mark nearly doubled in 1985 compared to 1983 and 1984 figures. The I-Mark is ranked 40th on the list with 89 thefts out of a sales total of 8,244 for a theft rate of 4.37 per thousand.

According to Isuzu, most of the reported thefts occurred in Puerto Rico, where the I-Mark theft rate was seven times that in the continental United States. Isuzu felt it was unfair to rank a car as a top risk when its theft rate was disproportionately high in only one area of the country. Isuzu asked that the thefts from Puerto Rico be excluded. NHTSA responded that by law, the definition of U.S. thefts includes that territory.

UAW review board upholds election rule

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

The UAW's public review board, an independent panel including law professors, upheld the union's requirement that a staff member who runs for election against an incumbent regional director take a 90-day unpaid leave.

In a related action, the U.S. Department of Labor last week established the rules and schedule for the rerun election for UAW Region 5 director, which was ordered by a U.S. district judge.

Election of delegates under the Labor Department's supervision will begin at locals in mid-June. A special convention, where delegates will vote for regional director, is expected to take place Aug. 11 in Tulsa, Okla., but could be scheduled earlier.

The Labor Department and Jerry Tucker, former assistant director of Region 5, challenged the candidacy rule and the election of Kenneth Worley, who defeated Tucker for Region 5 director by a slim margin. Should Tucker win the new election, it would put a dissident in a powerful position.

In a suit against UAW President Owen Bieber, Tucker charged that he was illegally fired for not abiding by the candidacy rule. A decision on that suit awaits U.S. District Judge Richard Suhrheinrich's consideration of the review board's decision.

The review board dismissed charges that the candidacy rule was not properly adopted:

"We cannot ignore the fact that the UAW is now, and has been for over 20 years, a one-party institution not in all respects unlike that found in many national governments in which a single political party controls the government, and the officials who formally make and administer the laws . . . are selected wholly by that party," the review board said.

"For this board to rule that the union can act only through formal action of the International Executive Board, recorded in verbatim minutes, would be to ignore the realities of how this union has long governed itself and would call into question a wide range and untold number of (executive board) actions over the years."

The UAW said the decision showed the 90-day rule is a "logical and democratic requirement" in light of its evolution.

'87 Maserati cars fail to meet passive-restraint rule

WASHINGTON — NHTSA's Office of Chief Counsel said it is considering legal proceedings against Maserati Automobiles because none of its 1987-model cars had either air bags or automatic belts.

Standard 208 requires a 10 percent phase-in for 1987.

Maserati was given 20 days from receipt of the NHTSA letter to respond.

The company sold 932 cars during the 1987 calendar year.

PRODUCTION

Car output holds steady at 165,706

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Last week's targeted domestic auto production totaled 165,706, slightly above (0.11 percent) the prior week's 165,519 and a bit higher (0.61 percent) than the year-ago week's 164,702.

So far this year, 2,341,932 cars have been assembled, 12.29 percent below the 2,669,975 completed last year at this point.

Companies split last week's scheduled production as follows: General Motors, 50.75 percent; Ford Motor Co., 24.98 percent; Chrysler Motors, 14.82 percent; Honda of America Manufacturing Inc., 4.53 percent; New United Motor Manufacturing Inc., 1.96 percent; Nissan Motor Manufacturing Co. U.S.A., 1.58 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.38 percent.

Volkswagen of America's plant in Westmoreland, Pa., remains idle until May 9 for model changeover.

Truck output of 86,676 last week dipped 1.98 percent from the prior week's 88,425 but was 9.57 percent more than last year's 79,107.

Year-to-date, 1,424,128 trucks have been built, 11.31 percent more than the 1,279,452 assembled last year at this time.

GM slated overtime last Saturday at the following car plants: Detroit-Hamtramck; Lansing, Mich.; Wentzville, Mo.; and Willow Run, Mich.

Four GM truck plants worked overtime last Saturday. They were: Lordstown van plant in Lordstown, Ohio; Baltimore; Flint, Mich.; and Pontiac, Mich.

Saturday overtime was slated at Ford's Wixom, Mich.; Kansas City, Mo.; and Norfolk, Va., plants.

Daily overtime is slated at all Ford car and truck plants this week except Edison, N.J.

Chrysler scheduled Saturday overtime at its Kenosha, Wis.; Toledo, Ohio; and St. Louis (No. 2) plants. Daily overtime is slated this week for Chrysler's Kenosha; Belvidere, Ill.; and St. Louis (No. 2) plants.

Canada again slates record auto production

For the second week in a row, Canadian auto makers scheduled the highest production in history — 27,010 cars, surpassing the current record of 26,733 set the week ended Dec. 14, 1985. The previous week's build fell 68 cars short of the record.

Last week's estimated car output was 1.29 percent more than the previous week's 26,665, and 52.75 percent more than the year-ago week's 17,683.

So far this year, 392,015 cars have been assembled, 35.83 percent more than the 288,611 built last year at this point.

Truck output of 20,030 last week was slightly below (0.83 percent) the prior week's 20,197 but 9.90 percent above the year-ago week's 18,226.

Year-to-date, 325,750 trucks have been completed, 17.49 percent more than the 277,268 built last year at this time.

U.S. CAR	Week Ended April 30, 1988	Week Ended May 2, 1987	Week Ended April 23, 1988	April Est.	Jan. 1 to April 30, 1988	Jan. 1 to May 2, 1987
Alliance	0	764	0	0	0	11,385
Total Eagle	0	764	0	0	0	11,385
Horizon	2,500	0	2,121	9,240	30,957	32,907
Sundance	2,100	2,224	2,236	9,139	36,552	37,683
Reliant	2,500	2,479	2,425	9,916	31,996	42,685
Caravelle	400	1,000	473	1,812	6,808	19,638
Gran Fury	300	210	317	1,352	4,134	777
Total Plymouth	7,800	5,913	7,572	31,459	110,447	133,760
LeBaron K	500	1,806	525	2,060	6,162	30,410
LeBaron J	1,300	4,012	1,902	7,017	20,990	34,782
LeBaron GTS	100	1,065	180	582	2,861	14,606
N. Yorker E-Class	0	1,910	0	0	0	30,731
N. Yorker C-Class	2,700	0	2,741	10,495	38,397	0
Fifth Avenue	350	1,314	336	1,344	12,510	10,497
Total Chrysler	4,950	10,107	5,684	21,496	79,220	121,026
Omni	2,500	0	2,194	9,525	30,873	28,363
Daytona	1,200	1,627	1,953	6,892	20,100	17,115
Shadow	2,100	2,556	2,226	8,606	36,526	35,604
Aries	2,400	2,443	2,326	8,977	27,127	37,971
Dodge 600	500	931	493	1,951	6,098	17,454
Dynasty	2,200	0	2,282	8,747	37,660	0
Lancer	250	546	221	955	3,829	9,236
Diplomat	650	293	500	2,404	7,999	1,135
Total Dodge	11,800	8,396	12,197	46,061	170,212	146,876
CHRYSLER MOTORS	24,550	25,162	25,453	101,018	359,879	413,049
Escort	9,478	7,154	8,744	33,103	117,078	124,286
Mustang	4,163	4,450	4,173	16,348	73,076	75,303
Tempo	4,378	3,794	3,846	16,704	68,287	66,798
Taurus	8,845	8,011	8,894	34,919	135,405	156,757
Thunderbird	2,937	4,733	3,372	13,090	54,423	53,558
Total Ford Div.	29,801	28,147	29,029	114,164	448,267	476,682
Lynx	0	643	0	0	0	16,148
Topaz	1,122	1,357	1,682	5,926	25,755	20,586
Cougar	2,690	3,136	2,258	9,469	41,042	57,890
Sable	3,557	2,502	3,580	13,979	45,883	49,152
Total Mercury	7,369	7,638	7,509	29,374	112,680	145,776
Continental	933	412	1,105	4,011	15,232	6,280
Mark VII	470	613	557	2,021	8,720	9,401
Lincoln	2,619	3,075	3,324	12,080	49,905	47,038
Total Lincoln	4,222	4,100	4,986	18,112	73,857	62,719
Total L-M Division	11,591	11,738	12,495	47,486	186,537	208,495
FORD MOTOR CO.	41,392	39,885	41,524	161,650	634,804	685,177
Skyhawk	0	0	329	2,379	11,350	13,713
Skylark/Somerset	1,810	1,844	1,905	6,119	12,080	27,559
Century	2,350	5,108	3,129	12,520	29,866	67,291
Regal (rwd)	0	1,101	0	0	0	15,174
Riviera	154	256	131	577	2,358	6,372
Electra	2,690	2,573	2,265	9,672	27,043	37,158
LeSabre (fwd)	2,875	3,271	3,452	12,305	44,103	40,952
LeSabre (rwd)	265	469	304	1,198	2,997	4,623
Reatta	177	0	156	605	1,631	0
Total Buick	10,321	14,622	11,671	45,373	131,428	212,836
Cimmaron	146	237	121	501	3,533	5,953
Eldorado	1,210	431	1,031	4,535	13,369	5,812
Seville	723	397	602	2,999	8,520	8,486
Brougham (rwd)*	1,121	1,134	1,121	4,709	12,061	27,817
Deville (fwd)	3,540	3,910	3,498	14,007	63,419	60,974
Allante	65	137	65	257	865	1,017
Total Cadillac	6,805	6,246	6,438	26,708	101,767	110,059
Cavalier	8,169	7,700	6,952	28,999	114,971	127,036
Camaro	2,430	2,575	2,398	9,440	26,085	36,791
Celebrity	4,575	7,708	4,005	15,462	54,702	127,708
Corsica/Beretta	8,980	6,259	8,980	35,541	135,219	91,474
Monte Carlo	0	1,924	0	0	0	24,979
Caprice	3,900	5,422	4,270	15,975	65,869	78,528
Corvette	440	648	442	1,757	7,247	10,272
Total Chevrolet	28,474	32,234	27,047	107,195	403,893	496,788
Celaia	2,980	3,141	3,115	10,869	36,572	39,362
Firenza	0	0	107	988	5,220	3,411
Cutlass Ciera	0	3,671	0	0	0	61,972
Cutlass Supreme*	9,137	3,116	9,137	36,375	77,621	24,648
Toronado	487	471	408	1,834	6,052	5,791
88 (fwd)	3,986	4,098	4,614	15,715	55,671	74,231
88 (rwd)	315	453	257	1,197	4,484	6,566
Olds 98	1,622	1,316	1,601	6,404	29,152	26,619
Total Oldsmobile	18,537	16,266	19,239	75,063	214,762	248,216
Sunbird	2,285	2,453	2,222	8,780	35,907	40,967
Grand Am	6,360	5,314	5,249	21,207	81,934	67,040
Firebird	1,690	1,747	1,685	6,720	20,338	-26,123
Grand Prix	3,285	0	3,316	13,195	36,373	0
Pontiac 6000	2,520	2,439	2,537	10,365	25,910	30,018
Bonneville	3,132	3,141	2,638	11,158	34,724	50,807
Safari/Parisienne	225	259	237	986	2,789	4,572
Fiero	488	1,173	490	2,062	6,737	12,975
Total Pontiac	19,985	16,526	18,386	74,474	244,712	254,302
GENERAL MOTORS	84,122	85,894	82,761	328,813	1,096,582	1,322,203
HONDA	7,500	6,604	7,470	31,931	123,596	111,863
Civic	2,150	1,770	2,299	8,934	31,661	35,413
Accord	5,350	4,834	5,171	22,997	91,935	76,450
MAZDA†	2,282	0	2,517	9,141	25,190	0
NISSAN	2,610	2,972	2,487	10,406	30,286	47,639
NUMMI	3,250	4,165	3,307	13,062	54,312	64,117
Corolla	1,200	800	1,197	4,838	20,010	13,059
Nova	2,050	3,365	2,110	8,224	34,302	51,058
VOLKSWAGEN	0	0	0	258	17,284	25,927
Golf/GTI	0	0	0	189	11,731	21,477
Jetta	0	0	0	69	5,553	4,450
Total Cars, U.S.	165,708	164,702	165,519	656,280	2,341,932	2,669,975
Total Cars, Canada	27,010	17,683	26,665	106,243	392,015	288,611
U.S., Canada Cars	192,718	182,385	192,184	764,522	2,733,947	2,958,586
U.S., Canada Cars and Trucks	299,422	279,718	300,609	1,204,834	4,483,825	4,516,308

CANADIAN CAR	Week Ended April 30, 1988	Week Ended May 2, 1987	Week Ended April 23, 1988	April Est.	Jan. 1 to April 30, 1988	Jan. 1 to May 2, 1987
Eagle	0	—	0	0	0	—
Premier	1,650	—	1,656	6,906	24,187	—
CHRYSLER MOTORS	1,650	68	1,656	6,906	24,187	2,299
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,292	—	4,007	17,677	70,520	—
Topaz	1,348	—	1,685	5,972	23,827	—
Crown Victoria	2,851	—	2,836	11,833	47,681	—
Grand Marquis	2,909	—	2,959	12,050	47,105	—
FORD MOTOR CO.	11,400	11,565	11,487	47,532	188,933	182,191
Celebrity	339	—	311	1,393	6,012	—
Cutlass Ciera	7,176	—	7,076	27,880	86,749	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,445	—	1,424	5,289	17,017	—
Regal	4,000	—	3,718	15,503	55,966	—
GENERAL MOTORS	12,960	5,545	12,529	50,079	165,744	97,705
HONDA	825	270	873	3,104	11,020	2,861
VOLVO	175	225	120	622	2,131	3,555
Total Cars, Canada	27,010	17,683	26,665	106,243	392,015	288,611

U.S. TRUCK☆	Week Ended April 30, 1988	Week Ended May 2, 1987	Week Ended April 23, 1988	April Est.	Jan. 1 to April 30, 1988	Jan. 1 to May 2, 1987
Cara-van	2,300	—	1,907	8,679	34,110	—
Dakota	2,600	—	2,884	11,223	41,544	—
Mini-Ram Van	300	—	301	1,405	5,311	—
Pickups	1,300	—	1,389	5,390	20,370	—
Total Dodge	6,700	4,825	6,481	26,698	101,335	82,860
Cherokee	3,100	—	3,206	13,748	59,161	—
Commanche	900	—	848	3,617	16,228	—
Grand Wagoneer	300	—	350	1,336	4,865	—
Pickups	0	—	0	5,200	5,200	—
Wagoneer	150	—	246	957	4,324	—
Total Jeep	4,450	4,429	4,650	25,058	89,776	74,599
Voyager	2,100	—	1,752	7,727	31,410	—
Total Plymouth	2,100	—	1,752	7,727	31,410	—
CHRYSLER MOTORS	13,250	9,254	12,883	59,484	222,521	157,459
Aerostar	4,500	—	4,542	17,605	75,937	—
Bronco	1,276	—	1,270	4,993	20,921	—
Bronco II	2,507	—	2,469	10,039	48,585	—
Econoline	5,155	—	4,789	20,041	84,361	—
Heavy trucks	1,485	—	1,677	5,894	22,898	—
Light trucks	10,440	—	11,702	43,725	173,636	—
Ranger	7,876	—	7,922	31,118	123,932	—
Total Ford Div.	33,219	31,403	34,371	133,405	550,870	518,240
FORD MOTOR CO.	33,219	31,403	34,371	133,405	550,870	518,240
Astro	3,877	—	3,220	14,789	59,212	—
Blazer	651	—	592	2,453	9,313	—
Mediums/Heavies	405	—	501	1,560	5,903	—
P-Model	860	—	773	3,316	13,277	—
Pickups	6,738	—	7,647	29,345	110,638	—
S-10	5,900	—	6,801	25,200	96,509	—
S-10 Blazer	3,675	—	3,709	14,868	53,651	—
Sportsvan/Van	1,999	—	1,909	7,772	26,966	—
Suburban	1,669	—	1,426	6,280	24,389	—
Total Chevrolet	25,744	23,707	26,580	105,564	399,558	382,575
Jimmy	163	—	113	649	2,945	—
Mediums/Heavies	845	—	783	3,452	15,128	—
P-Model	160	—	177	627	1,464	—
Pickups	2,059	—	2,500	8,802	35,570	—
S-15	1,285	—	1,319	5,139	23,078	—
S-15 Jimmy	978	—	932	3,805	13,758	—
Safari	955	—	306	3,719	15,274	—
Suburban	774	—	680	3,031	12,400	—
Vandura/Rally Vans	914	—	999	3,205	13,779	—
Total GMC	8,133	8,510	8,286	32,430	133,395	127,828
GENERAL MOTORS	33,877	32,217	34,866	137,994	532,953	510,401
NAVISTAR	1,910	1,883	1,927	7,695	29,714	25,739
NISSAN	1,570	1,820	1,646	6,792	41,870	28,413
AM GENERAL*	450	450	450	1,800	7,560	2,400
MISCELLANEOUS*	2,300	2,300	2,300	9,860	36,840	36,800
Total Trucks, U.S.	86,676	79,107	88,425	356,921	1,424,128	1,279,452

CANADIAN TRUCK	Week Ended April 30, 1988	Week Ended May 2, 1987	Week Ended April 23, 1988	April Est.	Jan. 1 to April 30, 1988	Jan. 1 to May 2, 1987
Caravan	3,071	—	3,099	12,603	51,095	—
Mini-Ram Van	322	—	350	1,393	4,787	—
Ram Wagon	576	—	573	2,396	8,253	—
Ram Van	1,472	—	1,518	6,020	20,756	—
Total Dodge	5,443	6,504	5,540	22,402	84,893	142,234
Voyager	2,751	—	2,829	11,479	47,234	—
Total Plymouth	2,751	—	2,829	11,479	47,234	—
Wrangler	1,015	—	1,070	4,383	17,333	—
Total Jeep	1,018	775	1,070	4,383	17,333	10,733
CHRYSLER MOTORS	9,212	9,279	9,439	38,264	149,460	152,967
FORD MTR. (t. trks.)	3,648	3,563	3,644	15,177	60,661	53,516
Light trucks	3,508	—	3,243	14,312	53,422	—
Vans	1,513	—	1,579	5,788	20,858	—
Total Chevrolet	5,021	—	4,822	20,100	74,280	—
Light trucks	1,292	—	1,545	5,825	26,047	—
Vans	632	—	525	2,893	11,627	—
Total GMC	1,924	—	2,070	8,719	37,674	—
GENERAL MOTORS	6,945	5,130	6,892	28,819	111,954	67,566
NAVISTAR	225	204	222	931	3,675	3,217
Total Trks., Canada	20,030	18,226	20,197	83,191	325,750	277,268
U.S., Canada Trks.	106,706	97,333	108,622	440,112	1,749,878	1,556,720

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Automotive News

May 9, 1988

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Iacocca returns as saviour

Host of problems needed his touch

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Lee A. Iacocca, the hero who saved Chrysler Corp. from itself once, is trying to do it again.

After months of distraction, Iacocca is back at the helm — in part to steady a foundering ship — and with him comes a new car-dominated vigor that got sidetracked in the fast-paced days of 1987.

And in just 120 days, the legend in his own lifetime has recharted the New Chrysler Corp. from a financially driven company faltering in the car market and favoring trucks and airplanes to a New New Chrysler Corp. — an automotive, technology, manufacturing force willing to fight and sacrifice to win an even bigger U.S. market share.

The contrasts are startling.

What was going on at Chrysler toward the end of last year was the stuff of which novels are written. There were tales of infighting among top executives and a host of squabbles over turf and priorities.

The one thing most agreed on was that their leader, Lee Iacocca — the man who rebuilt Chrysler and became an international hero in the process — was away too much.

Preoccupied with the acquisition of American Motors, a divorce and heavy travel, Iacocca had stepped

see CHRYSLER, page 52

AUTOMOTIVE NEWS/JOE WILKENS

Smiles for a new pact
UAW President Owen Bieber, right, Vice President Marc Stepp and members of the union's bargaining team announce a tentative agreement at Chrysler Motors. The pact was reached after bumpy negotiations in which the UAW painted a dismal picture of labor relations at Chrysler. Workers will vote on the contract this week. **Story on Page 6.**

FORD HIRES: *New workers added, 1st time in a decade*

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

In what is believed to be the first "off the street" hiring by the Big 3 in more than a decade, Ford Motor Co. is taking on new workers at its Twin Cities truck plant in St. Paul, Minn., and at several other locations.

And for this first infusion of fresh blood in years, Ford is being almost as choosy as the Japanese transplant automakers.

Since the recession, when thousands of laid-off autoworkers swelled preferential recall lists, the Big 3 have not been able to hire new workers. But those lists are thinning out at Ford, which has only about 2,000 workers on indefinite layoff. General Motors, by contrast, has about 60,000 idled workers.

Though a Ford spokesman said the new hiring at several plants does not mean "an increase in production or an expansion," it is another sign of how far Ford has come since it laid off 100,000 workers in the early 1980s.

And it represents "a totally new way of hiring," said William Novotny, time standards representative at UAW Local 879 at the Twin Cities plant.

Novotny said that about 50 workers will be chosen from a list of about 2,000 recent applicants at Twin Cities, and that the hiring process takes about a month.

Before the example of the transplant automakers — who screen extensively from lists of up to 100,000 applicants to select 2,000 workers — American automakers typically hired on a Friday and put a new worker on the line the next Monday.

see FORD, page 53

Stempel says product blitz on tap for GM

By Kathleen Hamilton
AUTOMOTIVE NEWS STAFF REPORTER

The devalued dollar has killed General Motors' plan to export its large European Opels to the United States, and emissions and fuel-economy rules have shelved the V-12 project, but President Robert Stempel sees a GM with "more new cars, more new trucks, more new powertrains than in 80 years."

The demise of the Fiero should not be taken as an indication that the auto giant is unable to meet today's consumer-driven trend to niche vehicles. To the contrary, Stempel pointed to GM's commitment to niche markets in trucks and with the Buick Reatta.

He affirmed that GM will be able to profitably produce more such vehicles. And he forecast that GM will soon be able to bring its product cycles down to three years — besting today's leader, Honda, with its current four-year cycle.

Both niche marketing and the shortened product lives are proof that GM is becoming a customer-driven company, Stempel emphasized in a wide-ranging interview.

He disagreed with the widely published interpretation of GM statements on its market-share goals, made recently in a closed-door session with Wall Street analysts, and he stressed that GM is aggressively pursuing increased market share.

The production startup curves of the new mid-sized coupes and the second shift being added for full-sized pickups in Pontiac, Mich., give the company hope that it will indeed increase its slice of the pie, he said. But he declined to forecast whether the company's penetration will increase from its present 37 percent car share and 31 percent truck share, citing intense competition from a growing number of automakers.

Stempel also said the company's white-collar layoffs are just about complete, although cost-cutting continues to be the company's top priority.

GM is striving to once again become the country's lowest-cost auto producer despite cost penalties it is willing to accept to produce the cleanest engines, he

see STEMPEL, page 51

GM10 sales mixed

Buick, Pontiac top '87; Olds off

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — It has been a little more than six months since the first of General Motors' GM10 intermediates hit the street, enough time to gauge their market strengths and weaknesses. To hear GM and most of its dealers tell the story, the launch has been a success of the first order.

But even as the corporate flag waves high, a gentle wind suggests all may not be as it seems.

Right now, union leaders, plant officials and GM employees are holding talks in Pontiac's Grand Prix-dedicated Fairfax assembly plant in Kansas City, Kan. Those talks focus on some layoffs the company is expected to make once the line rate of 800 cars a day is met, later this month. The plant currently is producing 700 cars per day.

In addition to the possibility of layoffs, GM last week recalled 25,900 Buick Regal and Pontiac Grand Prix models for safety-related items.

The sales numbers have been mixed for the GM10s — Pontiac's Grand Prix, Buick's Regal and Oldsmobile's Cutlass Supreme — since their introduction.

Buick was first with its Regal GM10 derivative. The car went on sale last October. For the calendar year through April 30,

see GM10, page 4

AUTOMOTIVE NEWS/JOE WILKENS

GM intends to capture a bigger market share with its GM10 fleet

'Executive car' tag on rentals attacked

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

You can call them "brass hat," "factory official," or "executive vehicles," but if they really come from daily rental fleets you're likely to get in trouble — especially in Ohio, Arkansas and Arizona.

Dealers who advertise manufacturer program vehicles as "factory official" cars or represent them to customers as "executive vehicles" rather than daily rentals are coming under fire in those states — and probably more.

In the wake of the controversies, General Motors said it is studying ways to change the terms so the words "factory official" are removed from auction ads and brochures because it confuses dealers and customers.

"There have been some people who believe 'factory official auction' is the same as 'factory official car' so we will take steps to make sure the terminology is not used," a GM spokesman said.

GM says it realizes there is some confusion on the part of its dealers on the issue and will alert them to it.

"These vehicles (program cars) are clearly identified

see RENTALS, page 53

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Toyota gears up for big boost in U.S. fleet sales — Page 2
Smith clarifies analysts' meeting — Page 3
GM revamps incentives; some rebates dip — Page 4

Smith says GM won't settle for 37% of market

Quarrels with reports of analysts' session

DETROIT — In an unusual letter, Chairman Roger B. Smith has publicly revealed for the first time what General Motors executives told stock analysts at a closed-door New York meeting April 22.

While some analysts' accounts of the meeting said GM would modify its production capacity to reflect its present 37 percent U.S. market share even if it meant closing more plants, Smith said it was not true that GM was planning to settle for such a reduced share of the U.S. market.

In a letter responding to a May 2 Automotive News editorial, Smith said of the conclusion that GM had "resigned itself" to live with a market share in the high 30s that, "Nothing could be further from the truth."

Smith went on to describe what happened — from his perspective — at the meeting with analysts. Such clarifications are rare, especially from an executive at Smith's high level.

"What we said at the meeting and what the analysts understood and appreciated was our outlining our future plans in relation to the market and capacity," Smith wrote.

"We pointed out that with our major plant expenditures behind us (except for Saturn), we are now able to devote more resources to our products. Moreover, with the flexibility obtained from our new and modernized plants, together with forthcoming rationalization of product platforms, new engine and transmission programs and improvements in productivity, scheduling and buildable combinations, we would be able to achieve 100 percent capacity utilization at a lower passenger car market share.

"We did not at any time indicate that we were 'targeting' a lower market share and, in fact, indicated we could accomplish all of this while still retaining the ability to reach a 45 percent share if our new products coming on stream were as successful as we hoped they would be. To many of the analysts this was the best news to come out of the meeting.

"At the meeting, all of us enunciated that GM's principal challenge was to build increasing profitability in our North American automotive business while raising market share.

"In order to do that, we must be cost competitive in everything we do. Effective utilization of our new and modernized manufacturing and assembly capacity is an important part of being cost competitive."

HIDDEN IMAGE

1989 Pontiac spied

For 1989, the Pontiac 6000 LE gets a sleeker more aerodynamic look, reflecting a trend that sources say will be seen throughout the General Motors A-body intermediate line. The 6000 will have a more rounded rear window and roofline, although front and rear styling appears unchanged. GM's other intermediates, sources indicate, will receive greater sheet-metal changes than the Pontiac 6000, emphasizing the rounded look.

Chrysler's AMC unit to pay $11.5 million in Jeep rollover

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Corp.'s American Motors Corp. subsidiary has agreed to pay $11.5 million to a Florida woman paralyzed in a Jeep rollover accident in 1984.

Although AMC no longer designs or manufactures cars, the company is still in existence as a Chrysler subsidiary and the rollover judgment was against AMC, a Chrysler spokesman said.

The driver of another vehicle involved in the accident agreed to pay the accident victim, Elizabeth Walker of Fort Pierce, Fla., $600,000, bringing the total settlement to $12.1 million.

The figure includes $2.6 million in interest and court costs accumulated since a $9.5 million jury award was made on April 1, 1986.

Last month, according to the Chrysler spokesman, the Fourth District Court of Appeals for Florida ruled that jurors were correct in awarding Walker compensatory damages, but $10 million in punitive damages should not have been awarded.

In the settlement, Chrysler agreed not to pursue an appeal of the compensatory damages and Walker agreed not to appeal for punitive damages, the Chrysler spokesman said.

The accident occurred on U.S. 1 in Fort Pierce when the 1978 Jeep CJ-5 in which Walker was a passenger rolled over after striking a vehicle that had turned in its path. Neither Walker nor the driver was wearing seat belts. Walker was left a quadriplegic.

The Chrysler spokesman said some of its settlement in the case would be paid by product liability insurance that AMC held at the time of the accident. Product liability insurance, however, is no longer available to auto manufacturers in significant amounts, the spokesman noted.

Chrysler's annual 10-K report filed in March with the U.S. Securities and Exchange Commission said damages specified in pending lawsuits on Jeep rollover accidents total a potential $385 million in compensatory damages and $703 million in punitive damages.

"These amounts are damages alleged by plaintiffs and do not necessarily represent a reasonable measure of AMC's exposure in such matters," Chrysler said in its report to the government.

The 10-K also noted that AMC has received a number of claims that have yet to result in lawsuits.

Financial reserves have been established, the company said, although reserves for extensive punitive damages have been deemed by the company to be unwarranted and have not been made.

New-type Hondas in works for U.S.

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — Industry sources say Honda is preparing a spate of imaginative new vehicles for the U.S. market in the early 1990s, including a minicar, a minivan, a sports car and a Cadillac-sized performance-luxury sedan.

By the 1991 model year, there will be at least five Honda-branded lines and at least four Acura-branded upscale cars, according to automotive analysts who specialize in future products and other sources familiar with Honda.

But as early as the 1990 model year, there could be a U.S. version of the Concerto, Honda's Civic-sized, "YY" car that is being developed jointly by Honda and Britain's Rover Group for the Japanese and European markets this year, although that is the area of the greatest disagreement on Honda's intentions.

Honda doesn't discuss future products.

Some sources, including George Peterson, president of The AutoPacific Group, Newport Beach, Calif., believe Concerto is likely to be sold as an entry-level Acura.

However, Christopher Cedergren, senior automotive analyst for J.D. Power and Associates, Agoura Hills, Calif., thinks Honda will scrub the U.S. program.

And Honda is experimenting with a variety of unconventional truck-like personal-use vehicles beyond the Accord-based van, analysts said. Among them are several that borrow elements from off-road, large pickup, sports-utility and passenger van vehicles without fitting directly into any particular segment.

In the 1992-1994 model years, those programs could result in a "hybrid halfway between a (Chevrolet) El Camino and a large pickup" or other new niche, said Cedergren.

Here's Honda's future lineup as outside experts see it:

- City — A new generation of the Japanese-market City, about the size of the original Civic, likely powered by a 1.3-liter four-cylinder engine and weighing about 1,800 pounds. It is due in spring 1990 in Europe, 1991 or perhaps as late as the 1992 model year here. It is a prime candidate for production outside Japan, perhaps in Canada or an Asian country. The likely U.S. target volume is 100,000 to 150,000 annually.
- Civic — All new for 1988, no major change until 1991.
- Prelude — On the same schedule as Civic.
- Accord — A new generation of Honda's mainstay due in 1989 as a 1990 model will be 6-7 inches longer, wider and more powerful with an optional new 3-liter V-6 engine.
- Van — The new Accord platform and V-6 will be the basis for Honda's first van. Honda's goal is a sleek people mover that is more car-like than Plymouth Voyager/Dodge Caravan, the leaders in that segment. Cedergren lists it as a fall 1990 arrival.

Here's the forecast for the 1991 Acura product range, not including Concerto:

- Integra — All-new for spring 1989 as an early 1990 model, Integra will be more powerful with a 1.8-liter four-banger. Regardless of whether Acura has a new entry-level car, Integra will move up a notch in price class to help close the gap between it and Legend, with a likely base price of $13,000.
- Legend — The 1990 Legend will get a modest facelift. The sedan is likely to have a new floorpan to allow it to use a Legend coupe-like front and rear double-wishbone suspension.
- Big sedan — Due in fall 1989, the Acura flagship with a multi-valve V-8 engine to power the Cadillac DeVille-sized car could debut a few months later.
- Sports car — It currently has parallel engine programs, either a 24-valve V-6 or a 32-valve, 3.6-liter V-8. But most insiders are betting that by the 1991 model year, Honda will choose the V-8 for this model, viewed as a Mercedes SL-killer.

INDEX

Around the world	28-31
Auction dates	39
Classifieds	40-49
Coming events	33
Dealing with dealers	50
Legal briefs	50
News briefs	8
Obituaries	53
Opinion	10
Personnel	20-24
Production	55
Sales, car	54
Service management	18
Truck industry	14

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Automotive News appoints DeLorenzo international chief

DETROIT — Matt DeLorenzo, a six-year Automotive News veteran and a specialist in the import sector of the industry, has been named international editor of the publication, effective today.

DeLorenzo, 34, will move to Detroit in his new position, after spending the last 18 months in the Automotive News Washington Bureau, where he reported on government-related aspects of the industry. Prior to that, DeLorenzo was based in Los Angeles for almost five years and mostly covered Asian automotive importers.

DeLorenzo succeeds Richard Feast, who moves from international editor of Automotive News to editor of AutoWeek, an Automotive News sister publication within Crain Communications Inc.

The international editor oversees staff reporters in Washington, Los Angeles, New York, Frankfurt and Tokyo as well as in a Nashville bureau that will be opened this summer.

DeLorenzo

"We are fortunate to have a first-rate professional like Matt DeLorenzo to follow in the traditions established by Richard Feast to make our national and international coverage even better," said Automotive News editor Andrew R. McGill. "Matt's import and Washington background and his keen knowledge and experience make him an ideal international editor."

Delorenzo joined Automotive News in 1982 after four years as executive editor of Automotive Fleet. He graduated from Bradley University in Peoria, Ill.

U.S. drains VW profit

Operations lost $316 million in 1987

Losses at Volkswagen AG's troubled operations in the United States climbed to $316 million last year, the biggest drain on the group's 1987 worldwide results.

The cost of closing the Westmoreland, Pa., assembly plant and Audi U.S. losses helped limit the West German group's growth in net earnings to 3 percent in a year when it finished first in European sales and saw results improve elsewhere.

However, VW Chairman Carl Hahn predicted that losses in the United States will be considerably lower in 1988.

Volkswagen AG's net profit rose to 598 million marks ($330 million) in 1987 from 580 million marks in 1986. But, VW said its U.S. losses were 572 million marks ($316 million), including a charge of 380 million marks ($210 million) for Westmoreland.

Volkswagen also said that it expects worldwide production to increase slightly in 1988 to 2.8 million units.

In 1986, Volkswagen AG earned 164 million marks in the United States.

Losses attributed last year to the closure of Westmoreland amount to about half the total charges for shutting down the plant. An equal amount will be borne in 1988 unless VW is able to sell the facility, which is scheduled to close in July.

VW did not break out Audi's results in the United States, but Audi Chairman Ferdinand Piech said recently that the 1987 loss was at least 200 million marks ($110 million).

Audi will detail its world results this week in Munich.

— Richard Johnson and David Versical

European sales top peak '87 rate

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — New-car sales in Western Europe ran nearly 10 percent ahead of their record 1987 pace during the first quarter of 1988.

Fiat Auto ranked No. 1 during the first three months with just under 16 percent of the European market, according to estimates compiled by Automotive News.

All of Europe's top 10 carmakers increased volume in the period, with France's Peugeot SA recording the sharpest gain.

Each of the five biggest national markets ran ahead of 1987. Spain's 20-month string of dizzying growth continued unabated. Even West Germany, Europe's largest market, was ahead of last year's record pace though it was generally expected to decline in 1988.

Japanese automakers kept up with overall European industry growth, while holding market share in check. Japanese makers claimed 10.6 percent of Western European sales in the first quarter, roughly where they have been for the past year.

Despite almost universal predictions of slower sales in Europe this year, industrywide volume rose 9.1 percent to 3,357,900 units through March. The uncertain impact of the Wall Street collapse last fall caused most companies and analysts to project at least a modest downturn from last year's 12.3 million sales.

"It's turning out to be much stronger than we thought," said Ford of Europe Chairman Alex Trotman. "We think it could be a 12 million industry again this year for cars. . . .We had planned on it being down 5 percent."

Trotman does not expect conditions to change soon. "It looks to us very bullish; at times, almost frighteningly so," he said. "We wonder how long this can go on. Frankly, I can't see any end to it."

Fiat Auto, including Alfa-Lancia, is benefiting from strong sales in its Italy as well as in other key national markets. Fiat clung to its nearly 60 percent share of the Italian market, which grew 13.4 percent in the first quarter. Group sales totaled 534,900 in the quarter, up 12.2 percent over last year. Fiat's Europe-leading market share in the first three months was 15.9 percent.

Alfa Romeo alone improved 16.8 percent in 1988 to 56,100 units. Its new 164 model is getting a strong reception in Italy, where 20,000 units are on order.

Volkswagen AG, Europe's sales leader for the past three years, improved 4.5 percent in the first quarter, the smallest gain among the six big manufacturers. Volume for the VW, Audi and Seat brands totaled 459,900, and market share was 13.7 percent.

The German market, where VW is No. 1, grew less sharply than the Italian market.

Peugeot SA, bulwarked by the Peugeot 405 that is being introduced across Europe, hiked sales 15.9 percent in the first quarter. It edged past Ford into third place last year and is now widening the gap. The French maker's share was 12.7 in the first quarter, compared with Ford's 11.4 percent.

Peugeot SA sales, including the Peugeot and Citroen divisions, totaled 427,100. Its first-quarter sales were up nearly 12 percent in France; 32 percent, United Kingdom; 26 percent, Italy; and almost 28 percent in Spain.

Hampered by a 12-day strike in the United Kingdom earlier this year, Ford saw its market-leading share in that country fall almost two percentage points — to just under 26 percent — compared with the first quarter of 1987.

However, Trotman said the company's recovery from the strike has been better than expected. Overall, Ford's first-quarter sales in Europe were estimated at 383,400, a gain of 7.3 percent.

General Motors ranked fifth through March with sales of 362,700 cars, an improvement of 6.7 percent and good for a 10.8 percent share. Renault was sixth with 352,300 units, a gain of 7.3 percent and a share of 10.5 percent.

Japanese makers combined for sales of 356,600 cars in the first quarter, an increase of 12.4 percent over the same period last year.

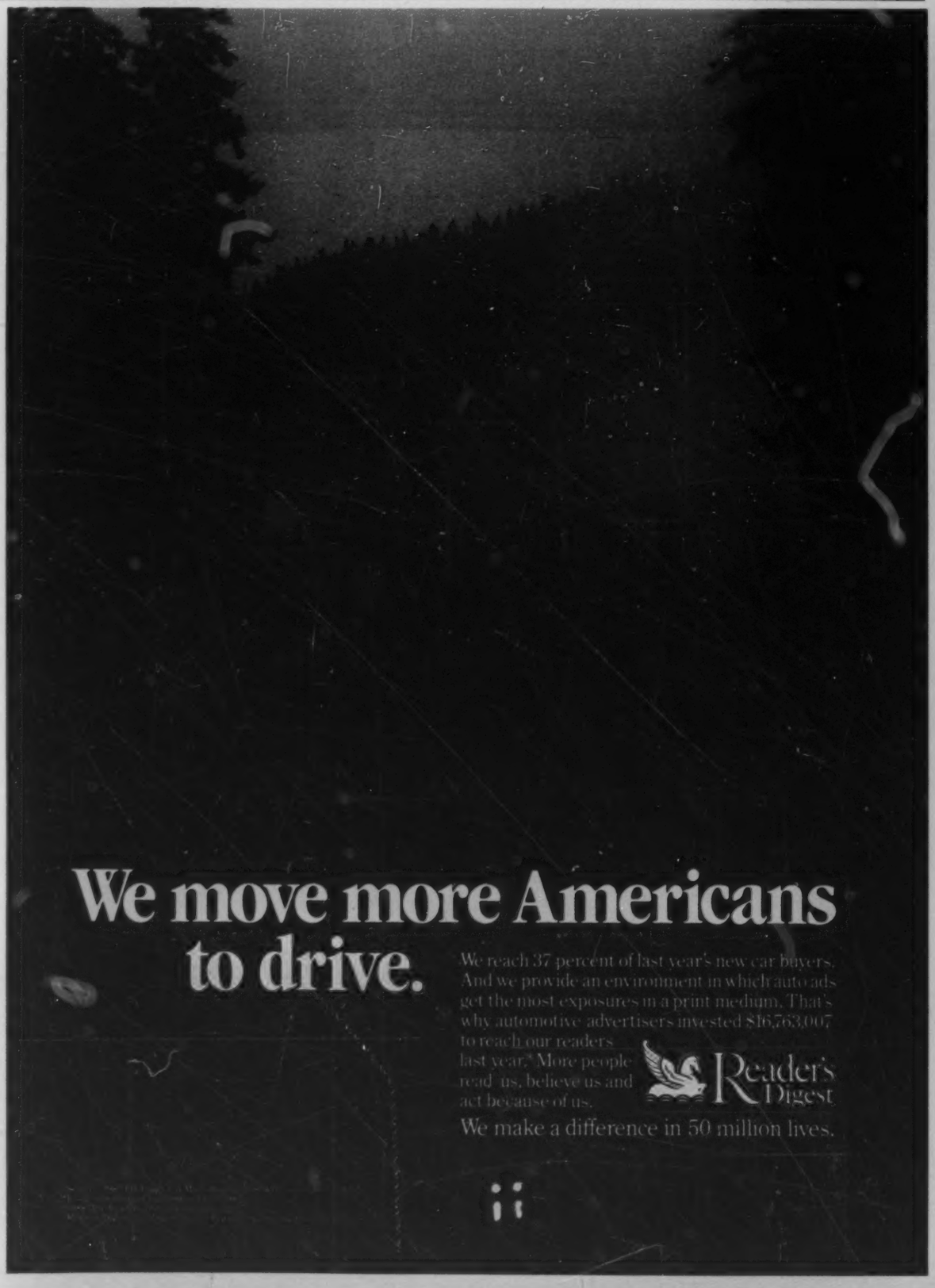
Nissan continued to lead Japanese makers in Europe with a share of 2.8 percent on sales of 93,000, a 19.7 percent gain in volume over the same quarter last year.

West Germany remained Europe's biggest car market, growing 2.9 percent to 647,000 in the quarter following last year's record 12-month sales of more than 2.9 million units.

Italy was second at 616,400, a 13.4 percent improvement, while the United Kingdom (584,800) and France (538,100) were up 10.9 and 8.6 percent, respectively. Spain may be in line for its first million-car year. Sales were estimated at 260,600 for the first quarter.

NEW-CAR SALES BY COUNTRY IN EUROPE

Country	3 mos. 1988	Percent gain/loss
West Germany	647,000	+ 2.9
Italy	616,400	+13.4
United Kingdom	584,800	+10.9
France	538,100	+ 8.6
Spain	260,600	+22.8
Netherlands	177,200	– 6.3
Belgium-Luxembourg	143,000	+15.9
Sweden	82,800	+23.3
Switzerland	77,600	+ 7.7
Austria	59,500	+ 1.7
Finland	48,000	+16.0
Portugal	41,400	+42.0
Denmark	28,900	–12.9
Norway	22,300	–26.6
Ireland	18,500	+ 5.9
Greece	13,800	+15.3
Total	3,357,900	+ 9.1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AUCTION DATES

Ford Motor Co.

May 10 — Bay Cities Auto Auction Inc., Hayward, Calif.

May 11 — Northway Auto Auction, Clifton Park, N.Y.; Indianapolis Auto Auction, Indianapolis; and Lakeland Auto Auction, Lakeland, Fla.

May 12 — Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; Southwest Auto Auction, Phoenix, Ariz.; Brasher's Sacramento Auto Auction, Rio Linda, Calif.; and Skyline Auto Exchange, Fairfield, N.J.

May 17 — South Seattle Auto Auction, Kent, Wash.

May 18 — Columbus Fair Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fontana, Calif.; Newburgh Auto Auction Inc., Newburgh, N.Y.; Salt Lake Auto Auction, Salt Lake City, Utah; and West Palm Beach Auto Auction, West Palm Beach, Fla.

Used Car Sales
Auction Averages

May 1988	$5,703
Month ago	$5,589
Year ago	$5,848

May 19 — Baltimore-Washington Auto Exchange, Baltimore

May 24 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

May 25 — Lakeland Auto Auction, Lakeland, Fla.

May 26 — Greater Houston Auto Auction, Houston; Interstate Auto Auction, Mercer, Pa.; Skyline Auto Exchange, Fairfield, N.J.; 166 Auto Auction, Springfield, Mo.; and St. Louis Auto Auction, Bridgeton, Mo.

Chrysler Motors

May 10 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Denver Auto Auction, Aurora, Colo.; and Golden Gate Auto Auction, Fremont, Calif.

May 11 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; and Minneapolis Auto Auction, Plymouth, Minn.

Model Breakdown
Auction Averages

	MAY 1988	APR 1988	MAR 1988
1988	$12,693	$12,483	$12,283
1987	$8,634	$8,638	$8,682
1986	$7,198	$7,190	$6,927
1985	$5,650	$5,904	$5,837
1984	$4,470	$4,438	$4,380
1983	$3,790	$3,792	$3,765
1982	$2,419	$2,398	$2,534
1981	$1,931	$1,937	$1,906
Overall Average	$5,703	$5,722	$5,589

General Motors

May 10 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas

May 11 — Southern California Auto Auction, Fontana, Calif.; Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Mississippi Auto Auction, Hattiesburg, Miss.

May 17 — Florida Auto Auction of Orlando, Ocoee, Fla.

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SALES

DOMESTIC CAR SALES

	April 21-30 1988	April Selling Period 1987	April 1988	April 1987	Jan. 1-April 30 1988	Jan. 1-April Selling Period 1987
Alliance	229	1,215	543	2,465	2,990	9,044
Eagle	64	192	149	372	1,059	1,463
Premier	1,432	0	3,395	0	9,766	0
Total Eagle	1,725	1,407	4,095	2,837	13,817	10,507
Horizon	2,065	3,547	5,012	6,315	16,658	28,217
Sundance	3,105	3,054	7,298	6,444	25,539	21,949
Turismo	56	500	156	2,254	668	9,843
Reliant	4,172	4,186	10,701	9,899	47,421	37,635
Caravelle	518	1,394	1,482	3,577	7,845	12,605
Gran Fury	668	304	1,394	573	4,371	1,815
Total Plymouth	10,584	11,994	25,947	29,060	102,342	110,063
Laser	0	132	0	487	0	2,761
LeBaron K	1,001	2,205	2,674	5,378	10,434	17,925
LeBaron J	3,519	2,787	8,495	5,631	38,799	14,135
LeBaron GTS	561	1,061	1,485	3,072	5,970	12,669
Fifth Avenue	1,426	1,094	4,010	3,714	22,215	13,955
New Yorker C	2,408	0	5,178	0	18,102	0
New Yorker E	503	2,346	1,557	6,084	13,343	18,736
Total Chrysler	9,436	9,635	23,399	24,366	108,833	80,243
Omni	1,975	2,016	4,876	5,123	15,582	21,815
Shadow	3,277	547	7,803	0	29,332	19,431
Charger	72	2,956	147	4,888	649	13,572
Daytona	2,994	1,142	7,076	2,736	25,473	8,586
Aries	4,058	3,053	10,678	8,546	41,347	34,326
Lancer	341	575	860	1,927	3,936	9,934
Diplomat	1,139	421	2,933	863	7,748	3,063
Dynasty	2,623	0	5,940	0	22,748	0
Dodge 600	464	1,340	1,436	3,246	6,874	12,211
Total Dodge	16,943	12,050	41,739	31,228	153,699	122,956
CHRYSLER MOTORS	36,688	35,086	95,170	87,491	378,891	323,771
Escort	10,938	13,327	28,643	35,120	120,702	119,881
Mustang	6,877	5,357	17,617	14,470	66,994	64,444
Tempo	9,411	8,264	22,671	22,969	94,921	83,789
Taurus	13,405	13,119	32,836	34,947	134,737	113,182
Thunderbird	4,381	3,894	10,811	11,100	44,748	38,209
Probe	1,466	0	3,354	0	5,755	0
Crown Victoria	3,827	4,794	9,816	13,045	40,699	39,251
Total Ford Div.	50,336	48,465	125,748	131,350	508,616	456,649
Lynx/Tracer	2,514	2,263	5,224	5,762	20,935	19,264
Topaz	3,324	2,328	7,423	5,660	27,795	24,145
Sable	5,379	3,652	10,881	8,845	42,030	31,046
Cougar	4,470	4,254	10,225	10,085	39,051	32,391
Grand Marquis	4,178	4,352	10,396	10,754	38,972	35,868
Total Mercury	19,865	16,849	44,069	42,106	168,783	143,266
Continental	1,459	488	3,585	1,221	14,055	4,785
Lincoln	5,068	4,499	10,858	11,369	40,692	36,534
Mark VII	842	1,092	1,959	2,738	7,644	8,216
Total Lincoln	7,369	6,079	16,358	15,328	62,421	49,535
Total L-M Division	27,234	22,928	60,427	57,462	231,204	192,801
FORD MOTOR CO.	77,570	71,393	186,175	188,812	739,720	651,441
Skyhawk	1,238	1,826	2,792	3,894	11,387	11,891
Somerset Regal	1,762	3,867	3,808	7,872	19,194	25,163
Century	3,474	7,529	8,358	16,239	38,523	52,202
Regal	3,996	2,402	9,627	5,317	39,716	16,896
LeSabre	5,134	6,474	11,520	13,893	55,013	44,286
Reatta	180	0	308	0	825	0
Electra	2,129	3,612	4,755	7,143	28,280	24,356
Riviera	238	728	786	1,703	3,747	8,719
Total Buick	18,151	26,238	41,916	55,861	196,665	183,553
Cimarron	309	566	659	1,448	2,514	4,301
Allante	177	89	325	248	1,134	577
Seville	1,430	634	2,281	1,685	6,977	8,729
Cadillac	9,153	8,089	18,876	19,723	66,457	62,903
Eldorado	1,469	692	2,983	1,799	9,281	6,775
Total Cadillac	12,538	10,030	25,124	24,902	86,343	83,285
Chevette	3	668	16	1,891	161	13,799
Nova	4,784	7,282	11,568	15,362	45,025	37,273
Cavalier	9,550	12,608	25,126	30,187	96,473	125,397
Camaro	3,686	6,036	9,640	13,710	32,582	46,307
Celebrity	8,501	15,510	21,896	38,541	93,184	124,183
Corsica/Beretta	13,803	6,073	36,427	13,533	137,547	26,112
Monte Carlo	1,271	2,469	3,536	5,900	15,216	19,506
Chevrolet	5,499	6,779	13,795	17,255	54,215	58,102
Corvette	930	1,068	2,448	2,555	8,634	8,223
Total Chevrolet	48,007	58,491	124,450	138,934	483,017	458,902
Firenza	548	738	910	1,613	5,132	5,411
Calais	3,694	5,160	8,214	10,413	34,050	35,712
Cutlass Ciera	8,063	12,048	18,347	25,335	77,798	87,919
Cutlass Supreme	3,811	5,559	8,818	11,261	35,276	39,917
Olds 88	6,194	9,006	14,823	18,057	61,542	58,794
Olds 98	2,701	3,884	5,628	7,057	26,607	21,766
Toronado	350	1,123	1,666	2,037	5,597	5,938
Total Oldsmobile	25,969	37,580	58,228	75,793	246,002	255,475
Fiero	894	2,666	2,107	6,000	9,975	17,365
1000	0	352	5	774	110	3,489
Sunbird	3,001	4,016	7,137	9,163	27,580	30,952
Firebird	2,557	4,008	6,155	9,167	21,725	25,955
Grand Am	8,432	9,117	20,676	21,085	69,880	71,776
6000	3,976	5,169	9,545	12,408	34,329	43,722
Grand Prix	3,645	765	9,445	1,922	35,681	6,912
Bonneville H	3,566	0	9,315	0	41,659	0
Paris./Safari	269	4,665	569	10,338	2,528	34,611
Total Pontiac	28,356	30,917	64,953	71,057	245,474	234,802
GENERAL MOTORS	131,043	163,276	314,671	366,547	1,257,501	1,216,017
HONDA	17,512	16,285	33,880	27,566	120,026	109,791
Civic	4,809	4,203	8,668	7,125	29,566	32,236
Accord	12,703	12,082	25,172	20,441	90,460	71,552
MAZDA	1,345	0	2,295	0	8,277	0
NISSAN	8,545	6,365	10,849	12,250	28,270	28,149
TOYOTA	2,200	2,187	4,115	3,939	17,053	11,235
VOLKSWAGEN	2,712	2,931	4,625	5,198	16,074	16,149
DOMESTIC TOTAL	277,615	297,523	651,580	691,803	2,565,582	2,358,551
IMPORT TOTAL			247,020	240,294	981,126	901,525
INDUSTRY TOTAL			898,580	932,097	3,546,708	3,260,076

Domestic slide pares April sales

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

The Attack of the Incredible Incentives played through April across the country but, even so, box office results in the form of deliveries of U.S.-built cars lagged behind those of a year earlier.

Sales dipped 5.82 percent to 651,560 units for the month, down from 691,803 in April 1987. Sales of imported cars inched up 2.80 percent to 247,020 units from 240,294 last year.

The industry's total sales, domestics and imports, dipped 3.60 percent to 898,580 units from 932,097 units a year earlier.

Where the U.S. market was, April 1988

	Total Sales	Pct. of Total
SUBCOMPACT	79,339	8.83
COMPACT	182,544	20.35
INTERMEDIATE	265,789	29.57
STANDARD	118,422	13.18
SPECIALITY	5,186	0.58
IMPORT	247,020	27.49
TOTAL	898,580	100.00

For the calendar year, domestic sales were 8.78 percent ahead of last year's with 2,565,582 vs. 2,358,551 in 1987. Imports were up 8.83 percent with 981,126 vs. 901,525.

The industry total was 3,546,708 units, up 8.79 percent over the 3,260,076 sold a year ago.

Sales of domestic cars in April's final 10-day selling period dipped 6.69 percent to 277,615 units compared with 297,523 a year earlier.

Sales incentives for retail customers and dealers through the month continued to run from cash refunds and cut-rate financing to instant credit and free airline tickets to Germany and back.

Honda, Chrysler Motors and Toyota reported gains in retail sales for the month.

Honda tallied a 22.83 percent increase compared with the year-earlier month.

Chrysler was up 8.78 percent for the month, and Toyota rose 4.47 percent.

General Motors led those automakers with sales declines. GM reported a 14.15 percent drop compared with April 1987.

Nissan declined 13.07 percent, and Volkswagen slipped 11.02 percent.

Ford Motor Co. was down 1.40 percent.

Mazda, which began making cars here in September, sold 1,345 cars in the month.

For the last 10-day sales period, Chrysler led the field with a 10.27 percent gain in retail deliveries of U.S.-built cars compared with the similar period in 1987.

Honda had an increase of 7.53 percent, and Ford was up 8.65 percent. Nissan reported a rise of 2.83 percent, and Toyota was up 0.59 percent.

GM had a sales decline of 19.74 percent in the period, while VW reported a drop of 7.47 percent.

Mazda dealers sold 1,345 cars in the sales period. It was not building cars in the United States in April 1987.

IMPORTED CAR SALES

	April 1988	April 1987	4 Mos. 1988	4 Mos. 1987
Acura	10,600	9,503	39,095	31,000
Alfa Romeo	577	492	1,885	2,128
Audi	2,073	4,901	7,347	11,434
BMW	5,129	6,409	22,891	27,486
Chevrolet	8,865	10,657	39,973	39,971
Chrysler	797	1,240	3,202	4,110
Daihatsu	753	0	3,340	0
Dodge	4,735	4,866	18,914	18,915
Ford	5,461	351	23,523	351
Eagle	671	1,162	7,194	2,301
Honda	19,702	20,448	79,542	84,263
Hyundai	25,157	21,320	96,183	77,484
Isuzu	1,744	2,953	6,428	8,442
Jaguar	1,758	1,460	6,180	5,528
Maserati	98	94	347	342
Mazda	19,818	13,020	75,656	53,300
Mercedes-Benz	8,341	7,731	27,843	29,851
Mercury	947	541	3,214	2,656
Mitsubishi	6,054	6,275	22,327	20,346
Nissan	31,197	29,087	123,360	148,539
Peugeot	712	706	1,959	2,979
Plymouth	4,110	4,320	16,912	16,863
Pontiac	6,717	0	20,713	0
Porsche	1,523	2,288	5,949	8,151
Saab	2,807	3,149	12,598	13,911
Sterling	946	1,821	3,800	4,199
Subaru	11,535	12,102	46,033	47,045
Toyota	43,605	43,339	170,655	144,456
Volkswagen	11,922	13,847	48,343	34,834
Volvo	7,976	10,255	32,099	42,479
Yugo	3,100	4,357	12,021	18,161
TOTAL	247,020	240,294	981,126	901,525

Sales data compiled by Karen Bellowski

U.S. CAR SALES BY MARKETING UNITS

	April 1988	Percent Share	April 1987	Percent Share	4 Mos. 1988	Percent Share	4 Mos. 1987	Percent Share
Alfa Romeo	577	0.06	492	0.05	1,885	0.05	2,128	0.07
American Honda	64,162	7.14	57,517	6.17	238,663	6.73	219,054	6.72
BMW	8,129	0.68	8,409	0.90	22,891	0.65	27,486	0.84
Buick	41,916	4.66	55,861	5.99	196,665	5.55	183,553	5.63
Cadillac	25,124	2.80	24,902	2.67	86,343	2.43	83,285	2.55
Chevrolet	133,305	14.84	149,591	16.05	522,990	14.75	498,873	15.30
Chrysler	24,196	2.69	25,606	2.75	112,035	3.16	84,353	2.59
Daihatsu	753	0.08	0	0.00	3,340	0.09	0	0.00
Dodge	46,474	5.17	35,894	3.85	172,583	4.87	141,973	4.35
Eagle	4,756	0.53	3,999	0.43	21,011	0.59	12,809	0.39
Ford	131,209	14.60	131,701	14.13	532,039	15.00	458,991	14.08
Hyundai	25,157	2.80	21,320	2.29	96,183	2.71	77,484	2.38
Isuzu	1,744	0.19	2,953	0.32	6,428	0.18	8,442	0.26
Jaguar	1,758	0.20	1,460	0.16	6,180	0.17	5,528	0.17
Lincoln	16,358	1.82	15,356	1.65	62,421	1.76	49,535	1.52
Maserati	98	0.01	94	0.01	347	0.01	342	0.01
Mazda	19,113	2.13	13,020	1.40	83,933	2.37	53,300	1.63
Mercedes	8,341	0.93	7,731	0.83	27,643	0.78	29,851	0.92
Mercury	45,016	5.01	42,647	4.58	171,997	4.85	145,922	4.48
Mitsubishi	6,054	0.67	6,275	0.67	22,327	0.63	20,346	0.62
Nissan	41,846	4.66	41,337	4.43	151,630	4.28	184,668	5.67
Oldsmobile	58,228	6.48	75,793	8.13	246,002	6.94	255,475	7.84
Peugeot	712	0.08	706	0.08	1,959	0.06	2,979	0.09
Plymouth	30,057	3.34	33,380	3.58	119,254	3.36	126,926	3.89
Pontiac	71,870	7.98	71,057	7.62	266,187	7.51	234,802	7.20
Porsche	1,523	0.17	2,288	0.25	5,949	0.17	8,151	0.25
Saab	2,807	0.31	3,149	0.34	12,598	0.36	13,911	0.43
Sterling	546	0.06	1,621	0.17	3,800	0.10	4,199	0.13
Subaru	11,535	1.28	12,102	1.30	48,033	1.35	47,045	1.44
Toyota	47,720	5.31	47,278	5.07	187,708	5.29	155,689	4.78
Volvo	7,976	0.89	10,255	1.10	32,099	0.91	42,479	1.30
VWoA	18,629	2.07	23,946	2.57	71,764	2.02	62,417	1.91
Yugo	3,100	0.34	4,357	0.47	12,021	0.34	18,161	0.56
TOTAL	898,580	100.00	932,097	100.00	3,546,708	100.00	3,260,076	100.00
TOTAL GM	330,243	36.75	377,204	40.47	1,318,187	37.17	1,255,988	38.52
TOTAL FORD	192,583	21.43	189,704	20.35	766,457	21.61	654,448	20.07
TOTAL CHRYSLER	105,483	11.74	98,679	10.61	424,883	11.98	365,960	11.23
TOTAL JAPANESE	192,927	21.47	180,492	19.36	742,062	20.92	688,564	21.12
TOTAL EUROPEAN	52,187	5.81	64,508	6.92	198,936	5.61	217,632	6.68
TOTAL KOREAN	25,157	2.80	21,320	2.29	96,183	2.71	77,484	2.38

Big 3 totals include their captive imports.
Percentages may contain some of CCs of last month due to rounding.

PRODUCTION

April output of cars dips

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Production of domestic cars during April totaled 610,206, 7.52 percent below the March output of 659,793 and 6.96 percent below the year-ago month's 655,867.

Last week's targeted car production of 159,806 dipped 1.90 percent from the previous week's 162,905 and fell 1.60 percent from the year-ago week's 162,404.

So far this year, 2,498,937 cars have been assembled, 11.80 percent below the 2,833,422 completed last year at this point.

Companies shared last week's scheduled production as follows: General Motors, 48.26 percent; Ford Motor Co., 26.38 percent; Chrysler Motors, 15.58 percent; Honda of America Manufacturing Inc., 4.69 percent; New United Motor Manufacturing Inc., 2.03 percent; Nissan Motor Manufacturing Co. U.S.A., 1.63 percent; and Mazda Motor Manufacturing (U.S.A.) Corp., 1.43 percent.

Volkswagen of America's plant in Westmoreland, Pa., resumes output today. The plant had been idle since April 4 for model changeover.

Truck output for April of 340,385 dropped 14.26 percent from the March total of 396,997 but rose 1.27 percent above the year-ago month's 336,101.

Truckmakers estimated production at 91,318 units last week, 3.66 percent above the prior week's 88,094 and 14.82 percent more than the year-ago week's 79,531.

Year-to-date, 1,516,864 trucks have been built, 11.95 percent more than the 1,354,958 assembled last year at this time.

GM reopened its Framingham, Mass., car plant today, recalling about 2,000 hourly workers on one shift. The plant had been idle since November due to slow sales of the Chevrolet Celebrity and Oldsmobile Cutlass Ciera models.

GM slated overtime last Saturday at its Detroit-Hamtramck; Willow Run, Mich.; Baltimore; Flint, Mich.; Pontiac, Mich.; and Moraine, Ohio, plants.

All Ford car and truck plants except Edison, N.J., are slated for daily overtime this week.

Car production in Canada tops year-ago total

Canadian automakers built 103,209 cars in April, 6.30 percent below the March total of 110,143 but 49.47 percent above the year-ago month's 69,050, when several plants were idle for model changeover.

Last week's scheduled car output of 26,891 was slightly above (0.72 percent) the prior week's 26,700 and 124.39 percent more than the year-ago week's 11,984. The year-ago week's output also reflected downtime for model changeover.

Truck production during April totaled 80,437, 12.20 percent below the March output of 91,612 but 15.03 percent more than the year-ago month's 69,925.

Targeted truck production of 20,510 units last week was 1.40 percent more than the previous week's 20,226 and 15.65 percent more than the year-ago week's 17,735.

U.S. CAR	Week Ended May 7, 1988	Week Ended May 1, 1987	Week Ended April 30, 1988	April 1988	Jan. 1 to May 7, 1988	Jan. 1 to May 9, 1987
Alliance	0	923	0	0	0	12,149
Total Eagle	0	923	0	0	0	12,149
Horizon	2,000	0	2,528	9,301	32,985	32,997
Sundance	2,100	1,794	2,091	9,729	36,643	39,687
Reliant	2,700	2,317	2,711	1,807	34,907	45,164
Caravelle	500	1,171	502	1,356	7,410	20,838
Gran Fury	250	261	338	8,396	4,422	987
Total Plymouth	7,550	5,543	8,170	30,589	118,367	139,673
LeBaron K	600	1,610	581	2,061	6,843	32,116
LeBaron J	1,600	3,303	1,638	7,047	22,928	39,094
LeBaron GTS	150	897	149	593	3,060	15,671
N. Yorker E-Class	0	1,635	0	0	0	32,341
N. Yorker C-Class	2,700	0	2,725	10,150	41,172	0
Fifth Avenue	350	1,833	403	1,365	12,913	11,811
Total Chrysler	5,450	9,278	5,496	21,216	85,216	131,033
Omni	2,000	0	2,557	9,278	32,930	28,363
Daytona	1,600	1,880	1,565	6,946	22,065	18,442
Shadow	2,400	2,166	2,356	8,549	39,182	38,262
Aries	2,300	2,826	2,287	8,491	29,294	40,814
Dodge 600	500	980	500	1,879	6,596	18,485
Dynasty	2,300	0	2,270	8,393	40,030	0
Lancer	300	578	299	949	4,148	9,882
Diplomat	500	288	605	2,268	6,454	1,428
Total Dodge	11,900	8,498	12,389	46,749	182,701	155,676
CHRYSLER MOTORS	24,900	24,212	26,055	98,554	386,284	436,531
Escort	9,571	7,506	9,390	32,238	126,559	131,189
Mustang	4,165	4,561	4,171	15,629	77,249	79,727
Tempo	4,085	3,958	4,571	16,283	72,565	70,802
Taurus	8,728	7,971	8,829	33,596	144,117	164,666
Thunderbird	2,895	4,054	2,934	12,536	57,315	57,855
Total Ford Div.	29,444	28,082	29,895	110,282	477,805	503,859
Lynx	0	252	0	0	0	18,389
Topaz	1,415	1,532	929	5,458	28,977	22,008
Cougar	2,870	2,723	2,806	9,110	43,918	80,615
Sable	3,497	2,598	3,584	13,510	49,387	51,770
Total Mercury	7,782	7,105	7,199	28,078	120,282	152,782
Continental	1,105	410	947	3,875	16,351	6,891
Mark VII	537	614	481	1,957	9,288	10,012
Lincoln	3,298	3,076	2,874	11,693	59,246	50,104
Total Lincoln	4,928	4,100	4,302	17,520	78,885	66,807
Total L-M Division	12,710	11,205	11,491	45,598	199,147	219,589
FORD MOTOR CO.	42,154	39,287	41,386	155,880	676,952	723,448
Skyhawk	0	0	0	571	11,350	13,713
Skylark/Somerset	1,775	1,149	1,753	6,004	13,798	28,750
Century	3,380	4,192	2,543	12,239	33,439	71,413
Regal (rwd)	0	1,131	0	0	0	16,354
Riviera	154	283	161	566	2,519	6,594
Electra	2,000	2,424	2,293	9,050	28,654	39,548
LeSabre (fwd)	2,500	3,841	2,958	11,925	46,886	44,276
LeSabre (rwd)	275	2	298	1,195	3,305	4,880
Reatta	182	0	164	2,204	1,900	0
Total Buick	10,274	12,799	10,170	43,754	141,551	225,520
Cimmaron	106	189	139	471	3,634	6,110
Eldorado	1,210	521	1,244	4,428	14,613	6,296
Seville	723	455	743	2,634	9,263	8,938
Brougham (rwd)*	927	2,885	977	3,906	12,994	28,951
Deville (fwd)	3,540	1,139	3,624	13,450	67,043	63,764
Allante	86	124	86	247	930	1,159
Total Cadillac	6,823	5,313	6,792	25,136	109,377	115,220
Cavalier	7,256	7,562	6,786	26,501	122,844	134,536
Camaro	2,615	1,901	2,485	9,110	28,755	38,886
Celebrity	5,090	8,118	4,645	14,988	59,862	135,822
Corsica/Beretta	9,380	7,194	9,035	34,155	144,654	97,733
Monte Carlo	0	2,451	0	0	0	27,153
Caprice	3,938	5,823	3,775	15,330	69,504	84,850
Corvette	440	647	445	1,686	7,662	10,920
Total Chevrolet	28,721	33,641	28,171	103,773	433,311	528,900
Cutlass	3,025	3,658	3,084	10,454	39,691	43,170
Firenza	0	0	0	788	5,220	3,411
Cutlass Ciera	0	4,684	0	0	0	66,677
Cutlass Supreme	4,075	2,572	3,597	14,380	76,156	27,202
Toronado	497	541	511	1,801	6,573	6,215
88 (fwd)	3,816	4,074	3,887	13,668	59,388	78,437
88 (rwd)	235	446	288	1,268	4,702	7,020
Olds 98	1,580	904	1,621	6,086	30,731	29,695
Total Oldsmobile	13,218	16,869	12,988	48,439	222,461	265,428
Sunbird	2,195	2,249	2,388	8,500	38,174	43,324
Grand Am	5,280	6,209	5,241	19,210	66,095	93,374
Firebird	1,505	1,329	1,643	6,404	21,788	29,419
Grand Prix	3,935	0	3,493	12,878	39,912	0
Pontiac 6000	2,015	2,188	2,490	9,094	27,606	32,117
Bonneville	3,264	3,140	3,184	10,853	37,960	59,723
Safari/Parisienne	235	284	280	997	3,059	4,857
Fiero	486	1,007	496	1,940	7,193	14,043
Total Pontiac	19,276	16,380	19,099	70,757	262,104	270,656
GENERAL MOTORS	77,114	84,902	78,230	291,669	1,167,804	1,406,926
HONDA	7,500	6,839	6,947	22,208	132,543	118,997
Civic	2,210	1,478	2,582	9,438	34,309	37,361
Accord	5,290	6,363	6,356	23,166	86,240	81,636
MAZDA†	2,278	0	2,513	9,000	27,701	0
NISSAN	2,610	2,942	2,474	10,035	32,769	50,511
NUMMI	3,453	4,152	3,298	12,282	37,810	63,082
Corolla	1,230	869	1,324	4,668	21,264	14,106
Nova	2,000	3,283	2,074	7,614	36,376	55,073
VOLKSWAGEN	0	0	0	0	17,264	29,837
Golf/GTI	0	0	0	0	11,721	21,471
Jetta	0	0	0	0	5,543	4,466
Total Cars, U.S.	159,805	162,904	162,590	610,206	2,498,937	2,833,422
Total Cars, Canada	26,891	11,984	26,700	103,209	418,596	300,606
U.S., Canada Cars	186,697	174,888	189,290	713,415	2,917,533	3,134,028
U.S., Canada Cars and Trucks	299,535	271,564	297,825	1,134,337	4,760,962	4,789,986

CANADIAN CAR	Week Ended May 7, 1988	Week Ended May 9, 1987	Week Ended April 30, 1988	April 1988	Jan. 1 to May 7, 1988	Jan. 1 to May 9, 1987
Eagle	0	—	0	0	0	—
Premier	1,650	—	1,680	6,662	25,867	—
CHRYSLER MOTORS	1,650	88	1,680	6,662	25,867	2,387
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,292	—	3,904	16,537	74,424	—
Topaz	1,340	—	1,733	6,124	25,352	—
Crown Victoria	2,851	—	2,757	11,284	50,436	—
Grand Marquis	2,909	—	2,859	11,544	49,964	—
FORD MOTOR CO.	11,392	11,353	11,253	45,489	200,176	193,686
Celebrity	640	—	336	1,339	6,651	—
Cutlass Ciera	6,929	—	7,270	26,754	93,772	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,400	—	1,434	4,893	18,406	—
Regal	3,800	—	3,847	14,602	59,613	—
GENERAL MOTORS	12,769	0	12,869	47,588	178,442	97,644
HONDA	900	318	670	2,848	11,774	3,129
VOLVO	180	225	198	622	2,335	3,780
Total Cars, Canada	26,891	11,984	26,700	103,209	418,596	300,606

U.S. TRUCK☆	Week Ended May 7, 1988	Week Ended May 9, 1987	Week Ended April 30, 1988	April 1988	Jan. 1 to May 7, 1988	Jan. 1 to May 9, 1987
Caravan	2,300	—	2,262	8,345	36,372	—
Dakota	2,800	—	2,811	10,780	44,355	—
Mini-Ram Van	300	—	275	1,325	5,586	—
Pickups	1,400	—	1,424	5,291	21,894	—
Total Dodge	6,800	6,709	6,772	25,741	108,207	87,765
Cherokee	4,000	—	3,803	13,949	63,884	—
Commanche	1,100	—	1,046	3,819	17,472	—
Grand Wagoneer	350	—	350	1,330	5,265	—
Pickups	0	—	0	0	5,200	—
Wagoneer	350	—	293	1,083	4,817	—
Total Jeep	5,800	4,548	5,492	20,181	96,618	79,028
Voyager	2,100	—	2,127	7,490	33,537	—
Total Plymouth	2,100	—	2,127	7,490	33,537	—
CHRYSLER MOTORS	14,700	11,256	14,391	53,392	238,362	166,813
Aerostar	4,416	—	4,504	16,899	80,357	—
Bronco	1,281	—	1,280	4,804	22,186	—
Bronco II	2,324	—	2,517	9,581	50,919	—
Econoline	5,141	—	5,246	19,300	90,193	—
Heavy trucks	1,485	—	1,462	5,656	24,360	—
Light trucks	11,640	—	10,406	42,030	185,242	—
Ranger	7,599	—	7,878	29,943	131,533	—
Total Ford Div.	33,846	31,281	33,293	128,185	584,790	549,486
FORD MOTOR CO.	33,846	31,281	33,293	128,185	584,790	549,486
Astro	3,868	—	3,635	14,034	62,858	—
Blazer	831	—	710	2,415	10,003	—
Medium/Heavies	365	—	442	1,551	6,325	—
P-Model	897	—	832	3,147	14,146	—
Pickups	7,040	—	6,719	28,354	117,659	—
S-10	6,674	—	5,442	23,475	102,725	—
S-10 Blazer	3,997	—	3,173	13,907	57,146	—
Sportsvan/Van	2,122	—	2,232	7,695	29,051	—
Suburban	1,767	—	1,842	6,309	26,329	—
Total Chevrolet	27,401	21,549	25,027	100,787	426,242	403,601
Jimmy	185	—	127	2,311	3,094	—
Medium/Heavies	1,871	—	865	3,254	16,817	—
P-Model	123	—	169	613	1,598	—
Pickups	2,247	—	2,338	8,748	38,096	—
S-15	1,485	—	1,363	5,881	25,141	—
S-15 Jimmy	1,108	—	1,469	2,441	15,353	—
Safari	386	—	932	3,551	16,237	—
Suburban	880	—	894	3,254	12,970	—
Vandura/Rally Vans	516	—	740	2,966	14,221	—
Total GMC	9,101	9,249	9,164	32,433	143,627	135,628
GENERAL MOTORS	36,502	30,798	34,191	133,220	569,799	539,229
NAVISTAR	1,850	1,656	1,879	7,384	31,533	27,401
NISSAN	1,670	1,790	1,590	6,594	43,460	30,099
AM GENERAL*	450	450	450	1,800	8,010	2,950
MISCELLANEOUS*	2,300	2,300	2,300	9,800	40,940	39,100
Total Trucks, U.S.	91,318	79,531	88,094	340,385	1,516,864	1,354,958

CANADIAN TRUCK	Week Ended May 7, 1988	Week Ended May 9, 1987	Week Ended April 30, 1988	April 1988	Jan. 1 to May 7, 1988	Jan. 1 to May 9, 1987
Caravan	3,128	—	3,176	12,280	54,329	—
Mini-Ram Van	330	—	345	1,370	5,140	—
Ram Wagon	540	—	567	2,281	8,782	—
Ram Van	1,510	—	1,540	5,925	22,336	—
Total Dodge	5,508	8,634	5,628	21,736	90,584	180,738
Voyager	2,588	—	2,848	11,303	50,019	—
Total Plymouth	2,588	—	2,848	11,303	50,019	—
Wrangler	1,018	—	1,111	4,303	18,444	—
Total Jeep	1,018	777	1,111	4,303	18,444	11,508
CHRYSLER MOTORS	9,212	9,411	9,587	37,305	159,047	192,246
FORD MTR. (C. DIV.)	3,648	3,145	3,501	14,477	64,162	57,081
Light trucks	5,784	—	5,832	13,909	57,270	—
Vans	1,594	—	1,196	5,301	22,127	—
Total Chevrolet	5,308	—	4,839	19,300	79,397	—
Light trucks	1,350	—	1,283	5,480	27,574	—
Vans	361	—	819	2,945	12,376	—
Total GMC	2,117	—	2,092	8,435	39,949	—
GENERAL MOTORS	7,425	4,955	8,912	27,744	119,346	72,124
NAVISTAR	225	214	226	847	3,901	3,429
Total Trucks, Canada	20,510	17,726	20,226	80,437	345,456	294,880
U.S., Canada Trks.	111,828	97,257	108,320	420,822	1,862,320	1,649,838

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New 'Fiero' may emerge from GM ax

Suitors line up for plant, tooling

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

General Motors' plan to cease Pontiac Fiero output and mothball its plant at the end of the summer has stirred up a number of parties interested in acquiring the operations to produce some type of successor vehicle.

The interested parties include kit-car manufacturers that use the Fiero chassis, giant Canadian supplier Magna International Inc., car dealers in league with the state of Mississippi, and even some former GM executives.

Virtually all of the interested parties seem to envision a spinoff vehicle using the Fiero chassis with a new skin — and perhaps powertrain, suspension and interior refinements — that could sell as a low-volume, niche-market vehicle in the United States for $20,000 to $30,000.

The Fiero "space frame" concept that uses a steel chassis cage and frame with hang-on plastic skin makes the vehicle ideally suited for fast, low-cost facelifts.

More should be known about the fate of the Fiero operations after this week, with one group of suitors promising an announcement.

However, GM officials have not confirmed that they would sell the plant if an offer were made.

Since GM's March 1 announcement that Fiero would be discontinued, the automaker's chary plans for the facility have caused speculation among niche marketers that the Fiero operations might be for sale.

"The fate of the Pontiac facility hasn't been decided," GM President Robert Stempel said in Los

see FIERO, page 51

Bidwell: Chrysler is interested in entering the minicar segment

AUTOMOTIVE NEWS/JOE WILSSENS

BIDWELL: *Eyes 3% price hike on '89s, greater voice at Mitsubishi*

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Chrysler Motors, which currently markets its Mitsubishi imports by stressing their Japanese heritage, will begin de-emphasizing that lineage as it integrates the models into its domestic lineup and seeks a greater voice in Mitsubishi's future products.

Chrysler's move contrasts with its current strategy and with Chevrolet's plans to market its imports through a separate franchise called Geo.

Chrysler Motors' president of product and marketing, Bennett E. Bidwell, in a wide-ranging interview, also said that Chrysler will not seek low-volume market niches. Instead, it will cut the number of nameplates and rely on fewer models to generate increased volume.

Bidwell said Chrysler, which in 1988 has touted its pricing restraint during the last three years, may increase prices up to 3 percent in the 1989 model year as wholesale costs mount and consumer rebates continue.

"I don't know that we would go a lot beyond 3 percent," Bidwell said. "You've got to have something in your pocket to give back. To not price and then to have to put out rebates is a double whammy that is pretty difficult to absorb."

Bidwell also said he favors raising the price of Chrysler's entry-level Dodge Omni and Plymouth Horizon America subcompacts saying, "They would be as good a buy at $6,295 as they are at $5,995."

About specific models in the Chrysler Motors lineup, Bidwell said:

- The aging L-body Omni/Horizon America models may not be replaced by an all-new model in the 1990s. Instead, Chrysler is considering retaining and refining the platform and restyling the subcompact. Such a move would avoid the political and currency risks associated with Third World sourcing.
- The A-body Dodge Spirit and Plymouth Acclaim sedans, which are K-car replacements that will be launched in January, will not be offered as a full line of models as the K-cars are. Bidwell said there are no current plans to produce a two-door version.
- The new Chrysler Fifth Avenue luxury sedan, a front-wheel-drive Y-body based on the C-body Chrysler New Yorker, will bow "fairly well into 1989" and will be followed by a Chrysler Imperial sedan.
- Chrysler will develop a sport-utility vehicle for the Dodge network, and that vehi-

see BIDWELL, page 52

Mystery fills Big 3's first joint venture

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

General Motors, Ford Motor Co. and Chrysler Motors are forming their first joint venture.

It will be in a technical area, lawyers are polishing it up, and specifics will be disclosed in about three weeks. However, it is surrounded by an aura of mystery.

General Motors President Robert C. Stempel, said in Los Angeles last week, "It will be in the fundamental sciences. There are a lot of areas where something can be done better in a cooperative effort, where allowed under antitrust laws."

A federal law that went on the books four years ago allows competitors to work together on research under some circumstances.

Stempel declined to be specific about the current joint effort but there have been indications the venture will be in the development of composite materials.

Composites are mixtures of dissimilar materials and range from the familiar fiberglass-reinforced plastic to such exotic mixes as magnesium and ceramics and graphite fiber and steel.

Composites differ from alloys in that the materials are not chemically joined.

Robert J. Eaton, GM vice president and group executive — technical staffs group, told Automotive News the project is the first joint venture among the auto companies in the United States. He, too, declined to discuss it further.

An engineer familiar with the venture said, "It's too early to tell where this is going to go and what it is going to be. But it is in materials research."

Congress passed the National Cooperative Research Act of 1984 to encourage American companies to do more research and development together.

Cooperation among competing firms like the Big 3 is limited by the 1984 law to what is called "precompetitive research and development," or research done well before any product is ready for the marketplace.

The law was written partially to counteract Japanese cooperative efforts so huge they brought on common usage around the world of the expression, "Japan Inc."

Such cooperation in Japan helped push it to its strong automotive position. It also assisted in leading to market dominance by that country's makers of household electronic equipment, cameras and several other product lines based on technology.

Auto All-Star Team will be readers' choice

There will be a new twist to the Automotive News 1988 Automotive All-Star Team.

In previous years, votes were cast only by members of the Automotive News editorial staff.

But, by popular demand, this year's balloting will be open to all Automotive News readers.

You'll be able to vote for your favorite auto company chief executive, operating officer, general manager — in fact, every industry position right down the line, from manufacturing and marketing to purchasing and public affairs.

So dust off your scouting reports. Get ready to choose the best and brightest performers in the auto game for the 1988 model year.

An official ballot will appear in the May 30 issue of Automotive News.

The official Dream Team will be announced in

OA Ford family first AUTOMOTIVE NEWS/JOE WILSSENS

William Clay Ford Jr., second from left, and his cousin Edsel Ford II, third from left, attended their first Ford Motor Co. shareholders' meeting last week as members of the board of directors. **Story on Page 53.**

Austin Rover buys Sterling import firm

By John A. Russell
AUTOMOTIVE NEWS STAFF REPORTER

Britain's Austin Rover Group has acquired total control of its U.S. importer of Sterling automobiles, Austin Rover Cars of North America (ARCONA), from multimillionaire dealer-entrepreneur Norman Braman.

Officials denied that Sterling's sales — half what Braman was forecasting up until a year ago — played any role in his selling. They indicated, instead, that the change in ownership was a positive step, could provide for additional capital and would allow the Rover Group to develop a global strategy and take advantage of potential in the U.S. market.

The buyout price for the 51 percent of ARCONA owned by Norman Braman Enterprises was not dis-

see STERLING, page 51

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la tests
a dual in Florida
Page 2

Tardy T-bird may bow on lucky date
Page 3

Chrysler pact OK'd; NUMMI talks begin
Page 6

Tardy T-bird may bow on lucky date

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

The introduction of the all-new Ford Thunderbird and Mercury Cougar has been delayed until late this year — possibly Dec. 26.

Ford had hoped to bring out the cars along with most of its 1989 models in September. But, according to one company source, various development snags have pushed back the introduction.

In particular, Ford is running behind on the supercharged Thunderbird Super Coupe, the source said. The company plans to introduce all Thunderbird and Cougar models simultaneously.

Dealers in the Detroit area were told recently that Dec. 26 could be the official introduction date. That date is a favorite at Ford, as it was used for the successful kickoffs of Taurus and Sable in 1985 and Lincoln Continental last year.

The new models, which are being developed under the MN12 code name, will be rear-wheel-drive successors to the current Thunderbird and Cougar.

Job 1 at Ford's Lorain, Ohio, assembly plant is now scheduled for the second week of October. As with the Continental, some early models are expected to go into leasing fleets and possibly to rental-car agencies to give Ford a chance to monitor the cars.

Last week Ford officially launched the Probe, even though the car has been trickling into stores for more than a month.

Dealers have placed more than 77,000 orders so far, enough to satisfy production through October, said Ford Division General Manager Thomas Wagner. About 6,000 have been delivered so far.

"I like to refer to it as the most successful unintroduced car we've ever had," Wagner said.

The car is being produced on a single shift by Mazda in Flat Rock, Mich. The plant also builds the Mazda MX-6, which shares platforms and powertrains with the Probe.

A survey of 170 early Probe buyers supports Ford's contention that the car would attract import-oriented drivers. Fifty-three percent were non-Ford owners. Of that group, 21 percent had owned Japanese makes, and 5 percent had owned European imports.

AUTOMOTIVE NEWS JOE WILSSENS

Benton: GM's troubles in recent years have helped Ford prosper

Benton's quality view

Says dealer service trails vehicle gains

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

Ford Motor Co. thinks it has passed some of its offshore rivals on the quality front but still has big strides to make in the dealer service end of its business.

In an interview, Philip E. Benton Jr., president of the Ford automotive group, also conceded that General Motors' troubles in recent years have helped Ford prosper. While he expects GM to rebound, Benton said Ford will aim to keep GM from regaining lost market share at Ford's expense.

Benton also said that Ford expects to add to its growing share of the U.S. vehicle market. On the car side alone, that share has grown by more than 3 percentage points in the last 18 months. But any further increases will be built from expected gains in quality and not as a goal in itself.

Ford's internal studies show a 60 percent improvement in quality between 1980 and 1987, Benton said. But he acknowledged that some Ford owners are still having more trouble than they should.

"The story is one of very significant improvement, but it is not one of perfection by any stretch of the imagination," he said.

He added, though, that Ford now ranks on the "first team" of world automakers when it comes to quality. "Are we better than all of the Japanese, are we better than all of the Germans and what have you? No. But we're better than some of them," he said.

Fords' performance in dealer service shops — which could be a battlefield for some future wars in the industry — is another story, Benton said. "We've got a lot farther to go in that arena than we do in vehicle quality."

Benton sees another challenge as the company channels its money for future product programs.

The company set aside $3.6 billion for capital spending last year and will increase the annual outlays substantially in years to come, Benton said. But as the market becomes divided into smaller product niches, it will be harder to put that money into the right places.

"The kind of the increases we are talking about and the complexity of the products — it's a huge challenge," he said.

Ford, however, will continue to shorten the time it takes to bring a car to the market. Benton said that figure is "close to" four years now. Honda, which has a four-year product cycle, is considered the industry leader.

As head of the Ford automotive group, Benton is in charge of implementing Ford's plans for global product development. Under the strategy, teams in designated centers will provide platforms to be used in vehicles built around the world. In the process, Ford expects to cut duplication in its engineering and product development teams.

Benton conceded that the program has taken longer to develop than he had hoped. It's been hard

see BENTON, page 53

GM, Ford space units figure in U.S. probe

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

A federal grand jury in Washington is reportedly investigating allegations of improper payments by Hughes Aircraft Co. and Ford Aerospace Corp. consultants to former officials of the Intelsat satellite consortium.

Ford Aerospace documents relating to consultants hired by the Ford Motor Co. subsidiary between 1973 and 1988 were subpoenaed by the U.S. attorney's office in Washington in April, a Ford Aerospace spokeswoman confirmed.

Spokesmen for Hughes Aircraft Co., the El Segundo, Calif.-based subsidiary of General Motors, declined comment.

Hughes Aircraft Chairman Albert D. Wheelon, 59, abruptly resigned May 5, citing unexplained "personal reasons." Malcolm R. Currie, previously president and chief executive at GM's Delco Electronics, was elected Hughes Aircraft chairman.

Wheelon's resignation followed by a day a hastily called, unscheduled special meeting of Hughes Aircraft's board. His departure after only a year as chief executive is unexplained to the public, as well as to Hughes Aircraft employees, who are described by insiders as "in a state of shock."

Internal investigations are under way at both Hughes and Ford Aerospace.

Ford Aerospace has not been advised by investigators of any improper activities by any of its employees so far, nor has its own investigation turned up "any improper payments or activities on the part of any Ford Aerospace employee," the spokeswoman said.

The investigation appears to center on whether Intelsat's former chief executive, Richard Colino, and some representatives of Intelsat member nations improperly received money from consultants, according to the Washington Post.

Intelsat, a Washington-based consortium, represents 114 nations channeling communications over 13 satellites.

Hughes, Ford Aerospace and a General Electric Co. subsidiary are the three U.S.-based producers of communications satellites.

Ohio charges dealers sold rentals as brass-hat cars

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

The Ohio attorney general has sued two dealers for allegedly advertising and selling "factory official" cars that were daily rental vehicles bought by dealers at factory-sponsored auctions.

The state filed suits in Butler and Hamilton Courts of Common Pleas last week against Rose Chevrolet in Hamilton and Tri County AMC-Jeep in Cincinnati, charging them with three violations of the state's consumer laws.

"Consumers interviewed by my staff indicated that they were attracted to these dealerships and later purchased the cars because of advertisements and sales representations that the cars had been used by officials of General Motors or Chrysler," said Attorney General Anthony J. Celebrezze Jr.

"The lawsuits charge that these consumers were deliberately misled, since the vehicles were not driven by the company's executives but used as daily rentals," he added.

The suit asks the courts to grant refunds for the full purchase price of each vehicle to the 25 persons who purchased vehicles from Rose and the nine who bought cars from Tri County.

Celebrezze also is seeking a $75,000 civil penalty against each dealership.

Both firms are charged with misrepresenting the previous use of the vehicles and creating a false impression of the value, prior use, and former ownership of vehicles offered for sale; and knowingly misrepresenting the prior ownership of vehicles advertised for sale.

Dealers had told Automotive News that they interpreted the phrase to mean vehicles purchased at factory auction sales, and GM said it was studying ways to change the terms to avoid confusion (Automotive News, May 9).

INDEX

Around the world	28-31
Auction dates	35
Classifieds	39-51
Engineering	18-20
Inventories	33
News briefs	8
Obituaries	51
Opinion	10
Personnel	21-24
Production	54
Sales, import car	22
Sales, truck	12
Truck industry	12

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4 more auto leaders on World Congress team

DETROIT — Two U.S. auto company presidents, two industry leaders from Italy and Germany, an entrepreneurial whiz and a professor of automotive design will keep the evenings lively during the 13th Annual Automotive News World Congress at the Westin Hotel, July 17-20.

Besides Sunday night keynote speakers Robert C. Stempel, General Motors president, and Deiter Spethmann, chairman of Germany's Thyssen AG, four other leading executives will appear at World Congress evening sessions.

The other U.S. president is Bennett E. Bidwell of Chrysler Motors. And the Italian leader is Vittorio Ghidella, chairman of Fiat Auto S.p.A.

The entrepreneur is Roger Penske — the dealer, manager, business executive. The design professor is Strother MacMinn of the Art Center — Pasadena.

Penske and Bidwell will speak Monday, July 18, at 7:30 p.m. and 8:15 p.m., respectively.

Ghidella and MacMinn will address the Tuesday Evening Gala, July 19, at 7:30 p.m. and 8:15 p.m., respectively.

Bidwell is responsible for Chrysler Motors' automotive sales, service and parts operations and marketing services and is a member of Chrysler Corp.'s executive committee.

Ghidella comes to this year's World Congress in the midst of what has been called "Europe's most important new-car launch of 1988."

The Italian firm recently introduced the subcompact Tipo that threatens to reshape the balance of power in the European industry.

Fiat is counting on the front-wheel-drive transverse-engine model, developed over five years at a cost of $1.6 billion, to help it vault ahead of Volkswagen Group in European car sales.

Tipo is the cornerstone of Fiat's plans to challenge such cars as the VW Golf, Opel Kadett and Ford Escort in all major markets — except the United States.

"The Tipo is not going to be sold in the U.S. for the time being," Ghidella said during the car's introduction in Europe. "Competition in that segment in the U.S. is very strong from the Japanese, the Koreans and others."

However, Tipo derivatives will form the basis of several new models to be introduced by Fiat through the mid-1990s.

Penske, who is currently preparing his Chevy-powered race cars for this year's Indianapolis 500, is a man of considerable ambition and business talent.

Penske Corp., a holding company, is the umbrella for three groups: transportation services, retail automotive and automotive performance.

Among the properties are auto dealerships in New York and California, Hertz-Penske Leasing and Detroit Diesel Corp., which was formed early this year following Penske's acquisition of General Motors' Detroit Diesel Allison Division.

MacMinn, in addition to teaching automotive design, is a talented writer. His profile on former GM design chief William Mitchell, called "A Shark Is Not a Grouper," appears in the current issue of Automobile Quarterly.

For more information, write Automotive News World Congress, 1400 Woodbridge, Detroit, MI 48207 or telephone 313-446-6047. The cable address is TWX 810-221-5122 AUTNEW DET.

Import dive cuts April sales total

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

The light-truck market took its first step backward this year with a 4.11 percent sales decline in April.

The decline was caused by a 30.84 percent plunge in sales of imported trucks. Detroit-based manufacturers had a 2.49 percent sales increase.

Overall, 406,633 light trucks were retailed in April, off from 424,084 in April 1987.

For the first four months of the calendar year, sales of 1,620,352 light trucks maintained a respectable 9.61 percent lead over the 1,478,278 retailed a year earlier.

Foreign manufacturers tallied 58,141 sales in April, down from 84,064 a year ago.

For four months of calendar 1988, foreign manufacturers' sales of 234,326 were off 18.76 percent from 288,425 in like 1987.

All the importers except Range Rover, which is still gearing up in the United States, had declines during April, and all except Mitsubishi and Range Rover were down for the first four months of this year.

On the domestic side, Ford and GMC posted small declines in April, while Chevrolet, Chrysler and Jeep continued to chalk up increases.

Minivan sales gains, particularly at Chrysler, continued to pace the industry.

The Dodge Caravan, for example, posted a 47.47 percent gain in April and a 79.83 percent gain for four months. Sales of other minivans also were strong.

LIGHT-DUTY TRUCK SALES

	April 1988	April 1987	4 Mos. 1988	4 Mos. 1987
Vans	15,196	17,128	54,200	59,193
Aerostar	16,358	14,286	63,125	46,478
Club Wagon	2,171	2,684	9,441	9,477
Ranger	25,121	30,281	100,006	107,119
Bronco	4,351	4,536	18,406	16,387
Bronco II	9,226	8,666	39,399	35,199
Pickups	52,226	50,983	202,927	173,610
Ford	**124,649**	**128,982**	**487,504**	**448,443**
Vans	11,721	10,241	45,078	32,794
Sportsvan	1,044	1,132	5,284	4,268
Astro	13,173	13,621	54,820	45,022
S-10	17,659	17,822	79,327	74,542
S-10 Blazer	13,895	11,387	49,930	47,376
El Camino	38	1,184	390	4,202
Blazer	1,958	2,647	9,935	9,665
Suburban	5,201	5,026	20,841	16,438
Pickups	42,056	39,977	170,980	131,172
Chevrolet	**106,745**	**103,037**	**436,585**	**366,479**
Vans	5,925	6,625	21,015	21,127
Ram Wagon	2,586	2,462	9,156	10,103
Voyager	17,606	12,015	61,673	34,814
Caravan	18,077	12,258	68,043	37,837
Mini Ram Van	1,734	1,289	6,025	4,467
Ram 50	5,178	6,486	21,461	23,997
Raider	40	1,885	2,461	5,427
Ramcharger	1,453	1,902	7,433	8,363
Dakota	9,142	9,007	33,136	32,637
Pickups	8,415	9,006	30,163	34,627
Chrysler	**70,670**	**62,995**	**259,566**	**213,299**
Vans	3,931	3,849	15,267	12,719
Safari	2,718	2,916	10,612	9,882
S-15	3,314	3,953	16,464	15,892
S-15 Jimmy	2,797	2,747	11,579	11,771
Jimmy	503	801	2,644	2,645
Caballero	1	162	55	546
Suburban	1,624	1,754	7,107	5,783
Pickups	10,504	11,403	48,654	35,799
P Model	471	997	1,466	2,106
W-4	146	95	475	449
GMC	**26,009**	**28,277**	**112,323**	**97,882**
Wrangler/CJ	3,670	2,701	12,391	9,019
Wagoneer	884	1,099	3,094	4,175
Cherokee	10,924	8,955	45,720	33,867
Grand Wagoneer	819	1,015	4,272	4,256
Comanche	3,903	3,223	13,452	12,181
J-10/J-20	19	9	120	482
Jeep	**20,219**	**17,001**	**78,049**	**63,980**
Toyota	19,406	29,801	77,134	98,687
Nissan	13,918	20,483	55,606	78,611
Mazda	8,522	10,807	35,513	38,638
Isuzu	5,734	9,714	24,861	31,387
Mitsubishi	4,146	4,606	17,110	15,057
Suzuki	6,185	8,341	22,948	28,942
Subaru	2	142	9	839
Range Rover	248	170	1,145	249
Imports	**58,141**	**84,064**	**234,326**	**288,418**
Industry Total	**406,633**	**424,088**	**1,620,352**	**1,478,283**

Compiled by Karen Dabrowski

Volvo puts profit first and has cash to grow

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — AB Volvo has no immediate interest in Mack Trucks, but further North American acquisitions are likely within a few years as Volvo strives to be the world's most profitable heavy-duty truckmaker.

The Swedish firm has to digest its Volvo GM Heavy Truck operation before it can make any further acquisitions in the North American market, said Gunnar L. Johansson, A B Volvo president, in an interview.

"Three to five years would be appropriate" for the assimilation, Johansson said, noting there were five years between the takeover of White Motors in 1981 and the joint venture with General Motors.

Heavy-duty trucks, buses and food products are the designated high-growth sectors for the Swedish-based multi-national company, which posted sales of $15.6 billion in 1987. The United States, Canada and Europe are the prime targets for expansion, Johansson added.

Mack Trucks has been mentioned as a company that might interest Volvo.

Volvo has the cash for several acquisitions: It had $3.7 billion in liquid assets at the end of 1987. Volvo tries to maintain a cash reserve of at least 10 percent of annual sales. Johansson said $1.7 billion is available for acquisitions.

Volvo's growth strategy is two-edged: It is targeting trucks and buses because the return on capital invested is high. For 1987, Volvo trucks earned 24 percent on investment, earning $273 million, while buses returned 23 percent, tallying $30 million in operating income.

Volvo's growing prepared-food operations typically produce a lower rate of return but are steadier. Volvo's interest is part of an effort to balance the pronounced boom-and-bust cycle of the automotive, aerospace and marine and industrial engines industries where the bulk of its business lies.

Johansson

Volvo now trails only Daimler-Benz in heavy-truck volume, but Johansson said the effort is not to overtake the West German company in unit or dollar sales.

"Our long-term objective should be being the most profitable truck maker," he said.

The acquisition of Britain's Leyland Bus in March makes Volvo the largest bus producer in Western Europe. Johansson expects that within three years Volvo's total bus sales will double to $680 million.

Most of the cash surplus comes from operating profits, which companywide last year amounted to $1.1 billion.

But some of Volvo's acquisition war chest came from selling off parts of the business that didn't pay off or didn't fit the company's investment strategy. In the past year, Volvo has sold an Italian steel mill, a mining equipment manufacturing company and, most significantly, its energy exploration and production operations.

Volvo's efforts to balance its vehicle operations, which together accounted for 63 percent of 1987 sales, center on food and trading.

Its acquisition strategy is what Johansson calls "organic" growth, i.e., picking up medium-sized companies with expansion potential in fields where Volvo already has experience. Food-related acquisitions have been slowed because the high interest in Western European food processors has driven up prices.

Navistar adds axles

Lightweight units designed for tandems

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

ANAHEIM, Calif. — Navistar International introduced two lightweight tandem rear axles for use in International trucks at the International Trucking Show here.

The new axles, called X400 and X340, are rated at 40,000 and 34,000 pounds, respectively.

According to Navistar, they will be available exclusively in International trucks, including the premium cab-over-engine 9600 and 9700 models and the conventional 8300 and 9300 models.

The X400 will be available in August, while the X340 is scheduled for early 1989.

The newly designed axles offer weight-saving advantages without sacrificing performance and durability, said Robert M. Shaughnessy, senior vice president, marketing and sales.

Through computer-aided design of major components such as the housing, carrier and forward/rear axle helical drop gears and the use of high-strength/low-alloy steel housings, the new axles weigh 230 pounds less than International's current tandems and as much as 180 pounds less than competitive models, Shaughnessy said.

He added that the X400 and X340 axles are designed specifically to match the specifications and driveline requirements of Navistar's new aerodynamic tractors for line-haul applications.

Those include low-rpm engines, low-profile tires, increased highway speeds and higher load limits. The result is better highway performance, Shaughnessy said.

Both new tandems have a gross combined weight rating of 110,000 pounds for highway applications. Available gear ratios range from 3.06 to 6.14.

Shaughnessy said an important feature of the new tandems is better oil flow to the inter-axle, which is achieved through a new design that provides a full chamber of lube at all times and circulates a constant oil supply even in cold start-up conditions. Navistar has applied for a patent on the design.

Called Consta-Lube, the design greatly decreases spin-out problems and provides longer life, he said. A newly designed optional bolt-on lube pump is also available on the X400 and X340 tandems.

The new tandem rear axles were designed and engineered in cooperation with Dana Corp.'s heavy axle division.

Hot-shotter develops specialty models
Nalley Motor Trucks, Atlanta, developed this Hot Shot with a 42-inch deck height and 10-foot-high loading capability. It is approved for 32,000 pounds GCW. A Super Shot model, below, is approved for 50,000 pounds GCW and a Sure Shot, above, for 65,000 pounds GCW, as is a Peterbilt Powerhouse line of models.

Kelsey chief expects boom in anti-locks

TROY, Mich. — The president of a major supplier firm said rear-wheel-drive anti-lock braking systems will become standard on virtually all North American-built light trucks by the end of the 1990 model year. Also, he said, General Motors will put 200,000 to 300,000 fully powered four-wheel-drive anti-lock-braking systems on its passenger-carrying vans by that time.

John Utley, president and chief operating officer of Kelsey-Hayes Co., said GM's contract for 4wd systems is the largest ever. His company will handle it.

In addition to supplying all the GM, Ford and Chrysler two-wheel-drive and the GM 4wd anti-lock systems, Kelsey-Hayes also will provide the products to Japanese truck manufacturers, both for the light trucks they build in Japan and sell in the United States and for those they produce here.

The company will put a smaller, lighter weight anti-lock system featuring aluminum valves into production in June at a new plant in Fenton, Mich. The company also will produce the units at its Trenton, Mich., facility.

Advertisement

securitag: keeping demo plates under lock and key

Each Securitag lockbox holds one demo tag behind a clear polycarbonate door. The lockbox retains the key until the demo tag is replaced.

One of the on-going concerns of automobile dealership owners and managers has been maintaining control over the use of dealership demonstration license plates or "demo tags."

Mast Corp., Gaithersburg, Md., has developed and is marketing a patented control system, trademarked Securitag, that is designed to solve the problem.

The system consists of a series of lockboxes with the same lock combinations, each with three keys. Each lockbox is designed to hold one demo tag behind a clear polycarbonate door, making the tag visible.

Each sales person is assigned his own numbered key; access to the dealer tag is by the numbered key which will open any one of the lockboxes.

Once the demo tag is removed, the numbered key is seized in the lockbox and cannot be retrieved until the tag is replaced allowing managers to immediately identify who is using a dealer demo tag which greatly reduces the possibility of vehicles being taken out of stock and used without permission.

According to Stuart Brooks, president of Mast Corp., use of Securitag reduces the number of demo tags required, since a small pool of tags is adequate for the shift operations dealerships use, and tags will always be available for vehicle demonstration purposes.

Brooks, noting that some dealerships attempt to control use of their demo tags by using a sign-out system, says, "At best, this is time-consuming and marginally effective."

He adds: "Securitag's loss control system simplifies demo tag control by making a tag readily available at all times for the sales person's use, but at the same time allows management continual monitoring ability, eliminating the need for constant tag checks."

Brooks also notes that, with dealers paying increased attention to insurance premiums and dealership liability, a significant feature of his system is that it provides 24-hour control over the use of demo tags, "thereby reducing the dealership's contingent liability," he says.

According to Brooks, since the system's introduction in December 1986, more than 250 dealerships nationwide have installed Securitag. ■

MAST CORPORATION
19386 Montgomery Village Avenue
Gaithersburg, MD 20879
301-670-0039
or
800-642-4522
US PATENT #4337.967

Circle ReaderService #10

PERSONNEL

FROM PAGE 21

been named parts and service manager in the Southeast region. He formerly was that region's service training instructor.

Ken Holland will replace Voiles as service training instructor in the Southeast region. He formerly operated his own commercial truck repair service.

Peugeot

William Baxter has been named district parts manager in New England for Peugeot Motors of America.

Baxter formerly was a sales representative with Wurth USA.

Chevrolet

Chevrolet announced three appointments to its central office and branch office sales and marketing staffs.

Daniels

Roger G. Daniels has been named area marketing manager, West. He formerly was branch manager in New York. Daniels joined Chevrolet in 1963 as a district manager in the Southwest region.

Donald P. Oberg was named branch manager in New York, succeeding Daniels. Oberg formerly was branch manager in St. Louis. He joined Chevrolet in 1957 in the Detroit zone.

Oberg

Harris

Maynard M. Harris has been appointed St. Louis branch manager, succeeding Oberg. Harris formerly was marketing center manager in Washington. He joined Chevrolet in 1959 in the Richmond zone.

David B. Hederich has been named manager of technical and motorsports news for Chevrolet's public relations staff, and **Suzanne M. Kane** has been promoted to Central states news relations manager.

Hederich handled racing publicity for Goodyear for seven years before joining Cadillac in 1986. Kane has been with Chevrolet's PR staff since 1970, most recently as director of Team Chevrolet Today, a monthly television production. In her new post, she succeeds **Robert M. Whisner.**

Paccar Leasing

Paccar Leasing Corp. has appointed three regional managers.

Tim Stoner will oversee 10 PacLease franchises in the Central region. He will be based in Denver.

Greg Olsen, based in Minnesota, will supervise 14 franchises there. Osen formerly was with Leaseway.

Robert Cagle has been named regional manager in Eastern Canada. Cagle will also manage Paccar Leasing of Canada.

General Motors

Gerald E. Holmes has been named director of public affairs for the Saginaw and Central Foundry divisions of General Motors.

Holmes joined Oldsmobile in 1964 and has served in public relations posts at Saginaw and Detroit Diesel Allison divisions and with the GM truck and bus group.

Sheller-Globe

James W. McLernon has joined Sheller-Globe Corp. as business adviser — General Motors. He will serve on Sheller-Globe's new business development committee and will be primarily responsible for developing and maintaining its business with GM.

McLernon was Chevrolet general manufacturing manager from 1969 to 1976. He then joined Volkswagen of America and was president and chief executive from 1978 to 1983. Since 1983, he has been executive vice president in charge of operations for Creative Industries Group, an engineering services company serving the automotive and aerospace industries.

Budd Co.

William L. Kozyra has been promoted to chief engineer, product engineering of Budd Co.'s wheel and brake division.

Kozyra

He joined Budd in 1977 as an engineering co-op student. Most recently, he was manager, brake engineering.

Budd Co.'s products include steel stampings, frame components, heavy truck wheels and brake parts.

GE Capital Auto Auctions

Liese C. Spiegelberg has been promoted to vice president, market and product development of GE Capital Auto Auctions.

see PERSONNEL, page 24

IMPORT SALES BY MODEL

	April 1988	April 1987	4 Mos. 1988	4 Mos. 1987
ACURA	10,000	9,503	39,095	31,000
Integra	4,440	5,252	17,364	18,418
Legend	6,160	4,251	21,731	12,582
ALFA ROMEO	577	492	1,885	2,128
GTV-6	500	0	503	0
Milano	70	0	797	0
Spider	7	0	585	0
AUDI	2,073	4,901	7,347	11,434
4000S	20	325	129	1,523
4000CS Quattro	4	125	54	685
5000S	658	3,283	1,951	6,617
5000CS Turbo	105	663	348	1,208
5000CS Turbo Quattro	121	428	532	1,061
80	597	0	2,280	0
90	545	0	2,178	0
Coupe GT	23	77	166	370
BMW	6,129	8,400	22,691	27,496
318i	2	2	8	8
524 TD	2	1	3	23
325	3,629	4,886	13,200	18,459
528e	704	804	2,818	3,361
535i/535iS	385	1,254	1,590	2,725
6-Series	164	190	511	671
7-Series	1,005	1,158	3,880	1,970
M3	166	0	800	0
M5	23	22	115	62
M6	39	80	166	207
CHEVROLET	8,855	10,657	39,973	39,971
Spectrum	5,652	6,383	23,926	24,317
Sprint	3,203	4,274	16,048	15,654
CHRYSLER/MITSUBISHI	9,642	10,226	39,028	39,688
Colt	7,399	6,584	29,426	25,132
Conquest	797	1,240	3,202	4,483
Vista	1,446	2,402	6,400	10,273
DAIHATSU	753	0	3,340	0
EAGLE/RENAULT	671	1,162	7,194	2,301
18i	0	0	0	0
Fuego	0	0	0	0
Medallion	671	1,162	7,194	2,301
FORD Festiva	5,461	351	23,523	351
HONDA	19,702	20,448	79,542	84,263
Civic/CRX	9,602	8,021	42,945	36,436
Accord	7,365	7,779	20,138	26,895
Prelude	2,735	4,648	16,459	18,932
HYUNDAI	25,157	21,320	96,163	77,484
ISUZU	1,744	2,953	6,428	8,442
I-Mark	1,299	2,284	4,363	5,841
Impulse	445	669	2,065	2,601
JAGUAR	1,758	1,460	6,180	5,528
XJ6	1,288	1,140	4,852	4,141
XJS	470	320	1,328	1,387
MASERATI	98	94	347	342
MAZDA	16,618	13,020	75,656	53,300
323	6,751	4,751	31,160	20,307
626	4,745	5,143	21,435	21,311
MX-6	731	0	4,837	0
929	2,056	0	8,163	0
RX-7	2,535	3,126	10,061	11,682
MERCEDES BENZ	8,341	7,731	27,843	29,851
190	1,731	1,583	4,970	6,388
190E	806	562	2,466	1,748
300	2,554	1,949	7,877	7,917
300SDL Turbo	2	587	78	2,348
300SEL	583	0	2,471	0
420SEL	867	1,111	3,367	4,407
560SEL	449	532	1,871	2,183
560SL	1,147	1,109	3,882	3,964
560SEC	129	186	578	635
Tourist	33	113	101	281
MERKUR	947	541	3,214	2,656
XR4Ti	456	541	1,742	2,656

	March 1988	March 1987	3 Mos. 1988	3 Mos. 1987
Scorpio	491	0	1,472	0
MITSUBISHI	6,054	6,275	22,327	20,348
Starion	462	577	1,229	1,956
Cordia	765	429	2,139	1,412
Tredia	93	457	376	1,408
Mirage	1,143	1,189	3,980	4,836
Galant	1,505	1,183	4,102	4,284
Precis	1,481	1,820	6,348	4,277
Van/Wagon	805	640	2,135	2,195
NISSAN	31,197	29,067	123,380	148,530
Sentra	13,408	6,984	52,623	45,253
Pulsar	3,788	5,287	14,414	23,443
Stanza	6,774	4,348	23,184	21,995
Maxima	4,136	6,512	19,150	29,696
200SX	1,028	2,632	4,688	12,451
300ZX	1,878	3,133	7,982	14,738
Hawaii	187	211	1,419	1,003
PEUGEOT	712	706	1,959	2,979
PONTIAC LeMans	6,717	0	20,713	0
PORSCHE	1,523	2,288	5,940	8,151
924S	122	276	665	858
944	388	528	1,488	1,836
944S	33	241	220	976
944 Turbo	185	258	782	919
911 Coupe	372	427	1,226	1,458
911 Turbo	114	151	381	463
911 Cabriolet	198	241	680	887
928S	133	168	516	660
SAAB	2,807	3,149	12,598	13,911
900	563	675	2,149	2,908
900S	811	1,040	3,273	4,349
900 Turbo	779	603	2,891	2,858
9000S	185	471	1,204	1,132
9000 Turbo	469	286	2,985	2,662
Tourist	20	72	80	206
STERLING	546	1,621	3,600	4,199
SUBARU	11,535	12,102	48,033	47,045
Hatchback	580	545	2,344	2,535
3-Door	719	995	2,456	3,882
4-Door Sedan	2,254	2,951	8,535	11,588
XT	1,274	1,508	4,519	6,135
Station Wagon	4,798	5,307	19,640	20,026
Justy	1,900	796	10,540	2,879
TOYOTA	43,005	43,339	170,655	144,456
Corolla	10,220	8,210	42,431	27,691
Tercel	6,967	7,172	25,642	23,434
Celica	5,041	6,644	19,627	21,545
Supra	1,437	2,699	6,675	8,797
Camry	15,748	13,158	57,710	42,983
Cressida	919	1,999	4,036	6,948
Land Cruiser	642	321	2,715	1,290
Van	387	1,223	2,149	4,700
4Runner SR 5	1,549	110	6,334	424
MR2	677	1,565	3,336	6,358
Hawaii	0	280	0	1,278
VOLKSWAGEN	11,922	13,847	48,343	34,834
Cabriolet	1,368	1,581	4,992	4,436
Jetta	5,381	4,630	21,026	18,201
Vanagon	482	1,028	2,130	3,120
Quantum	225	841	961	1,966
Scirocco	244	791	1,165	2,317
Fox	4,222	5,356	18,505	6,792
VOLVO	7,976	10,255	32,099	42,479
240 Series	5,238	4,878	14,879	20,669
700 Series	1,770	4,213	13,280	16,936
780 Series	780	987	3,325	4,423
740	138	0	445	1
Tourist	54	167	164	449
YUGO	3,100	4,357	12,021	16,161
IMPORT TOTAL	247,930	240,234	961,126	901,[illegible]

*Total Adjusted

Compiled by Ward's Automotive

DOMESTIC DAYS' SUPPLIES

	May 1, 1988	Apr. 1, 1988	May 1, 1987
Allanté	60	78	171
Eagle	61	63	131
Premier	134	133	0
Total Eagle	123	117	139
Horizon	89	71	55
Sundance	86	89	95
Turismo	77	82	85
Reliant	42	40	52
Caravelle	47	50	90
Gran Fury	39	52	83
Total Plymouth	59	64	70
Laser	0	0	83
LeBaron K	86	84	94
LeBaron J	57	43	105
LeBaron GTS	134	147	101
Fifth Avenue	56	47	93
New Yorker C	102	82	0
New Yorker E	28	28	95
Total Chrysler	73	66	97
Omni	97	76	51
Shadow	80	67	132
Charger	69	69	42
Daytona	48	72	104
Aries	51	47	54
Lancer	185	139	127
Diplomat	82	77	96
Dynasty	53	35	0
Dodge 600	70	61	90
Total Dodge	69	56	75
CHRYSLER MTRS.	65	58	79
Escort	73	62	69
Mustang	44	44	46
Tempo	70	69	73
Taurus	53	47	69
Thunderbird	87	81	71
Probe	69	69	0
Crown Victoria	60	47	48
Total Ford Div.	64	55	65
Lynx/Tracer	98	101	105
Topaz	70	66	74
Sable	36	52	69
Cougar	79	74	87
Grand Marquis	45	46	59
Total Mercury	69	62	65
Continental	18	16	68
Lincoln	69	67	90
Mark VII	65	57	58
Total Lincoln	57	51	62
Total L-M Division	64	60	75
FORD MOTOR CO.	64	56	66
Skyhawk	160	118	143
Somerset Regal	101	71	102
Century	70	53	85
Regal	86	78	74
LeSabre	58	43	75
Reatta	87	82	0
Electra	101	57	105
Riviera	62	58	64
Total Buick	81	61	90
Cimarron	136	131	114
Allante	139	147	67
Seville	64	80	73
Cadillac	71	77	86
Eldorado	76	64	78
Total Cadillac	73	79	80
Chevette	256	126	48
Nova	64	68	77
Cavalier	62	58	64
Camaro	74	73	54
Celebrity	65	68	44
Corsica/Beretta	59	63	119
Monte Carlo	100	112	133
Chevrolet	77	69	91
Corvette	69	75	91
Total Chevrolet	66	67	71
Firenza	115	137	153
Calais	84	74	57
Cutlass Ciera	58	49	66
Cutlass Supreme	98	71	73
Olds 88	60	56	77
Olds 98	83	66	106
Toronado	63	75	55
Total Oldsmobile	72	61	74
Fiero	120	106	76
1000	157	85	50
Sunbird	58	58	61
Firebird	53	51	58
Grand Am	45	48	48
6000	54	59	91
Grand Prix	46	42	101
Bonneville H	47	47	0
Paris./Safari	82	76	99
Total Pontiac	52	52	72
GENERAL MTRS.	67	63	76
HONDA	12	11	9
MAZDA	42	50	0
NISSAN	51	63	80
TOYOTA	43	34	65
VOLKSWAGEN	113	152	114
DOM. TOTAL	63	58	72
Subcompact	48	45	—
Compact	54	53	—
Intermediate	65	59	—
Standard	64	58	—
Specialty	95	94	—

Domestic stocks dip; import supplies climb

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

The industry's inventory of unsold domestic cars and imported vehicles on May 1 was slightly larger than it was a month earlier. It was greater in its absolute number of vehicles and in days' supply.

A rise in import inventories offset a slight decline in the supply of domestic autos.

The stockpile of domestic cars May 1 was 1,571,272 units, the equivalent of a 63-day supply at current rates of sales. A month before, there were 1,574,529 unsold units, equal to a 58-day supply at that time, when cars were selling faster, according to an Automotive News analysis.

The total number of domestic units was the lowest since last Nov. 1 when there were 1,558,931 cars, or an 80-day supply, on hand.

The May 1 figures for imports showed increases in both cars and trucks, compared with April 1.

There were 689,099 cars from abroad in the May 1 stockpile, a 73-day supply, compared with 670,608 cars, a 67-day inventory, a month before. The stock of imported trucks totaled 206,591 units, an 84-day supply, compared with 201,420 units, the equivalent of a 74-day supply at the selling rate of a month ago.

The total import inventory, cars and trucks, was 895,690, or a 75-day supply, vs. a total of 872,028 units, a 69-day supply, a month before.

The domestic makers have said they intend to try to keep stocks at lower levels by means of trimmed production scheduling and sales incentive drives.

On May 1, 1987, the domestic car total stood at 1,912,132 units, a 72-day supply. For imported cars, the total was 567,879, or a 61-day supply. For imported trucks the year-ago total was 238,832, a 67-day supply. The combined import car and truck figure for May 1 last year was 806,711, the equivalent of a 63-day inventory at then-current sales rates.

There is a rule of thumb in the domestic industry that says a 60-day supply is optimal. For imports, the rule of thumb says the ideal before-quotas inventory was a 65-day supply.

By size class, the May 1 domestic inventory shaped up this way: Intermediate, 42.54 percent; compact, 24.26 percent; standard, 18.66 percent; subcompact, 13.33 percent; and specialty, 1.21 percent.

Inventories of unsold domestic cars as of May 1 by company as a percent of the total shaped up this way: General Motors, 51.40 percent; Ford Motor Co., 29.10 percent; Chrysler Motors, 15.19 percent; Nissan, 1.34 percent; Volkswagen, 1.28 percent; Honda, 1.03 percent; Toyota, 0.43 percent and Mazda, 0.23 percent.

By nation of origin, import-car stocks stood this way as of May 1 this year: Japan, 61.82 percent; West Germany, 14.61 percent; and others, 23.57 percent.

Among standouts in the inventory picture was the Lincoln Continental with a scant 16-day stock, up from just 10 days on April 1.

On the other side of the coin were Dodge Lancer with 185 days, Cadillac Allante with 139 days and Eagle Premier with 134 days.

IMPORT DAYS' SUPPLIES

	May 1, 1988	Apr. 1, 1988	May 1, 1987
Chevrolet	169	153	131
Chrysler/Mitsubishi	143	126	93
Acura	35	26	41
Daihatsu	80	78	0
Honda	11	10	12
Isuzu	100	154	104
Mazda	58	48	68
Mitsubishi	100	105	48
Nissan	112	98	90
Subaru	110	97	115
Toyota	22	18	27
JAPAN	69	64	61
Audi	180	231	116
BMW	85	85	64
Mercedes-Benz	29	34	38
Merkur	181	208	144
Porsche	90	80	82
VW	97	92	84
GERMANY	85	87	75
Alfa Romeo	85	65	124
Festiva	130	102	156
Hyundai	53	45	22
Jaguar	65	55	31
Peugeot	90	83	89
Yugo	78	86	0
Eagle/Renault	253	49	283
Saab	67	61	61
Sterling	107	81	45
Volvo	71	78	55
Yugo	127	127	39
Other Countries	76	67	46
Total Import Cars	73	67	61
Isuzu	152	123	74
Mazda	61	58	77
Mitsubishi	74	82	69
Nissan*	104	110	79
Range Rover	42	30	37
Suzuki	104	86	14
Toyota	43	31	61
Chrysler	122	114	97
Total Imp. Trucks	84	74	67
Total Imp. Vehicles	75	69	63

*—Includes domestic trucks

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Circle ReaderService #26

AUCTION DATES

Chrysler Motors

May 17 — Florida Auto Auction of Orlando, Ocoee, Fla.; Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Riverside Auto Auction, Riverside, Calif.; Portland Auto Auction, Portland, Ore.; and Greensboro Auto Auction, Greensboro, N.C.

May 18 — Columbus Fair Auto Auction, Obetz, Ohio; Nashville Auto Auction, Nashville, Tenn.; and Southern Auto Auction, Warehouse Point, Conn.

May 19 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; Salt Lake City Auto Auction, Salt Lake City; and Ark-La-Tex Auto Auction, Shreveport, La.

May 20 — St. Louis Auto Auction, Bridgeton, Mo.

May 24 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Aptco Auto Auction, Taylor, Mich.; Denver Auto Auction, Aurora, Colo.; South Seattle Auto Auction, Kent, Wash.; and Golden Gate Auto Auction, Fremont, Calif.

May 25 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; and Minneapolis Auto Auction, Plymouth, Minn.

May 26 — Northway Exchange, Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Southwest Auto Auction, Phoenix, Ariz.

Ford Motor Co.

May 17 — South Seattle Auto Auction, Kent, Wash.

May 18 — Columbus Fair Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fontana, Calif.; Newburgh Auto Auction Inc., Newburgh, N.Y.; Salt Lake Auto Auction, Salt Lake City; and West Palm Beach Auto Auction, West Palm Beach, Fla.

May 19 — Baltimore-Washington Auto Exchange, Baltimore

May 24 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

May 25 — Lakeland Auto Auction, Lakeland, Fla.

General Motors

May 17 — Florida Auto Auction of Orlando, Ocoee, Fla.

May 18 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

May 19 — Big H Auto Auction, Houston; Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; and Southwest Auto Auction, Phoenix, Ariz.

May 20 — Nevada Auto Auction, Las Vegas, Nev.

May 24 — Harrisonburg Auto Auction, Harrisonburg, Va.; Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; South Seattle Auto Auction, Kent, Wash.; and Auto Dealers Exchange of Birmingham, Moody, Ala.

May 25 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; Riverside Auto Auction, Riverside, Calif.; and Omaha Auto Auction, Omaha, Neb.

Used Car Sales
Auction Averages

May 88	$5,731
Month ago	$5,621
Year ago	$5,868

Model Breakdown
Auction Averages

	MAY 1988	APR 1988	MAR 1988
1988	$12,575	$12,483	$12,283
1987	$8,694	$8,638	$8,682
1986	$7,197	$7,190	$6,927
1985	$5,657	$5,904	$5,837
1984	$4,498	$4,438	$4,380
1983	$3,799	$3,792	$3,765
1982	$2,445	$2,398	$2,534
1981	$1,972	$1,937	$1,906
Overall Average	$5,731	$5,722	$5,589

Anglo revenues, profits climb for 1987

Anglo American Auto Auctions, a division of British-owned ADT Security Systems, had revenues of $79.5 million for fiscal 1987, up 35 percent over the previous year's revenues of $58.7 million. The 1987 figure was based on value of vehicles sold of $2.56 billion.

Pretax profits for 1987 were $15.5 million, up 119 percent over 1986 earnings of about $7.1 million. Auto reconditioning fees accounted for about 24.5 percent of total revenues.

The company had a 27 percent increase in consignments to 680,014 from 535,609 in 1986. Vehicles sold in 1987 totaled 398,076 or 58.5 percent of vehicles consigned.

Much of Anglo's growth was due to the acquisition of eight auctions in 1987, bringing the number of U.S. outlets to 20.

AUCTION BRIEFS

CHARLES THOMAS

The company also purchased a 30-acre site in Tucson, Ariz., and 50 acres in Phoenix, Ariz., for construction of two "greenfield" auctions — one to open in October.

Anglo said it spent approximately $40 million on capital improvements in 1987 at 15 of its 20 auctions.

Vintage car auction

Officials at the Imperial Palace Hotel and Casino in Las Vegas said their second annual antique auto auction, held in late April, set a record with $22.7 million in sales. Sales totaled 544 cars.

The top draw was a 1932 Hispano-Suiza J-12 Phaeton that sold for $1 million, sale officials said. Kruse International hosted the auction.

Buyers from 17 foreign countries were represented at the event and over $12 million in sales was foreign money.

STILL GIANT GROSSES!!

IMPORT DEALER NO. 146

Jan.-Sept.
YEAR TO DATE Total Retail $80,000.
N.C.=34 / U.C.=12 / AVERAGE GROSS N&U=$1193.

"Market Crash Month"
October 1987-TRIP SALES FIRST MONTH
Total Retail $288,000.
N.C.=68 / U.C.=72 / AVERAGE GROSS N&U=$2034.
"Just a Fluke" ???

3 MONTH PROGRAMS

"AWFUL NOVEMBER"
TRIP SALES 2nd MONTH
Total Retail $290,000.
N.C.=51 / U.C.=52 / AVERAGE GROSS N&U=$3036.
"Another Fluke" ????

"SANTA'S MONTH"
There's no business in December!
TRIP SALES 3rd MONTH
Total Retail $285,000.
N.C.=65 / U.C.=48 / AVERAGE GROSS N&U=$2522.
"Another Fluke" ????

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Circle ReaderService #20

PRODUCTION

Truck output slips after record week

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

U.S. truckmakers scheduled production of 86,460 units last week, 3.96 percent below the previous week's 90,021 but 5.51 percent more than the year-ago week's 81,941.

The prior week's truck production was the highest ever, surpassing the previous record of 88,469 set the week ended March 26, 1988.

Year-to-date, 1,602,027 trucks have been assembled, 11.25 percent more than the 1,440,075 built last year at this time.

Automakers scheduled output of 166,691 cars last week, 3.79 percent more than the prior week's 160,603 and 13.29 percent more than the year-ago week's 147,143.

So far this year, 2,666,425 cars have been assembled, 10.61 percent below the 2,982,988 completed last year at this point.

Companies split last week's targeted production as follows: General Motors, 47.96 percent; Ford Motor Co., 25.07 percent; Chrysler Motors, 15.78 percent; Honda of America Manufacturing Inc., 5.10 percent; New United Motor Manufacturing Inc., 1.95 percent; Nissan Motor Manufacturing Co. U.S.A., 1.57 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.37 percent; and Volkswagen of America, 1.20 percent.

VWoA's plant in Westmoreland, Pa., resumed output last week building only the Golf and GTI models. Jetta production has ended, and the plant is scheduled to close permanently in mid-July, affecting about 2,500 workers.

Overtime was scheduled last Friday at GM's plant in Janesville, Wis.

GM slated overtime last Saturday at its Lansing, Mich.; Arlington, Texas; Fort Wayne, Ind.; and Lordstown, Ohio, plants.

Ford scheduled Saturday overtime at five plants. They were: Wixom, Mich.; Edison, N.J.; Wayne, Mich.; Kansas City, Mo.; and Norfolk, Va.

Daily overtime is slated at all Ford plants this week.

Canada on roll in car assembly

Canadian automakers scheduled the highest production in history last week. Output was targeted at 27,276 cars, topping the previous record of 26,733 set the week ended Dec. 14, 1985.

Last week's estimated production was 2.05 percent more than the previous week's 26,727 and 67.97 percent more than the year-ago week's 16,239. The 26,727 for the week ended May 7 was six units short of the all-time high.

So far this year, 445,708 cars have been built, 40.58 percent more than the 317,052 built last year at this point.

Truck production was scheduled at 20,030 units last week, 1.62 percent below the preceding week's 20,359 but 21.23 percent more than the year-ago week's 16,522.

Year-to-date, 366,335 trucks have been assembled, 17.53 percent more than the 311,697 built last year at this time.

U.S. CAR	Week Ended May 14, 1988	Week Ended May 16, 1987	Week Ended May 7, 1988	May to Date	Jan. 1 to May 14, 1988	Jan. 1 to May 16, 1987
Alliance	0	1,015	0	0	0	13,072
Total Eagle	0	1,015	0	0	0	13,072
Horizon	2,200	0	2,183	4,383	35,368	32,997
Sundance	1,900	2,076	1,873	3,773	40,316	41,381
Reliant	2,600	2,118	2,634	5,234	37,441	47,381
Caravelle	500	1,105	469	969	7,879	22,009
Gran Fury	300	270	284	584	4,756	1,248
Total Plymouth	7,500	5,569	7,443	14,943	125,760	145,016
LeBaron K	500	1,505	499	999	7,242	33,526
LeBaron J	2,200	3,524	1,921	4,121	25,449	43,497
LeBaron GTS	200	1,037	186	386	3,296	16,468
N. Yorker E-Class	0	1,625	0	0	0	33,976
N. Yorker C-Class	2,850	0	2,814	5,664	44,086	0
Fifth Avenue	350	1,735	329	679	13,242	13,644
Total Chrysler	6,100	3,426	5,749	11,849	91,615	141,111
Omni	2,100	0	2,112	4,212	35,142	28,363
Daytona	2,200	1,761	1,924	4,124	24,589	20,592
Shadow	2,600	2,506	2,574	5,174	41,956	40,128
Aries	2,300	2,906	2,286	4,586	31,580	43,940
Dodge 600	500	993	462	962	7,060	19,345
Dynasty	2,300	0	2,331	4,631	42,361	0
Lancer	200	674	217	417	4,265	10,460
Diplomat	500	409	525	1,025	8,979	1,816
Total Dodge	12,700	9,249	12,431	25,131	195,932	164,644
CHRYSLER MOTORS	26,300	25,259	25,623	51,923	413,307	463,843
Escort	9,602	9,114	9,339	18,941	135,929	140,928
Mustang	4,126	4,480	4,172	8,298	81,382	84,248
Tempo	4,050	4,543	4,096	8,146	76,626	75,141
Taurus	8,746	7,858	8,729	17,475	152,864	172,585
Thunderbird	3,520	4,659	2,872	6,392	60,812	62,298
Total Ford Div.	30,044	30,654	29,208	59,252	507,613	535,200
Lynx	0	244	0	0	0	18,656
Topaz	1,472	1,742	1,420	2,892	28,454	23,768
Cougar	2,525	3,089	2,860	5,385	46,433	63,719
Sable	3,515	2,604	3,524	7,039	52,929	54,376
Total Mercury	7,512	7,679	7,804	15,316	127,816	160,519
Continental	945	418	1,117	2,062	17,308	7,101
Mark VII	466	607	544	1,010	9,741	10,630
Lincoln	2,826	3,075	3,327	6,153	56,113	53,188
Total Lincoln	4,237	4,100	4,988	9,225	83,162	70,919
Total L-M Division	11,749	11,779	12,792	24,541	210,978	231,438
FORD MOTOR CO.	41,793	42,433	42,000	83,793	718,591	766,638
Skyhawk	0	64	0	0	11,350	13,780
Skylark/Somerset	1,775	1,146	1,836	3,611	15,634	29,896
Century	3,375	1,980	3,190	6,565	36,624	73,435
Regal (rwd)	0	1,224	0	0	0	17,485
Riviera	128	244	147	275	2,640	6,847
Electra	2,145	0	2,370	4,515	31,161	39,572
LeSabre (fwd)	2,500	0	2,500	5,000	49,186	44,079
LeSabre (rwd)	280	9	274	554	3,584	4,833
Reatta	187	0	154	341	1,959	0
Total Buick	10,390	4,667	10,471	20,861	152,138	229,927
Cimmaron	54	245	113	167	3,693	6,299
Eldorado	1,006	572	1,170	2,176	15,579	6,819
Seville	601	524	701	1,302	9,842	9,393
Brougham (rwd)*	977	1,164	977	1,954	13,871	33,516
Deville (fwd)	3,540	2,950	3,555	7,095	70,598	83,223
Allante	65	119	65	130	995	1,288
Total Cadillac	6,243	5,574	6,581	12,824	114,578	120,538
Cavalier	8,991	7,759	7,150	16,141	131,729	141,918
Camaro	2,425	2,234	2,572	4,997	31,137	40,468
Celebrity	5,085	8,121	5,140	10,225	64,997	144,109
Corsica/Beretta	9,360	3,838	9,282	18,642	153,936	104,367
Monte Carlo	0	1,418	0	0	0	29,354
Caprice	4,746	1,943	4,357	9,103	74,647	86,617
Corvette	440	646	448	888	8,140	11,567
Total Chevrolet	31,047	25,959	28,949	59,996	464,586	558,400
Calais	3,025	3,694	2,949	5,974	42,640	46,828
Firenza	0	55	0	0	5,220	3,465
Cutlass Ciera	150	4,754	0	150	150	71,340
Cutlass Supreme	4,250	1,168	3,995	8,245	80,326	28,382
Toronado	405	524	471	876	6,962	6,759
88 (fwd)	3,429	1,935	3,962	7,391	62,963	80,350
88 (rwd)	235	372	268	503	4,970	7,366
Olds 98	1,595	722	1,584	3,179	32,330	30,359
Total Oldsmobile	13,089	13,224	13,229	26,318	235,561	278,447
Sunbird	2,635	2,200	2,292	4,927	40,905	45,573
Grand Am	6,000	6,234	5,301	11,301	92,116	99,577
Firebird	1,695	1,537	1,478	3,173	23,464	30,994
Grand Prix	3,385	0	3,629	7,014	43,591	0
Pontiac 6000	2,025	0	1,838	3,863	29,743	32,135
Bonneville	2,728	3,113	3,142	5,870	40,626	56,863
Safari/Partsienne	235	0	227	462	3,286	4,848
Fiero	488	1,134	512	1,000	7,705	15,155
Total Pontiac	19,191	14,218	18,419	37,610	281,436	285,145
GENERAL MOTORS	79,960	63,642	77,649	157,609	1,248,299	1,472,457
HONDA	8,499	6,718	7,221	15,720	140,763	125,836
Civic	2,857	1,831	1,815	4,672	36,765	38,899
Accord	5,642	4,887	5,406	11,048	103,998	86,937
MAZDA†	2,279	0	2,278	4,557	29,980	0
NISSAN	2,610	2,989	2,516	5,126	35,275	53,453
NUMMI	3,250	4,143	3,316	6,566	60,926	73,234
Corolla	1,200	851	1,215	2,415	22,449	14,868
Nova	2,050	3,292	2,101	4,151	38,477	58,366
VOLKSWAGEN	2,000	1,959	0	2,000	19,284	27,527
Golf/GTI	2,000	1,709	0	2,000	13,731	22,827
Jetta	0	250	0	0	5,553	4,700
Total Cars, U.S.	166,691	147,143	160,603	327,294	2,666,425	2,982,988
Total Cars, Canada	27,276	16,239	26,727	54,003	445,708	317,052
U.S., Canada Cars	193,967	163,382	187,330	381,297	3,112,133	3,300,040
U.S., Canada Cars and Trucks	300,457	261,845	297,710	598,167	5,080,495	5,051,812

Monthly estimates may contain error of one or two units due to rounding.
*—Estimate. †—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended May 14, 1988	Week Ended May 16, 1987	Week Ended May 7, 1988	May to Date	Jan. 1 to May 14, 1988	Jan. 1 to May 16, 1987
Eagle	0	—	0	0	0	—
Premier	1,650	—	1,658	3,308	27,525	—
CHRYSLER MOTORS	1,650	88	1,658	3,308	27,525	2,475
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,292	—	4,164	8,456	78,588	—
Topaz	1,348	—	1,393	2,741	26,753	—
Crown Victoria	2,851	—	2,890	5,741	53,328	—
Grand Marquis	2,909	—	2,901	5,810	52,865	—
FORD MOTOR CO.	11,400	11,119	11,348	22,748	211,534	205,001
Celebrity	700	—	633	1,333	7,344	—
Cutlass Ciera	7,196	—	7,125	14,321	101,164	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,400	—	1,402	2,802	19,808	—
Regal	3,800	—	3,670	7,470	63,283	—
GENERAL MOTORS	13,096	4,488	12,830	25,926	191,599	102,124
HONDA	950	319	730	1,680	12,554	3,447
VOLVO	180	225	161	341	2,496	4,005
Total Cars, Canada	27,276	16,239	26,727	54,003	445,708	317,052

U.S. TRUCK☆	Week Ended May 14, 1988	Week Ended May 16, 1987	Week Ended May 7, 1988	May to Date	Jan. 1 to May 14, 1988	Jan. 1 to May 16, 1987
Caravan	1,900	—	2,190	4,090	38,162	—
Dakota	2,000	—	2,016	4,016	45,571	—
Mini-Ram Van	300	—	325	625	5,911	—
Pickups	2,000	—	1,997	3,997	24,491	—
Total Dodge	6,200	6,714	6,528	12,728	114,135	94,093
Cherokee	3,700	—	4,415	8,115	67,979	—
Commanche	900	—	995	1,895	18,267	—
Grand Wagoneer	300	—	350	650	5,565	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	282	482	4,949	—
Total Jeep	5,100	4,485	6,042	11,142	101,960	83,576
Voyager	1,800	—	2,057	3,857	35,294	—
Total Plymouth	1,800	—	2,057	3,857	35,294	—
CHRYSLER MOTORS	13,100	11,199	14,627	27,727	251,389	177,669
Aerostar	4,472	—	4,413	8,885	84,826	—
Bronco	1,240	—	1,236	2,476	23,401	—
Bronco II	2,516	—	2,345	4,861	53,456	—
Econoline	5,136	—	5,163	10,299	95,351	—
Heavy trucks	1,484	—	1,473	2,957	25,852	—
Light trucks	10,346	—	11,597	21,943	195,545	—
Ranger	7,773	—	7,589	15,362	139,296	—
Total Ford Div.	32,967	31,677	33,816	66,783	617,727	582,121
FORD MOTOR CO.	32,967	31,677	33,816	66,783	617,727	582,121
Astro	3,288	—	3,721	7,009	65,979	—
Blazer	530	—	628	1,158	10,530	—
Mediums/Heavies	385	—	476	861	6,801	—
P-Model	897	—	802	1,699	14,948	—
Pickups	7,696	—	7,623	15,319	125,938	—
S-10	5,903	—	7,273	13,176	109,227	—
S-10 Blazer	3,636	—	4,386	8,022	61,171	—
Sportsvan/Van	2,319	—	1,954	4,273	31,202	—
Suburban	1,486	—	1,815	3,301	27,863	—
Total Chevrolet	26,140	24,784	28,678	54,818	453,659	429,146
Jimmy	155	—	210	365	3,274	—
Mediums/Heavies	861	—	797	1,658	16,804	—
P-Model	123	—	181	304	1,777	—
Pickups	2,439	—	1,624	4,063	39,912	—
S-15	1,317	—	904	2,221	25,877	—
S-15 Jimmy	989	—	766	1,755	16,002	—
Safari	834	—	926	1,760	17,011	—
Suburban	571	—	698	1,269	13,559	—
Vandura/Rally Vans	674	—	537	1,211	14,816	—
Total GMC	7,963	8,057	6,643	14,606	149,032	145,500
GENERAL MOTORS	34,103	32,841	35,321	69,424	602,691	574,646
NAVISTAR	1,870	1,660	1,890	3,760	33,443	29,050
NISSAN	1,670	1,814	1,617	3,287	45,077	31,889
AM GENERAL*	450	450	450	900	8,460	3,300
MISCELLANEOUS*	2,300	2,300	2,300	4,600	43,240	41,400
Total Trucks, U.S.	86,460	81,941	90,021	176,481	1,602,027	1,440,075

CANADIAN TRUCK	Week Ended May 14, 1988	Week Ended May 16, 1987	Week Ended May 7, 1988	May to Date	Jan. 1 to May 14, 1988	Jan. 1 to May 16, 1987
Caravan	3,126	—	3,100	6,226	57,426	—
Mini-Ram Van	330	—	344	674	5,484	—
Ram Wagon	540	—	554	1,094	9,336	—
Ram Van	1,510	—	1,467	2,977	23,803	—
Total Dodge	5,506	8,029	5,465	10,971	96,049	159,372
Voyager	2,688	—	2,773	5,461	52,792	—
Total Plymouth	2,688	—	2,773	5,461	52,792	—
Wrangler	1,018	—	1,035	2,053	19,479	—
Total Jeep	1,018	779	1,035	2,053	19,479	12,285
CHRYSLER MOTORS	9,212	8,808	9,273	18,485	168,320	171,657
FORD MTR. (lt. trks.)	3,648	3,377	3,669	7,317	67,831	60,226
Light trucks	3,385	—	3,470	6,855	60,401	—
Vans	1,584	—	1,334	2,918	23,461	—
Total Chevrolet	4,969	—	4,804	9,773	83,862	—
Light trucks	1,415	—	1,648	3,063	29,081	—
Vans	561	—	743	1,304	13,118	—
Total GMC	1,976	—	2,391	4,367	42,199	—
GENERAL MOTORS	6,945	4,126	7,195	14,140	126,061	76,169
NAVISTAR	225	211	222	447	4,123	3,645
Total Trks., Canada	20,030	16,522	20,359	40,389	366,335	311,697
U.S., Canada Trks.	106,490	98,463	110,380	216,870	1,968,362	1,751,772

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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The hottest-selling U.S. dealers of 1987

SALES GIANTS 87

The dealerships that hold the auto industry's 350 top-volume franchises — 10 for each major make — rang up total sales of $17.74 billion in 1987.

They delivered 966,474 new cars and trucks for those franchises.

Those 350 franchises comprise the 1987 Automotive News Sales Giants.

The franchises consist of the 10 volume leaders for each of the 10 traditional domestic divisions and the 25 top imports.

The 966,474 new vehicles sold by the 10 largest franchises for each of the 35 makes represented 6.44 percent of total industry car and truck sales of 15,009,577 in 1987.

Fleet sales — overlooked by some — accounted for more than half of all new cars and trucks sold by the Automotive News Sales Giants last year. Fleet sales for the 350 franchises totaled 494,567 units — or 51.17 percent of their total sales — clearly a significant part of the business and an important part of the picture.

In all, 327 dealerships held the 350 top-volume franchises included in the Automotive News Sales Giants. Some of those franchises are dualed in the same dealership.

Those 327 dealerships sold $1.55 billion in parts and service, and retailed 185,153 used vehicles last year.

Although there were 327 dealerships involved, there were fewer individual dealers than that because of the increasing consolidation of franchises, particularly among the high-volume dealerships.

One of the biggest organizations in 1987 was the Arnold Palmer group, with $1 billion in sales and 51,556 new-car and truck sales spread among its various dealerships.

Arnold Palmer and partner James O'Neal Jr. had six of the Automotive News Sales Giants franchises in four dealerships, including the highest-volume Ford and highest-volume Lincoln-Mercury franchises. The Palmer group also ranked as a top fleet sales organization.

Norman Braman, the dealer-entrepreneur who recently sold his stake in Austin Rover Cars of North America to Britain's Austin Rover Group, also was dealer or partner in six of the franchises on the list — in five dealerships.

One potent store, with four high-volume

see SALES GIANTS, page 38

Dealers hear pitfalls of going public

Loss of control, costs, risks, noted

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — If car dealers are to take their businesses public, a megadealer such as Roger Penske or Virginia-based Bob Rosenthal will have to lead the charge.

Only organizations with the right combination of size and reputation will be able to convince Wall Street that auto dealerships in general have a bullish future in the financial markets, said Donald L. Keithley, partner in charge of dealer services at J.D. Power and Associates.

Ironically, it is organizations such as Penske's and Rosenthal's that have said they have little interest in going public. Those sales giants have little trouble financing acquisitions and, therefore, have no incentive to relinquish control to shareholders.

Among the businesses owned by Penske are Longo Toyota, El Monte, Calif., the country's largest Toyota dealership; Roger Penske Cadillac, Downey, Calif.; Penske Auto Center (formerly Potamkin Cadillac), New York; Penske Honda, Downey, Calif.; and about 60 percent of the $900 million Detroit Diesel Corp. All four dealerships are listed among the Automotive News Sales Giants.

Rosenthal operates Rosenthal Honda and Rosenthal Nissan, both located in Vienna, Va; Rosenthal Mazda in Arlington, Va.; and other dealerships. Rosenthal's Honda, Nissan and Mazda dealership's are listed among the Sales Giants.

Keithley was a member of a three-man panel on public ownership of car dealerships at the American International Automotive Congress. Also participating were John E Reilly, senior vice president and general manager of

see PUBLIC, page 78

AUTOMOTIVE NEWS/JOE WILKENS

Chrysler Motors Chairman Gerald Greenwald, left, and Iacocca at the annual stockholders' meeting

Cost-cuts and complaints

Chrysler chips away at AMC cost burden

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — Chrysler Corp. has substantially reduced the $1.4 billion in fixed costs it acquired with the purchase of American Motors in the eight months since the buyout.

Chrysler Corp. Chairman Lee Iacocca, speaking informally after the annual stockholders meeting, declined to specify the amount the company has whittled from the fixed costs of the former AMC except to say the reduction has been "a lot."

A $200 million savings was achieved when the white-collar workforce was reduced by 3,500 employees at the end of 1987, Ia-

see CHRYSLER, page 77

GM retirees picket on health-care cuts

By Edward Lapham and Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTERS

DETROIT — Some 500 General Motors salaried retirees expressed their displeasure with cuts in health care benefits by picketing the company's 80th annual meeting here last Friday.

After two decades of facing picketing proponents of various social causes, GM executives last week were faced with disgruntled former colleagues. The protest moved inside the meeting, where several retirees confronted GM Chairman Roger B. Smith during shareholder question periods.

"You woke up a sleeping tiger in your salaried retirees by taking away our benefits,"

see GM, page 77

Naderites score double victory in CAFE ruling

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Consumer groups may continue to sue government agencies over their regulatory decisions as the result of a split vote by the U.S. Court of Appeals.

The 5-to-5 vote let stand a lower court ruling against the EPA for retroactive fuel-economy credits granted the auto industry in July 1985.

If the decision is not appealed to the Supreme Court or if the court upholds the decision, EPA will have to go back and refigure fuel-economy numbers for 1981-84 and assess potentially millions in penalties for noncompliance with corporate average fuel economy laws.

And even though both General Motors and Ford Motor Co. say they are clear from civil penalties, there are absolutely no guarantees after EPA finishes its reassessment.

The Center for Auto Safety and Ralph Nader's Public Citizen argued successfully that if EPA in making its retroactive adjustments used factors that improved the manufacturers' fuel economy, it must use in the calculation any negative factors that would lower those figures.

"Without further appeal, we've got to go through rulemaking now to deal with that mileage-accumulation issue, which is likely to end up with some negative adjustments for the 1981-84 model years," said Robert Maxwell, head of EPA's mobile source certification division. How much that will cost the industry isn't known.

Of greater importance to the groups that brought the suit, however, is the "standing to sue" issue,

see CAFE, page 79

INDY: *Chevrolet revs up ad splash if it captures checkered flag*

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

INDIANAPOLIS — When the green flag falls Sunday to mark the start of the 72nd running of the Indianapolis 500 race, Chevrolet will have something to celebrate: For the first time, the five leading cars to start the race will be powered by Chevy's Indy V-8 engine.

And should a Chevy engine be mounted in the winning entry, it will touch off an advertising and marketing sales effort trumpeting the division's dominance of the Greatest Spectacle in Racing.

The first blow on the promotional horn appeared last week with newspaper advertisements announcing Chevrolet's powering of the pole position car of Penske team driver Rick Mears. Mears set all-time qualifying records for the single fastest lap and a record four-lap average speed of 219.198 mph.

see INDY, page 80

BOB HARMEYER

The pole sitter is powered by Chevrolet and driven by Rick Mears

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ks cut profit
, BMW, Volvo
Page 2

DRI predicts slight gain in world car sales
Page 3

Delayed vote results seen hiding UAW woes
Page 4

Court trims big award in Toyota suit

Former Ford exec sued Mid-Atlantic

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

A Maryland court has reversed a $2.7 million award to a former Ford Motor Co. executive who said he was misled when lured to a job with the firm that operates Mid-Atlantic Toyota.

The decision by the Maryland Court of Appeals will likely mean a second jury trial in the case of Arthur Connors. The former vice president of marketing at Ford joined Frederick Weisman Co. in 1981. Two years later, he resigned in a contract dispute.

Among other things, Connors charged that he didn't receive some of the benefits and other compensation he was promised. He also resigned while performing the duties of general manager — a title he said he never wanted when he was hired away from Ford.

A Maryland circuit court awarded Connors $3 million in damages in 1985. That decision was upheld by a lower-level appeals court in 1987. Earlier this month, however, the state Court of Appeals reversed the $2.7 million awarded on a "negligent misrepresentation" charge. The court let stand a $222,000 breach of contract award.

According to court records, Connors first met with Weisman in 1981 in a meeting arranged through Korn/Ferry, an executive recruiting firm. At the time, Ford was losing billions of dollars annually. Weisman, meanwhile, was looking for someone to become executive vice president of his company.

Connors, who had spent 32 years at Ford, said the company's losses had nothing to do with his search, but he was frustrated by staff cuts and policy changes at Ford. Still, he had reservations about leaving, records show. In particular, he was skittish about losing the benefits that went along with his $140,000 salary — including bonuses, stock options, a pension plan, golf club membership and life insurance premiums.

Weisman and Connors were able to resolve those concerns, and Con-

see TOYOTA SUIT, page 78

Automotive News World Outlook

Generated by Data Resources Inc.
(In Millions)

	1988	1988	1987	1988	1989	1990	1991	1992
New car registrations								
Total Western Europe*	10,608	11,635	12,371	12,283	11,625	11,982	12,340	12,445
Germany	2,379	2,829	2,916	2,773	2,601	2,696	2,603	2,620
France	1,766	1,912	2,105	2,071	1,946	2,031	2,184	2,256
United Kingdom	1,832	1,882	2,014	2,004	1,896	1,926	1,964	1,908
Italy	1,746	1,825	1,977	2,029	1,818	1,834	1,885	1,928
Total U.S.	11,043	11,452	10,227	10,100	9,800	10,002	10,002	10,302
Asia-Pacific**	1,240	1,119	1,325	1,512	1,509	1,615	1,691	1,766
Japan	3,104	3,146	3,275	3,478	3,549	3,441	3,479	3,514
Total Africa-Mid East	1,268	1,185	1,168	1,252	1,306	1,389	1,510	1,595
Total Latin America†	1,226	1,250	970	910	1,069	1,100	1,273	1,290
Total Eastern Bloc	2,195	2,171	2,237	2,334	2,407	2,466	2,548	2,630
Car production								
Total Western Europe*	11,204	11,818	12,518	12,498	12,008	12,407	12,793	12,870
Germany	4,167	4,311	4,374	4,236	4,023	4,103	4,196	4,271
France	2,632	2,773	3,052	3,032	2,893	3,019	3,126	3,160
United Kingdom	1,048	1,019	1,143	1,214	1,253	1,348	1,405	1,412
Italy	1,389	1,652	1,713	1,827	1,729	1,774	1,781	1,772
Total North American	9,277	8,889	7,831	7,564	7,407	7,492	7,671	7,931
Asia-Pacific**	869	1,042	1,454	1,808	1,928	2,115	2,240	2,352
Japan	7,647	7,810	7,891	7,736	7,671	7,605	7,607	7,737
Total Latin America†	1,174	1,166	1,126	1,201	1,440	1,541	1,718	1,736
Mexico	297	208	277	393	528	613	645	625
New truck registrations								
Western Europe***††	208	222	252	249	242	243	243	243
U.S.	4,450	4,640	4,650	4,690	4,520	4,380	4,240	4,540
Truck production								
Western Europe***	294	289	305	316	304	308	308	308
North America	4,325	4,177	4,310	4,090	4,070	4,100	4,040	3,980

*Includes Germany, France, United Kingdom, Italy, Netherlands, Belgium, Denmark, Ireland, Greece, Sweden, Norway, Finland, Switzerland, Austria, Spain and Portugal.
**Includes Taiwan, South Korea, Peninsular Malaysia, India, and Australia but excludes Japan, which is listed separately.
***Includes Germany, France, United Kingdom, Italy, Spain, Sweden, Netherlands, Belgium, Denmark, Switzerland, Norway, Finland, Portugal and Austria.
†Latin America includes Mexico, Brazil and Argentina.
††Western Europe truck registrations and production numbers are for trucks over six tons; no vans.

May 1988

UPSWING: *DRI predicts slight gain in world car sales; U.S. estimate trails '87*

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

A new study estimates that worldwide new-car sales will edge upward by 86,000 units or 0.26 percent in 1988 to 32.74 million units vs. 32.65 million in 1987.

The Automotive News-DRI World Outlook forecasts that global demand for cars will remain relatively flat until the end of the decade because of a slight weakening in Europe and the United States, but will begin to climb again in the first four years of the 1990s.

The World Outlook, a joint project of Data Resources Inc. and Automotive News, is compiled by Data Resources Inc.'s Boston and London operations.

The London-based DRI Europe is projecting slightly lower 1988 car sales for Western Europe, North America and Latin America, but its forecasts for Japan and the Asia-Pacific region are upbeat and include sales gains of 6 and 14 percent, respectively.

North America's 1988 car sales are predicted to be 11.28 million, a mere 5,000 units below 1987.

The U.S. new-car sales forecast has been revised upwards and is nearly back to the research group's estimate before the Oct. 19 stock market crash.

Before last October's collapse, DRI's 1988 U.S. car sales forecast was 10.50 million units. It was cut to 9.99 million, but now is 10.30 million.

"The economy has performed more strongly. People have jobs . . . and they are regaining confidence," said Bernard Campbell, DRI director of transportation services, about the revised number.

The outlook for North American car production remains gloomy with output falling in the next few years before picking up again as more transplants come on line, according to DRI's forecast. The prediction for the total North American car build has been revised downward to about 7.56 million units for 1988, a decline of 267,000 units from last year's 7.83 million. DRI projects that United States car production will drop 395,000 units to 6.63 million units in 1988.

Sales in Western Europe will slip less than one percent, or 88,000 units, from a record 12.37 million to 12.28 million in 1988, DRI predicted.

DRI expects a sharper downturn of 5.5 percent for 1989, to about 11.6 million units.

European production will decline by 20,000 units to 12.50 million in 1988, according to the forecast.

West German makers are expected to bear the brunt of slackening demand for new cars because of a weaker domestic market and a drop in exports to the United States and within Europe in 1988 and 1989. DRI also sees a slight sales decline in France and a slight increase in Italy in 1988.

Exports from Germany to the United States have been affected by the dollar exchange rate and several price increases. European sales in the United States fell by 90,000 units in 1987, and DRI Europe expects sales to fall again in 1988.

Japan's new-car registrations are forecast to rise 203,000 units, from about 3.28 million to about 3.48 million in 1988.

In the Asia-Pacific region, the group predicts continued growth of production and sales for South Korea. DRI expects South Korea to produce more than one million cars in 1988 and 1.5 million by 1992.

B-O-C may move engineers

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

The only thing holding up a planned consolidation of Buick-Oldsmobile-Cadillac Group engineers at the idled Fisher 1 assembly plant in Flint, Mich., is a tax-abatement plan for the developer who will revamp the facility.

"The corporation is racing to get it done, because it's more urgent than ever to get new products to market," said Dave Yettaw, president of UAW Local 599 in Flint. "The UAW has got all its ducks in a row," he said.

A B-O-C spokeswoman said, however, that consolidating the engineers, who are in two locations — in Troy, Mich., and in Flint — at the renovated Flint site is just "one plan" and it "hinges on a lot of things."

Adding, "we want them in one spot," the spokeswoman declined to discuss other possibilities for the consolidation.

Yettaw said a new pact has been hammered out for the approximately 120 skilled tradesmen who will be moving from Factory 78 in Flint — a testing and engineering facility — to the Fisher 1 plant to support about 1,200 B-O-C engineers. The skilled tradesmen could move in 12 to 18 months, he said.

The engineers in the proposed consolidation, who are assigned to C- and H-body platforms, are responsible "for engineering the total car, including manufacturing engineering," the spokeswoman said.

GM is selling the plant to a developer, Yettaw said, with GM's Argonaut Realty as "middleman."

Yettaw said though he has been an opponent of tax abatement for corporations, Flint Mayor Matthew Collier "has come up with a solution that puts a new twist on tax abatement." Yettaw sees the solution as a breakthrough in the controversy over tax abatement.

A spokesman for Collier said, "We are withholding comment. We know of no definitive plans by GM relative to that complex."

Yettaw said the plan for the idled plant offers "tremendous potential" for the Flint area. He believes 3,000 engineers could eventually work at the modernized facility, "with a corresponding ratio of skilled tradesmen."

INDEX

Around the world	34-37
Auction dates	64
Classifieds	65-75
Coming events	60
Dealing with dealers	76
News briefs	8
Obituaries	79
Opinion	10
Personnel	16-18
Production	81
Sales, truck	12
Truck industry	12-14

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Japan plays World Congress role

DETROIT — Four high-ranking executives of Japanese automaking and import companies will be among the main speakers during the 13th annual Automotive News World Congress at the Westin Hotel, July 17-20.

They are: Norimasa Furuta, president, Mazda Motor Corp., Hiroshima, Japan; Kazutoshi Hagiwara, president, and Thomas D. Mignanelli, executive vice president of operations, Nissan Motor Corp. in U.S.A., Carson, Calif.; and Richard Recchia, executive vice president, Mitsubishi Motor Sales of America, Fountain Valley, Calif.

The World Congress will mark Furuta's first U.S. public appearance since becoming president of Mazda last December, succeeding Kenichi Yamamoto.

A one-time career bureaucrat in Japan's Ministry of International Trade and Industry, Furuta joined Mazda in 1985 as an adviser, later becoming a senior managing director. His surprise appointment as Mazda president marked the first time a Japanese automaker had turned over its top post to a non-company man.

Hagiwara became president of Nissan's U.S. import company in 1986, following tours of duty in several countries, including the United States from 1970 to 1978.

On May 1, Nissan reorganized its U.S. sales, service and parts functions. Three separate divisions were formed — Nissan, Infiniti and parts and service.

All three report to Mignanelli, who left Lincoln-Mercury in 1987 to join Nissan as vice president — sales and marketing.

Nissan's reorganization has been described as the last step in implementing a plan that Hagiwara began in mid-1986.

Recchia, who is chief operating officer of Mitsubishi Motor Sales, joined the import firm in 1981. Earlier, he was president of Fiat Motors of North America and spent 15 years in sales and management positions with Chrysler Corp.

Hagiwara will address the World Congress on Monday, July 18, at 9:45 a.m.; Furuta, on Tuesday, July 19, at 10:30 a.m.; and Recchia and Mignanelli, on Wednesday, July 20, at 9 a.m. and 10:30 a.m., respectively.

For further information, write Automotive News World Congress, 1400 Woodbridge, Detroit, MI 48207 or telephone 313-446-6047. The cable address is TWX 810-221-5122 AUTNEW DET.

Election day near for All-Star team

The time is near for readers to choose the Automotive News 1988 All-Star Team.

But we're throwing you a curve. In previous years, votes were cast only by the Automotive News editorial staff.

By popular demand, this year all Automotive News readers are asked to cast ballots for our midsummer Dream Team.

You'll be able to vote for your favorite auto company chief executive, operating officer, general manager — every industry position right down the line.

So dust off your scouting reports. Decide who's on first and what's on second. Get ready to choose the best for the 1988 model year.

An official ballot will appear in the May 30 issue of Automotive News.

TRUCK INDUSTRY

April truck sales by manufacturer and segment

		14,000 & LESS GVW CLASS 1-3	14,001-16,000 GVW CLASS 4	16,001-19,500 GVW CLASS 5	19,501-26,000 GVW CLASS 6	26,001-33,000 GVW CLASS 7	33,001 & OVER GVW CLASS 8	TOTAL 1988	TOTAL 1987
CHRYSLER-PLYMOUTH	MO	17,606						17,606	12,015
	YR	61,673						61,673	34,814
DODGE	MO	53,264						53,264	50,970
	YR	198,892						198,892	176,486
JEEP	MO	20,019						20,019	17,144
	YR	79,049						79,049	64,949
TOYOTA	MO	19,406						19,406	29,816
	YR	77,134						77,134	96,702
NISSAN	MO	13,918						13,918	20,483
	YR	55,606						55,606	76,611
MAZDA	MO	8,522						8,522	10,807
	YR	35,513						35,513	38,638
ISUZU	MO	5,734						5,734	9,714
	YR	24,861						24,861	31,387
MITSUBISHI	MO	4,146						4,146	4,606
	YR	17,110						17,110	15,732
SUZUKI	MO	6,165						6,165	8,341
	YR	22,948						22,948	28,942
RANGE ROVER	MO	248						248	170
	YR	1,145						1,145	249
FORD	MO	122,913	1,936		920	2,678	1,156	129,603	133,510
	YR	492,142	5,362		3,460	11,395	4,140	516,499	485,971
FREIGHTLINER	MO						2,080	2,080	2,109
	YR						8,087	8,087	6,775
CHEVROLET	MO	106,745		30	749	975	40	108,548	104,446
	YR	436,585		92	2,832	3,285	143	442,937	370,546
GMC	MO	26,009		742	1,556	2,324	181	30,812	32,943
	YR	112,323		1,772	5,756	6,494	779	127,094	113,979
KENWORTH	MO					47	1,535	1,582	1,242
	YR					177	5,008	5,185	4,276
MACK	MO				163	217	1,948	2,328	2,474
	YR				638	847	5,865	7,350	7,641
MERCEDES	MO				95	150		245	350
	YR				352	609		961	1,268
NAVISTAR	MO			17	42	1,736	2,538	3,163	7,496	6,890
	YR			71	145	6,831	10,326	11,102	28,475	23,140
PETERBILT	MO					86	1,420	1,506	968
	YR					150	4,912	5,062	2,991
VOLVO	MO					104	1,084	1,188	1,322
	YR					367	4,190	4,557	3,930
HINO	MO				36	34	59		129	112
	YR				211	166	304		681	572
NISSAN DIESEL	MO				44	22	82		148	76
	YR				240	134	363		737	452
ISUZU TRUCK	MO	585	58	16	60	26		747	460
	YR	1,853	109	47	482	101		2,372	1,556
MITSUBISHI FUSO	MO	117		43	12	29		201	102
	YR	388		38	66	161		713	265
SCANIA	MO						13	13	4
	YR						61	61	50
IVECO TRUCKS	MO	121	87	38	24			270	294
	YR	329	196	109	68			702	867
WESTERN STAR	MO						104	104	150
	YR						582	582	290
OTHER DOMESTICS	MO				8		81	89	108
	YR				22		242	264	349
GRAND TOTAL	MO	405,518	2,088	1,992	5,370	9,315	12,905	436,117	451,757
	YR	1,617,331	5,738	2,714	20,787	34,569	45,091	1,726,230	1,571,355
1987 YR to DATE		1,490,996	220	3,120	13,348	33,375	40,294		

NOTE: Subaru sales of 2 units included in Class 3 Grand Total and also in 1988 monthly grand total. Sales of 9 Subarus included in year-to-date 1988 Class 3 total and year-to-date 1988 Grand Total. Sales of 142 Subarus included in 1987 Class 3 and 639 in 1987 Grand Total.
Class 1-3 sales data reported by individual manufacturers. Class 4-8 data reported by Motor Vehicle Manufacturers Association.

New GM mediums due to roll in August '89

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

ANAHEIM, Calif. — Production of General Motors' all-new GMT 530-series medium-duty truck to be introduced in the 1990 model year is scheduled to begin in August 1989.

John D. Rock, general manager of GMC Truck Division, said the new model will be produced at expanded facilities in the Buick-Oldsmobile-Cadillac Group's plant in Janesville, Wis.

Construction of a 160,000-square-foot addition to the plant for the 530 series is well under way, Rock told a press conference at the International Trucking Show here.

More than one million square feet will be utilized for medium-duty truck production.

Rock said the GMT 530 truck program is designed to ensure and intensify GM medium-duty truck leadership in the 1990s.

"We also believe it will be setting new standards for the industry into the 21st century," he said.

"It encompasses advancements in manufacturing technologies, in employee participation and in our relationships with suppliers and is a tangible definition of GM's commitment to the medium-duty business."

The prime functions at the new facility include a robotic body shop, paint, engine, trim and final assembly.

Rock said the program is on schedule in all aspects — facilities, prototype build and testing.

During production start-up in Janesville, there will be a transition period in which some carryover medium-duty production will continue at the truck and bus group's plant in Pontiac, Mich., Rock said.

"Our Pontiac production is planned to continue into the 1990 calendar year but, at this time, I cannot say how long," he added.

"It will be contingent on such factors as market conditions and Janesville production acceleration rates."

Rock called the upcoming GMC and Chevrolet medium-duty trucks all-new from the bottom up.

"They are designed for more trucking applications than our current lineup fills, and they will do so with an estimated 40 percent fewer parts," he said.

"The benefits are obvious: significantly reduced parts inventory requirements at the plant, at parts warehouses, at operator locations and at dealerships. All this translates into greater cost-effectiveness for all parties and less overtime in trucking operations."

About 65 percent of GM's medium-duty truck business is in the fleet segment where buyers are extremely sensitive to price and life-cycle cost, Rock said.

The new series meets those fleet requirements, he added.

"At the same time, we are responding to the vocational market with a full line of easily spec'ed options to satisfy vocational application requirements," he said.

Gasoline and diesel engines will power the new trucks. The powerplant lineup includes three electronically fuel-injected gasoline engines and Caterpillar's new in-line 3116 diesel.

The new Caterpillar engine will complement GM's 8.2-liter diesel in the new series of trucks. The Cat 3116 will be available in horsepower ratings of 165, 185, 215 and 250 with torque rise characteristics for a wide range of truck, tractor and school bus applications.

Rock predicted a tough era for manufacturers of medium-duty trucks, with unprecedented competition and cost pressures, but added that "with the GMT 530 program, we will enter the new era totally committed and confident — confident not smug and complacent. We respect our competitors and we can learn from them. But we don't fear them."

He sees trucks generally continuing to be the hottest segment of the motor-vehicle market.

Trucks of all types accounted for more than one-third of all motor-vehicle sales in the first half of the 1988 model year, their biggest share in history.

Paced by the unprecedented popularity of light trucks, U.S. truck sales reached 2.5 million units through March 31, the midpoint of the current model year, Rock said. That was a gain of 9.60 percent over a year earlier.

Rock predicted that, based on the outlook for the next five months, sales for the 1988 model year will top 1987's 4,963,000 to set a record for the fourth consecutive model year.

With strong levels of consumer confidence and a favorable economic climate, Rock said the industry could ring up more than 4.7 million light-duty sales, about 155,000 medium-duty sales and about 120,000 Class 8 heavy-duty sales for the 1988 model year.

That would be a remarkable performance by the truck industry, Rock said, adding that "even if last year's record is not broken, we'll come awfully close to it."

GMC Truck Division is shooting for record sales in the 1988 model year. It topped 183,000 deliveries for the 1988 model year through March 31, up 12 percent from that point in the 1986 model year when it posted its record of 353,000 retail deliveries.

NHTSA studies California request

WASHINGTON — In granting a request from the California Highway Patrol, NHTSA said it will study specialized standards for fuel-system integrity of heavy-duty trucks.

The standards would be designed to reduce the number of fuel spills caused when objects in the roadway strike fuel tanks or fuel lines on heavy trucks and truck tractors. Currently, Standard 301 on fuel-system integrity covers only cars, trucks and buses having GVW ratings of 10,000 pounds or less.

The California Highway Patrol submitted data on 142 diesel truck fuel spills that showed a third were caused by an object on the road being struck by the vehicle's front wheels and thrown against the tank or fuel lines.

NHTSA said "the granting of this petition does not necessarily mean that a rule will be issued," but that following the study, a rulemaking procedure may begin.

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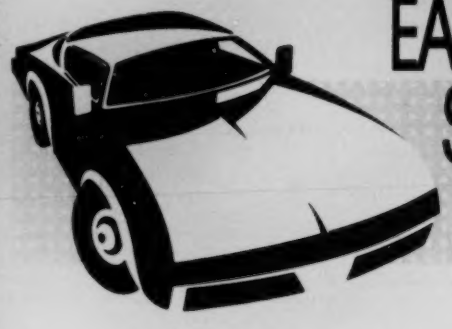

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New fires assail Ford ambulances

By Jack Bernstein
SPECIAL CORRESPONDENT

JEFFERSON CITY, Mo. — Ford Motor Co. — nearing the end of a voluntary recall to correct fuel spurting that caused fires in ambulances built on its E-350 chassis and from its vans — confirmed reports of fires involving ambulance cooling systems.

Meanwhile, the Center for Auto Safety has asked NHTSA to force Ford to recall 16,000 1983-87 Ford E-350 ambulances because the vehicles are prone to engine compartment fires. The center cited ambulance fires in Missouri, Oregon, Virginia, Minnesota and Nevada, allegedly involving the failure of radiator coolant hoses, which caused antifreeze to leak and catch fire.

For several years, fires related to gasoline spurting from the fuel tank have dogged ambulances built by conversion companies using Ford's E-350 chassis and its vans.

Pressed by state attorneys general and NHTSA, Ford announced last July that it would voluntarily recall ambulances made between 1983 and 1987 to make modifications against potential fires caused by fuel pressurization.

But now the company is investigating a new problem that involves the cooling systems of ambulances that caught fire. Odors of antifreeze were noted by drivers in Missouri and Oregon prior to each of the blazes. The cooling systems had been modified by an ambulance conversion company.

A Ford spokesman said the ambulances in Missouri and Oregon had been modified by Ford against potential fires caused by fuel pressurization.

The Oregon fire started in the engine compartment and the operator doused it before the engine was damaged extensively. Ford determined the fire was caused by problems in the cooling system.

In Missouri, the fires damaged the ambulances so badly Ford engineers were unable to make an exact determination of the cause. The Missouri fires occurred April 7 and 9.

A spokesman for Ford parts and service division said the automaker is aware of the fires reported to NHTSA that may have been caused by leaking coolant. The company is collecting more information and will take appropriate action as soon as possible, he said.

The automaker also is looking at conversion companies and the use of non-Ford hoses, any incorrect connections and rerouting of hoses, as well as whether the coolant had been mixed with the recommended 50 percent to 60 percent water concentration.

Missouri Attorney General William L. Webster said the ambulances that caught fire in his state were built on the Ford E-350 chassis by Collins Ambulance Corp., Hutchinson, Kan. Webster has mailed warnings to the state's 245 emergency medical systems.

The April 7 fire occurred as the driver was en route to a hospital to attend a paramedic refresher course. The April 9 fire started when the ambulance was responding to an automobile accident. Both ambulances are less than two years old.

"The scenario in both these (Missouri) fires was the same," Webster said. "The drivers smelled antifreeze, noticed smoke pouring from the engines, and within 10 to 15 minutes, the engines were engulfed in flames."

Ford officials have suggested that operators check the cooling systems, particularly the radiator hoses, and that hoses be covered with a protective shield.

"In both of these recent fires, the aftermarket manufacturer had severed the hose running from the water pump to the core, inserted a Y- or T-joint and rerouted part of the coolant flow to a compartment in the back of the ambulance," Webster said.

Ford said it has voluntarily recalled 14,668 ambulances for safety modifications being done in two phases to correct gasoline pressurization problems.

The E-350 vans and chassis converted to ambulances have been involved in 34 fires nationwide, and customers have complained that gasoline spurts from the fuel tank.

Phase one modifications have been made to 12,050 ambulances, and 9,268 have been completely modified.

The modification kits include a fuel tank vent valve, a grommet for the valve, a fuel tank restrictor and a heat shield for the muffler.

Automotive News Staff Reporters Helen Kahn in Washington and Charles M. Thomas in Detroit contributed to this report.

Trucks are bright spot in Canadian sales

By Bill Vance
SPECIAL CORRESPONDENT

TORONTO — New-vehicle sales in Canada slipped in April from the year-earlier period, though a booming truck market and a rush of buyers avoiding a tax hike softened the blow and helped keep sales above 1987's January-April pace.

The industry reported 157,030 domestic and imported vehicle sales during the month, down 3.79 percent from the 163,211 sold in April 1987. On a year-to-date basis, 502,480 domestic and imported vehicles were sold, a 4.48 percent increase over 1987.

Domestic-car sales totaled 237,534 units for the January-April period, virtually identical to last year's 237,303. Import-car sales were 104,119 units, a 4.42 percent drop from the 108,932 units sold in the same 1987 period.

Domestic trucks posted a 19.52 percent sales increase over the first four months of last year, while imported trucks were up 18.34 percent.

Combined domestic- and imported-car sales totaled 107,778 units last month, a 9.54 percent decrease from the 119,138 sold in April 1987. Dealers sold 74,832 domestic cars during the month, compared with 82,322 in the year-earlier period. Import-car sales dipped to 32,946 units, compared with 36,816 in April 1987.

Sales of domestic and imported trucks continued at a rapid pace, increasing 11.75 percent over the year-earlier month. Dealers sold 49,252 domestic and imported trucks, compared with 44,073 in April 1987.

Suzuki led the way with a 95.99 percent year-to-year increase, while Chrysler Canada continued with strong import- and domestic-truck sales, up 39.75 percent over the previous April.

After strong March sales, the pace of cars moving out of showrooms slowed in the early part of April. Later in the month, however, the announcement that the provincial sales tax was being raised to 8 percent from 7 percent effective May 1 increased dealer activity.

In spite of that, only Volkswagen, Mazda, Suzuki, Subaru and Jaguar showed sales gains, with the most spectacular going to Suzuki, up 193.57 percent.

CANADIAN CAR AND TRUCK SALES

	Apr. 1988	Apr. 1987	4 mos., 1988	4 mos., 1987
Domestic Cars				
General Motors	37,940	40,953	118,125	120,096
Ford	19,930	22,136	65,584	64,554
Chrysler	15,657	17,999	50,256	50,252
Honda	1,117	984	2,941	1,648
Volvo	188	250	628	754
Domestic car total	74,832	82,322	237,804	237,380
Import cars				
Honda	8,799	7,238	19,833	21,912
Toyota	6,432	6,697	21,139	18,946
Volkswagen	3,991	3,884	12,464	10,230
Mazda	3,330	2,883	10,380	8,118
Hyundai	3,309	6,051	10,539	18,910
Nissan	2,479	4,214	9,400	12,408
General Motors	2,203	1,661	7,234	4,519
Chrysler	1,197	1,076	2,481	3,401
Suzuki	822	280	2,586	739
Subaru	716	501	2,075	2,331
Ford	606	985	1,195	2,864
BMW	541	568	1,658	1,516
Mercedes-Benz	370	500	1,298	1,462
Jaguar	281	127	806	644
Saab	125	190	474	579
Lada	122	93	370	290
Skoda	33	98	179	224
Import car total	32,946	36,816	104,119	108,932
TOTAL — ALL CARS	107,778	119,138	341,883	346,236
Domestic trucks (including vans)				
GM	17,022	18,313	56,720	51,295
Ford	15,456	15,283	48,841	45,640
Chrysler	11,365	8,081	37,774	23,000
Domestic truck total	43,843	39,677	143,335	119,935
Import trucks (including vans)				
Toyota	1,887	1,230	5,211	3,802
Nissan	1,419	1,364	4,821	5,576
Mazda	1,217	1,042	3,554	3,193
Suzuki	537	274	1,970	921
Chrysler	371	317	1,241	795
Volkswagen	93	149	263	406
GM	67	8	667	227
Lada	18	12	45	59
Import truck total	5,409	4,396	17,462	14,791
TOTAL — ALL TRUCKS	49,252	44,073	160,837	134,726

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SALES GIANTS 87

continued from page 1

franchises under the same roof, was Prospect Motors, Jackson, Calif. Dealer Bill Halvorson sells all five General Motors passenger-car makes, and Prospect Motors was one of the top 10 for each of the divisions except Buick.

The Penske organization also had four of the top franchises — in four separate dealerships — including the Manhattan Cadillac store it bought from the Potamkin organization late last year and converted to the Penske Auto Center.

Other four-franchise dealers were Joseph DeMaria, whose Miami-based "Collection" dealerships made four separate lists from separate locations, and James W. Ellis Jr. with four top franchises in two stores in Atlanta.

In addition, there were four dealers with three high-volume franchises, and another 29 dealers with two franchises included among the Automotive News Sales Giants.

There also were six discernible instances where dealers had relatives who also operated franchises that made the list.

There were some extremes among the Automotive News Sales Giants.

The highest total dollar sales for a dealership was $312.5 million, reported by Polkowitz Motors, Perth Amboy, N.J. Polkowitz was the top-volume Cadillac franchise and handles other makes in the same location.

The franchise with the highest number of new-unit sales was Ed Morse Chevrolet, Lauderhill, Fla. with 25,063 deliveries.

Based on the performance of all the franchises in the Automotive News Sales Giants, the profile of the average franchise in 1987 was 2,761 new-unit sales, including 1,413 fleet units and 1,348 retail units. Those franchises were part of dealerships that averaged $54.28 million in total sales.

ACURA: The Acura dealer organization was still in the formative stages last year, but a number of dealers were able to quickly establish themselves as high-volume operators. Many of the largest-volume franchises in 1987 were in business for less than the entire year.

Last year's list of 10 largest-volume Acura dealers is as much a function of who got what planning volume when, since several high-potential dealers opened too late in the year to be among the 1987 volume leaders.

The top-volume dealer in 1987 was Tustin Acura, Tustin, Calif., where dealer Shau Wai Lam emphasized customer satisfaction, continuous training programs and "a fast response to a changing business climate" to narrowly outsell Acura 101 West, Calabasas, Calif., although Acura 101 West has taken a fast lead in 1988.

ALFA ROMEO: The list of the 10 best-selling Alfa Romeo franchises in 1987 is very familiar; eight of the 10 — including pack leader Suburban Auto Imports, Mayfield, Ill. — were repeaters from 1986.

Obviously, the Milano was an important product for the Alfa Romeo dealer group, with sales leader Suburban Auto Imports reporting the Milano Quad convertible as its best-selling model.

Dealers cited usual factors like attention to customer satisfaction and "hard work and commitment" as reasons for repeat successes.

However, William A. Wegge III, Wegge Motor Cars, Pasadena, Calif., said product exclusivity was the key.

Only four of the 10 biggest Alfa Romeo dealers had an exclusive

continued on page 54

RETAIL LEADERS 87

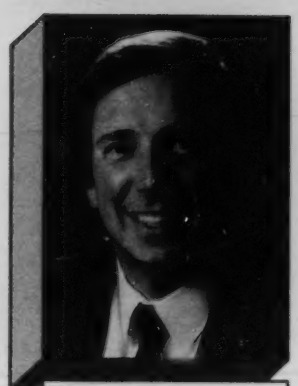
Rank	Franchise	Location	1987 Retail New Units
1	Longo Toyota	El Monte, Calif.	12,744
2	Gateway Toyota	Toms River, N.J.	11,198
3	Covington Pike Toyota	Memphis, Tenn.	9,304
4	Jim Johnson Chevrolet	Richardson, Texas	7,748
5	Ricart Ford	Columbus, Ohio	7,530
6	Galpin Ford	Sepulveda, Calif.	6,369
7	Dave Sinclair Ford	St. Louis, Mo.	6,190
8	Toyota of Hollywood	Hollywood, Fla.	5,702
9	Gardena Honda Automobiles	Gardena, Calif.	5,691
10	Toyota of Orange	Orange, Calif.	5,646
11	Elmore Toyota	Westminster, Calif.	5,066
12	West Covina Mitsubishi	West Covina, Calif.	4,500
13	Robertson Honda	North Hollywood, Calif.	4,400
14	Toyota of Cerritos	Cerritos, Calif.	4,394
15	Rice and Holman Ford	Mt. Laurel, N.J.	4,277
16	ABC Nissan	Phoenix, Ariz.	4,188
17	Autoplaza Nissan	Westbury, N.Y.	4,077
18	Kendall Toyota	Miami, Fla.	4,000
19	Toyota of Garden Grove	Garden Grove, Calif.	3,622
20	Harbor Nissan	Harbor City, Calif.	3,613
21	Tasca Lincoln-Mercury	Seekonk, Mass.	3,517
22	Rosenthal Nissan	Vienna, Va.	3,488
23	Z. Frank Chevrolet	Chicago, Ill.	3,477
24	Norm Reeves Honda of Cerritos	Cerritos, Calif.	3,319
25	Hyundai of Escondido	Escondido, Calif.	3,308

TOPS IN NEW-UNIT SALES 87

1. Edward J. Morse Jr.
Ed Morse Chevrolet
Lauderhill, Fla.
25,063

2. Mark A. Eddins
Friendly Chevrolet
Dallas, Texas
20,543

3. Marc W. Davis
The Chevrolet Collection
Miami, Fla.
19,825



4. John Clark
Longo Toyota
El Monte, Calif.
19,452

4. James O'Neal Jr.
Fairway Ford
Latrobe, Pa.
19,452

6. Craig Kapson
Jordan Ford
Mishawaka, Ind.
17,579

7. Bill Wink
Bill Wink Chevrolet
Dearborn, Mich.
16,979

8. John Fitzgerald Jr.
Lake Forest C-P
Gaithersburg, Md.
14,783

9. Robert Brest
Bob Brest Chevrolet
Lynn, Mass.
14,510

10. Regis P. McGuire
Polkowitz Motors (Cadillac)
Perth Amboy, N.J.
13,592

TOP SELLING FRANCHISES 87

(ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employes	Other makes, same location	Best selling model	Total 1987 sales all franchises, depts. at location	Parts & service volume	Retail used units	Retail new units	1987 fleet sales	Total 1987 new units
ACURA											
Tustin Acura Tustin, Calif.	Shau Wai Lam	1	35		Legend Sedan	$ 32.0	$ 1.5	70	1,510*	22*	1,532
Acura 101 West Calabasas, Calif.	Lee Froelich	1	N.A.		N.A.	30.5*	1.0*	0	1,520*	0	1,520*
Cerritos Acura Cerritos, Calif.	Kent Browning	2	45		Legend Coupe	32.2	2.0	160	1,398	114	1,512
Torrance Acura Torrance, Calif.	Vince Piazza, Tom Little	1	45		Legend Coupe	31.5	0.5*	120	1,500	0	1,500
Val Strough Acura Pleasanton, Calif.	Donald V. Strough, James F. McDonald	1	20		Legend	25.4	0.9	0	1,354	0	1,354
Acura of Boston Boston, Mass.	James P. Carney	1	N.A.		N.A.	25.0*	1.0*	N.A.	1,350*	0	1,350*
University Acura Fullerton, Calif.	Bill Leslie	1	22		Legend Sedan	25.0	0.3	228	1,297	0	1,297
Bob Ciasulli Acura Jersey City, N.J.	Robert Ciasulli	1	N.A.		N.A.	24.5*	0.9*	N.A.	1,250*	0	1,250*
Cush Acura San Diego, Calif.	Steve Cushman	1.5	30		Legend Coupe	26.0*	0.6*	600	1,200	0	1,200
Acura of Westchester Larchmont, N.Y.	John D'Elia	1	N.A.		N.A.	25.5*	1.0*	N.A.	1,200*	0	1,200*
ALFA ROMEO											
Suburban Auto Imports Maywood, Ill.	Sam Tomaino	9	35	VW	Milano	$ 8.5*	$ 1.0*	N.A.	180	0	180
Wegge Motor Cars Pasadena, Calif.	William A. Wegge III	6	16			4.9	0.6	201	158	0	158
Irvine Imports Irvine, Calif.	James H. Parkinson	34	29		Milano	20.0	1.5	503	132	0	132
Colonial Dodge-Alfa Romeo Rockville, Md.	Dorothy Fitzgerald, John Fitzgerald Jr.	4	150	Dodge, Peugeot	N.A.	75.0*	4.0*	N.A.	124	0	124
Bobcar Motors Englewood, N.J.	Dan Farrell, Charlie Jopp	21	20		Milano	4.1	1.5	40	125	0	125
Forest Lane Porsche-Audi Dallas, Texas	Kirk Franceschini	9	85	Porsche, Audi	Spider	36.9	7.7	275	113	0	113
High Performance Cars Waltham, Mass.	Serge Dermanian	24	21	Maserati	N.A.	4.0	0.4*	N.A.	107	0	107
European Motor Sales Towson, Md.	Wayne Berger	21	17	Bertone	N.A.	2.8*	0.7*	N.A.	104	0	104
Paul Spruell Alfa Chamblee, Ga.	Paul Spruell	7	18		N.A.	4.4	0.8	N.A.	91	0	91
Woburn Foreign Motors Inc. Woburn, Mass.	George T. Albrecht	10	100	Toyota, Jaguar	Milano	49.4	7.0	460	89	0	89
AUDI											
The Annis Corp. Natick, Mass.	Keeme Annis, Sue Annis	29	75	VW, Audi	5000-S	35.5	5.1	138	495	54	549
Lynch Imports Ltd. Chicago, Ill.	Richard V. Lynch Jr.	6	125	Porsche, Saab, VW	5000-S	56.3	7.6	1,518	513	0	513
HBL Inc. Vienna, Va.	George C. Andreas	17	128	Mercedes, Porsche, Range Rover	5000-S	52.8	9.2	248	481	24	505
Jack Daniels Motors Inc. Fairlawn, N.J.	John J. Daniels	16	51	Porsche	5000-S	28.8	5.0	263	469	0	469
Plaza Motor Co. Creve Coeur, Mo.	F.A. Pandjiris	7	109	Mercedes, Sterling, Porsche, Range Rover	5000-S	57.4	8.7	422	418	6	424
Jim Ellis Atlanta Inc. Atlanta, Ga.	James W. Ellis Jr.	18	82	Porsche, Lotus, Sterling	5000-S	38.7	7.1	385	416	0	416
Bill Cook Imported Cars Inc. Farmington Hills, Mich.	W.G. Cook	6	49	Porsche	5000-S	22.5	3.9	160	416	0	416
Rietzl Corp. Norwell, Mass.	Wolfgang M.G. Rietzl	18	43	Porsche	5000-S	17.4	2.8	156	392	0	392
Auto Plaza Inc. Pittsburgh, Pa.	Charles E. Walker Jr.	N.A.	N.A.	N.A.	N.A.	25.0*	4.5*	N.A.	373	0	373
Prestige Imports Inc. Lakewood, Colo.	John W. Hitt, Norman Braman	15	77	Porsche, Sterling	5000 Quattro	27.4	5.4	430	337	36	373

*Estimate

continued →

87

TOP SELLING FRANCHISES

(ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employes	Other makes, same location	Best selling model	Total 1987 sales all franchises, depts. at location	Parts & service volume	Retail used units	Retail new units	1987 fleet sales	Total 1987 new units
BMW											
Weatherford BMW Emeryville, Calif.	Hideaki Yasukochi	1	70		325	$ 36.5	$ 4.4	213	918	0	918
Global Imports BMW Atlanta, Ga.	William M. Whitmire	26	78		325	35.4	6.7	69	877	0	877
Pacific BMW Glendale, Calif.	David L. Ho Jr.	6	75	Mitsubishi, Suzuki	325	32.3	5.4	196	760	84	844
Stevens Creek BMW Motorsport Santa Clara, Calif.	Don Lucas, Steve Schaper	13	85		325	36.7	5.8	340	836	0	836
Braman Motors Miami, Fla.	Norman Braman	18	79	Rolls-Royce	325	41.1	6.4	143	836	0	836
Century Motor Sales Alhambra, Calif.	Leon Peskin	34	62		325	30.0	3.5	375	834	0	834
BMW Concord Concord, Calif.	Ralph Day	17	52		325	34.0*	4.0	223	620	201	821
Crevier BMW Sarita Ana, Calif.	Robert Crevier	17	92		325	35.0	4.6	216	820	0	820
Saddleback BMW Irvine, Calif.	Klaus Lischer	15	70		325	34.4	2.4	586	812	0	812
Morristown BMW Morristown, N.J.	John Leiser	6	45		N.A.	32.5*	4.3*	N.A.	792	0	792
BUICK											
Reef Buick Inc. Fort Lauderdale, Fla.	Jack Kelley	22	109		LeSabre	89.7	6.3	761	1,200	4,382	5,582
Jim Lupient Buick Minneapolis, Minn.	Gary Lehman, Jim Lupient	N.A.	59		Century	60.3	3.3	539	694	3,761	4,455
Wilkins Buick-Isuzu Glen Burnie, Md.	Maury Wilkins	7	65	Isuzu	Century	70.0	3.0	300	469	3,973	4,442
Orange Buick-GMC Truck Co. Orlando, Fla.	Sonny King	14	107	GMC	Century	69.7	4.4	677	1,316	2,357	3,673
Loren Buick Glenview, Ill.	Irving N. Segal	30	75		LeSabre	56.3	4.3	368	1,008	2,605	3,613
Stillman Automotive Inc. Englewood, N.J.	Walter R. Stillman	16	120	Isuzu	Century	54.7	6.8	392	775	2,711	3,486
William Lehman Buick Miami, Fla.	William Lehman Jr.	18	140	Saab	N.A.	85.0*	4.5*	N.A.	634	2,670	3,304
Bauer Buick Co. Harvey, Ill.	Gordon Walker	5	100	Isuzu, Sterling	LeSabre	60.3	6.2	549	1,140	2,002	3,142
Larry Buick Inc. Long Island City, N.Y.	Lawrence Brostroff	10	30		Regal	43.0*	3.2*	N.A.	672	1,822	2,494
Grant Dean Buick Highland Park, Ill.	Albert Andrea	N.A.	N.A.	N.A.	N.A.	38.0*	3.1*	N.A.	627	1,810	2,437
CADILLAC											
Polkowitz Motors Perth Amboy, N.J.	Regis P. McGuire	1	48	Buick	Sedan DeVille	312.5	3.3	33	163	13,429	13,592
Bayview Cadillac Fort Lauderdale, Fla.	Edward J. Morse	25	185		DeVille	155.3	9.0	1,360	1,933	3,345	5,278
Roger Penske Cadillac Downey, Calif.	William R. Piercey	10	180	Saab	DeVille	122.0	12.9	625	1,742	1,498	3,240
Martin Cadillac-Sterling Co. Inc. Los Angeles, Calif.	Dana R. Martin	11	200	Sterling	DeVille	96.2	15.5	352	1,583	1,018	2,601
Arnold Palmer Cadillac Charlotte, N.C.	James O'Neal Jr.	N.A.	N.A.		N.A.	66.0*	3.0*	N.A.	857*	1,730*	2,587
Penske Auto Center *(Potamkin Cadillac)* New York, N.Y.	Walter Czarnecki		131	Chevrolet, Buick	N.A.	185.0*	14.0*	1,500*	1,800*	600*	2,400*
Rodger Meier Cadillac Co. Dallas, Texas	Rodger Meier	19	132	Sterling	DeVille	78.0	10.3	566	886	1,336	2,222
Prospect Motors Inc. Jackson, Calif.	Bill Halvorson	14	52	Chevrolet, Olds, Pontiac, Buick	N.A.	227.9	2.2	161	27	1,555	1,582
Coral Cadillac Inc. Pompano Beach, Fla.	Norman E. Wiese	13	170		N.A.	72.5*	10.1*	N.A.	740*	710*	1,450*
Sun Motors Hailey, Idaho	B.F. Curry, Paul Ramlow	10	21	Buick, Olds, Pontiac, GMC	Seville	64.5	3.1*	100	2	1,200	1,202
CHEVROLET											
Ed Morse Chevrolet Lauderhill, Fla.	Edward J. Morse Jr.	8	185		Celebrity	256.1	10.4	1,094	2,226	22,837	25,063
Friendly Chevrolet Dallas, Texas	Mark A. Eddins	5	254		½-ton pickup	258.3	18.5	610	2,490	18,053	20,543

*Estimate

continued →

TOP SELLING FRANCHISES 87

(ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employes	Other makes, same location	Best selling model	Total 1987 sales all franchises, depts. at location	Parts & service volume	Retail used units	Retail new units	1987 fleet sales	Total 1987 new units
The Chevrolet Collection Miami, Fla.	Joseph A. DeMaria, Marc W. Davis	2	197		Celebrity	$126.0	$ 9.6	1,343	1,574	18,251	19,825
Bill Wink Chevrolet Dearborn, Mich.	William J. Wink Jr.	33	85		Cavalier	199.3	4.3	453	1,361	15,618	16,979
Bob Brest Chevrolet Inc. Lynn, Mass.	Robert Brest	3	103		Nova	154.9	5.2	0	2,440	12,070	14,510
Z. Frank Chevrolet Chicago, Ill.	Jack Sayer	52	125		Cavalier	143.3	6.1	1,027	3,477	8,700	12,177
Prospect Motors Inc. Jackson, Calif.	Bill Halvorson	14	52	Pontiac, Cadillac, Olds, Buick	N.A.	227.9	2.2	161	229	10,480	10,709
Bast Chevrolet Inc. Seaford, N.Y.	Charles W. Bast	38	92		Celebrity	125.2	4.6	577	1,859	8,422	10,281
Jim Johnson Chevrolet Inc. Richardson, Texas	Jim Johnson	4	250		Celebrity	170.4	11.0	3,800	7,748	1,569	9,317
Delorme Chevrolet Inc. Inglewood, Calif.	John K. de l'Orme	8	76		Camaro	88.6	4.7	280	841	7,990	8,831
CHRYSLER-PLYMOUTH											
Lake Forest Chrysler-Plymouth Gaithersburg, Md.	John Fitzgerald Jr.	N.A.	N.A.	Isuzu	N.A.	140.0*	4.5*	N.A	2,783*	12,000*	14,783
South Bay Chrysler-Plymouth Torrance, Calif.	James B. Clark	3	120	Jeep, Eagle	LeBaron J	234.3	15.1	744	1,015	8,580	9,595
Agoscy Chrysler-Plymouth West Salem, Ohio	Samuel Frankino	N.A.	N.A.	N.A.	N.A.	110.0*	4.5*	N.A.	1,990*	6,000*	7,990
Precision Chrysler-Plymouth Winter Haven, Fla.	Frank L. Morsani	17	38	Dodge	Reliant	100.0	1.3	662	380	7,380	7,760
Galeana Chrysler-Plymouth Fort Myers, Fla.	Frank Galeana	14	91	Peugeot	Voyager	102.5	3.8	1,168	1,434	6,134	7,568
Tate Chrysler-Plymouth Inc. Glen Burnie, Md.	Creston G. Tate	28	52		Reliant	20.2	2.8	351	1,194	4,546	5,740
Walser Chrysler-Plymouth Inc. Hopkins, Minn.	R.J. Walser	32	75	Lotus	Voyager	25.9	2.0	877	1,160	3,517	4,677
Hollywood Chrysler-Plymouth Hollywood, Fla.	Russ Everatt	1	60		Fifth Avenue	23.0	4.0	477	930	3,600	4,530
Bloomington Chrysler-Plymouth Bloomington, Minn.	Larry Reid	N.A.	N.A.	N.A.	N.A.	28.5*	3.5*	N.A.	1,500*	2,840*	4,340
Mid City Chrysler-Plymouth Arlington, Texas	T.M. Demarest Jr.	17	N.A.		Voyager	56.8	3.9	425	1,009	2,632	3,641
DODGE											
Lake Potter Dodge Inc. Winter Park, Fla.	Luther D. Potter	23	72		Caravan	135.2	2.4	770	845	8,494	9,339
Freeway Dodge Inc. Bloomington, Minn.	Thane Hawkins	23	53		Caravan	17.1	2.0	782	786	7,793	8,579
Tate Dodge Inc. Glen Burnie, Md.	Creston G. Tate	28	55		Aries	24.6	2.0	916	1,368	4,869	6,237
Colonial Dodge Kensington, Md.	John Fitzgerald Jr.	4	150	Alfa Romeo, Peugeot	N.A.	75.0*	4.0*	N.A.	1,541*	4,000*	5,541
Ed Morse Dodge Fort Lauderdale, Fla.	Rich Danahy	4	65		Shadow	62.7	1.5	266	676	4,556	5,232
Swift Dodge Sacramento, Calif.	Charles O. Swift	22	41	Jeep, Eagle, Rolls-Royce	Caravan	68.2*	5.1	N.A.	2,928	1,794	4,722
Del Amo Dodge Torrance, Calif.	James B. Clark	9	90		Caravan	60.4	2.7	750	1,200	3,500	4,700
Warnock Dodge Livingston, N.J.	Don Warnock	12	210		Caravan	54.3	5.5	590	2,202	1,585	3,787
White Bear Dodge Inc. White Bear Lake, Minn.	Jerry Wing	2	65		Caravan	48.0	2.0	794	976	2,761	3,737
Dodgeland Inc. Springfield, N.J.	Donald Toresco	20	144	Yugo	Caravan	63.9	5.5	1,935	3,273	29	3,302
FORD											
Fairway Ford Latrobe, Pa.	James O'Neal Jr.	N.A.	N.A.		N.A.	260.0*	10.0*	N.A.	2,452*	17,000*	19,452
Jordan Ford Mishawaka, Ind.	Jordan Kapson	40	230	Toyota, Volvo	E150	227.1	2.9	1,910	2,324	15,255	17,579
Santa Monica Ford Santa Monica, Calif.	Bob Karlin, Wayne Harding	40	85		Taurus	144.6	4.9	212	2,381	10,421	12,802
Rice and Nelsen Ford, Mt. Laurel, N.J./Pennsauken, N.J.	Joseph P. Glowacki	64	212	Kenworth	Taurus	157.5	11.5	946	4,277	7,443	11,720

*Estimate

continued →

87

TOP SELLING FRANCHISES

(ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employes	Other makes, same location	Best selling model	Total 1987 sales all franchises, depts. at location	Parts & service volume	Retail used units	Retail new units	1987 fleet sales	Total 1987 new units
McInerney Ford Orlando, Fla.	Hoot McInerney	25	141		Mustang	$177.7	$ 5.0	2,351	1,451	8,005	9,456
Al Piemonte Ford Inc. Melrose Park, Ill.	Alex Piemonte	24	130		Escort	105.7	2.8	1,573	2,786	5,474	8,260
Arnold Palmer Ford-Lin Hilton Head Island, S.C.	James O'Neal Jr.	N.A.	N.A.	Peugeot, Lincoln, Mercury	N.A.	150.0*	8.5*	N.A.	800*	7,351	8,151
Ricart Ford Columbus, Ohio	Fred Ricart	15	421		Escort	130.2	5.2	3,503	7,530	243	7,773
Galpin Ford Sepulveda, Calif.	H.F. "Bert" Boeckmann	35	304	Suzuki	Escort	128.5	9.1	1,625	6,369	132	6,501
Dave Sinclair Ford Inc. St. Louis, Mo.	Dave Sinclair	22	138		Escort	84.4	6.4	1,794	6,190	153	6,343
HONDA											
Gardena Honda Automobiles Gardena, Calif.	Alfredo Sheng	9	140		Accord	76.6	7.2	486	5,691	0	5,691
Robertson Honda North Hollywood, Calif.	Jack Robertson	N.A.	N.A.	N.A.	N.A.	65.0*	4.0*	N.A.	4,400*	0	4,400*
Norm Reeves Honda of Cerritos Cerritos, Calif.	Donna L. Reeves	18	140		Accord	56.0	5.4	955	3,319	651	3,970
Penske Honda Downey, Calif.	George Lucas	2	53		Accord	34.3	3.3	349	2,017	718	2,735
Beaverton Honda Beaverton, Ore.	Robert Lanphere	N.A.	N.A.	N.A.	N.A.	33.5*	3.8*	N.A.	2,850*	0	2,850*
Rosenthal Honda Vienna, Va.	Robert Rosenthal	16	169		Accord	49.1	6.1	214	2,545	0	2,545
Pflueger Honda Honolulu, Hawaii	James Pflueger	19	117		Accord	38.5	1.8	1,576	2,278	0	2,278
Honda of Pasadena Pasadena, Calif.	Mary Mann	20	109		Accord	40.8	5.6	1,077	1,943	281	2,224
Honda of Lisle Lisle, Ill.	Horst Guenter Korallus	23	50		Accord	42.5*	4.3*	275	2,000	150	2,150
Mile High Honda Denver, Colo.	John W. Hitt, Norman Braman	3	84	Sterling	Accord	31.0	1.9	715	1,405	81	1,486
HYUNDAI											
Hyundai of Escondido Escondido, Calif.	Charles Ellinwood	6	90		GL	37.5	1.6	1,069	3,308	238	3,546
Galpin Hyundai Sepulveda, Calif.	H.F. "Bert" Boeckmann	35	58		GL	34.0	1.8	0	3,298	15*	3,313
Kim-Hankey Hyundai Los Angeles, Calif.	Richard Kim, Don Hankey	2	75		GL	29.3	2.0	80	3,225	0	3,225
Bill Watson Hyundai New Orleans, La.	William W. Watson Jr.	2	93		GL	30.6	1.5	32	3,158	0	3,158
Jimmy Bryan Hyundai Winter Park, Fla.	James B. Bryan III	2	65		Excel	31.3	2.2	949	2,660	0	2,660
Bay Ridge Hyundai Brooklyn, N.Y.	Carmelo Giuffre	N.A.	N.A.	N.A.	N.A.	31.0*	3.3*	N.A.	2,639	0	2,639
Courtesy Hyundai Tampa, Fla.	Jeffrey I. Wooley	3	86		Excel	28.9	4.5	960	2,599	0	2,599
Herb Chambers Hyundai Hartford, Conn.	Herbert G. Chambers	2	72		Excel	27.1	1.9	389	2,512	0	2,512
North Park Hyundai San Antonio, Texas	Clarence J. Kahlig II	8	48		GLS	22.9	2.2	193	2,429	35*	2,464
Tate Hyundai Claremont, Calif.	Jack Head	N.A.	N.A.	N.A.	N.A.	21.0*	2.3*	N.A.	2,462	0	2,462
ISUZU											
King Motor Co. Fort Lauderdale, Fla.	W. Clay King	50	300	Olds, GMC, Suzuki, Citroen,	I-Mark	79.1	11.7	1,566	1,377	37	1,414
Checkered Flag Isuzu Virginia Beach, Va.	Edward B. Snyder	23	76	Toyota	P'up	29.7	3.5	409	1,079	116	1,195
Dave McIntire Isuzu Center Indianapolis, Ind.	David C. McIntire	25	193	Chevrolet	P'up	63.1	6.8	2,655	1,123	53	1,176
Isuzu of Hillside Inc. Hillside, N.J.	Evangeline Marianino	5	48		Trooper	22.1	0.8	131	1,064	0	1,064
Fountain Motor Co. Orlando, Fla.	Terry Ruppenthal	N.A.	150	Olds, GMC, Mitsubishi	I-Mark	63.6	4.5	399	305	619	924
Sutherlin Isuzu Jacksonville, Fla.	Pete Kirill	7	30		P'up	16.8	1.3	836	654	243	897

*Estimate

continued →

87

TOP SELLING FRANCHISES

(ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employes	Other makes, same location	Best selling model	Total 1987 sales all franchises, depts. at location	Parts & service volume	Retail used units	Retail new units	1987 fleet sales	Total 1987 new units
Reuntree Isuzu Shreveport, La.	Frank M. Stinson	7	60	Olds, Mitsubishi, Yugo	I-Mark	$ 69.2	$ 6.7	2,576	735	88	823
Marietta Isuzu Inc. Marietta, Ga.	Larry W. Martin	3	25		P'up	12.5	0.5	410	810	0	810
Atlantic Isuzu West Islip, N.Y.	John Staluppi	10	N.A.	N.A.	N.A.	16.5*	3.0*	N.A.	727	0	727
Parkway Isuzu Inc. Chesapeake, Va.	Thomas M. Gibbs Jr.	8	140	Pontiac, Volvo, Hyundai, Suzuki	Trooper	38.9	13.4	581	705	5	710
JAGUAR											
Hempstead Auto Co. Hempstead, N.Y.	Hugh J. Weidinger Jr.	50	70		XJ6	47.0	6.0	130	904	0	904
Rallye Motors Inc. Paramus, N.J.	Manny Sicari	28	55		N.A.	32.5*	5.5*	N.A.	790*	0	790*
Nurnberg Jaguar Inc. Los Angeles, Calif.	William Gaby	40	82	Range Rover	XJ6	50.5	7.7	36	755	11	766
Cherry Hill Classic Cars Inc. Cherry Hill, N.J.	Thomas J. Hessert Jr.	9	65	Saab	XJ6	29.5	1.7	88	442	0	442
Jaguar of Darien Darien, Conn.	Frank A. Miller	32	60	Range Rover, Volkswagen	XJ6	35.2	4.7	46	405	36	441
Overseas Motors of Dallas Dallas, Texas	Mike Fisher	36	57	Rolls-Royce	XJ6	28.5	4.3	228	438	0	438
Bauer Jaguar Anaheim, Calif.	Ron Booz	N.A.	N.A.	N.A.	N.A.	25.0*	2.7*	N.A.	400*	0	400*
Sovereign Jaguar Hicksville, N.Y.	Alan Feldman	23	N.A.		XJ6	21.3	3.5	47	385	0	385
Sportique Motors Ltd. Huntington, N.Y.	Eliot H. Brown	20	42	Peugeot	XJ6	23.1	3.6	51	373	0	373
Main Auto Sales Inc. Madison, N.J.	Saul Ring, Carl Carambio	33	45	Chrysler, Plymouth	XJ6	23.4	2.8	153	359	0	359
JEEP-EAGLE (AMC)											
Jasper Jeep Sales Jasper, Ga.	Michael W. Lowe	12	40		Cherokee	45.3	2.0	642	1,865	991	2,856
Manhattan Jeep-Eagle New York, N.Y.	John Monninger	5	56		Cherokee	33.7	2.9	78	1,559	215	1,774
Buerge Jeep-Eagle West Los Angeles, Calif.	John R. Buerge	42	65		Cherokee	33.7	2.6	300	1,261	418	1,679
Pete Ellis Jeep-Eagle South Gate, Calif.	Pete Ellis	19	120	Dodge	Cherokee	68.4	4.9	604	1,660	0	1,660
Huntington Jeep-Eagle Huntington Beach, Calif.	Gary C. Gray	8	81		Cherokee	27.5	2.5	502	1,275	0	1,275
Broadway Jeep-Eagle Denver, Colo.	Gerald S. Morris	11	85		Cherokee	29.6	2.9	1,050	995	258	1,253
Back Bay Jeep-Eagle Boston, Mass.	Jay Adams	22	72		Cherokee	36.3	5.3	623	1,067	120	1,187
The Jeep-Eagle Collection Miami, Fla.	Tom Butler	3	100		Cherokee	30.8	2.5	1,140	1,143	44	1,187
Royal Jeep-Eagle Fern Park, Fla.	Ray Tatum	14	77		Cherokee	25.9	2.1	563	1,125	0	1,125
Orange Coast Jeep-Eagle Costa Mesa, Calif.	Gary C. Gray	8	73		Cherokee	26.0	3.0	408	1,080	0	1,080
LINCOLN-MERCURY											
Arnold Palmer Ford-LM Hilton Head Island, S.C.	James O'Neal Jr.	N.A.	N.A.	Ford, Peugeot	N.A.	150.0*	8.5*	N.A.	1,527*	11,000	12,527*
Libertyville Lincoln-Mercury Libertyville, Ill.	Julius Marks	16	90		Cougar	211.7	3.1	816	1,820	10,400	12,220
Central Florida Motors Co. Orlando, Fla.	Bob Borst, David McAbee	27	89	Merkur	Grand Marquis	131.5	3.2	615	1,213	5,361	6,574
Elmhurst Lincoln-Mercury Inc. Elmhurst, Ill.	David G. Mears	76	70	Merkur	Sable	73.0	2.4	454	864	3,569	4,433
Tasca Lincoln-Mercury Seekonk, Mass.	Robert F. Tasca	17	102		Sable	69.1	4.3	983	3,517	0	3,517
Northgate Lincoln-Mercury Tampa, Fla.	Jack Parks	14	148		Cougar	78.1	4.5	824	2,184	1,263	3,447
Pompano Lincoln-Mercury Pompano Beach, Fla.	Joseph Chiavaroli	14	122		Grand Marquis	77.9	5.9	884	2,046	1,214	3,260
Stu Evans Lincoln-Mercury Inc. Garden City, Mich.	Stewart Evans, John Evans	43	114		Grand Marquis	66.4	6.3	1,991	3,077	0	3,077

*Estimate

continued

TOP SELLING FRANCHISES 87

(ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employes	Other makes, same location	Best selling model	Total 1987 sales all franchises, depts. at location	Parts & service volume	Retail used units	Retail new units	1987 fleet sales	Total 1987 new units
North Park Lincoln-Mercury Inc. San Antonio, Texas	Clarence J. Kahlig II	15	131	Merkur	Grand Marquis	$ 72.0	$ 6.8	1,112	2,833	194	3,027
Carlisle Lincoln-Mercury-Merkur Clearwater, Fla.	Dan Carlisle, Steve Carlisle	32	203		Grand Marquis	83.8	7.4	1,309	2,886	45	2,931
MASERATI											
Mark LaPrade Inc. St. Petersburg, Fla.	Mark LaPrade	3	24	Lotus	Biturbo Coupe	13.0	1.0	475	92	0	92
Wilshire Maserati Beverly Hills, Calif.	Murray Marks	6	9	Lotus, Lamborghini	Spyder	3.5	1.3	30	60	0	60
Suburban Motorsport Hatfield, Pa.	Gary Cohen	15	48	Subaru, Peugeot	Biturbo Coupe	12.3	1.2	162	42	0	42
Alfredo's Foreign Cars Inc. Larchmont, N.Y.	Alfredo Gulla	24	16	Alfa Romeo	Biturbo	3.0	1.0	200	55	4	59
Beach Imports Newport Beach, Calif.	James H. Parkinson	34	64	Alfa Romeo, Daihatsu, Saab, Iveco, Peugeot	Biturbo Spyder	20.0	1.5	503	39	0	39
Spiers Imports Houston, Texas	David Spiers, Michael Spiers	12	32	Lamborghini	Biturbo Spyder	8.9	0.6	420	39	0	39
Maserati Automobiles Inc. Baltimore, Md.	Donald Morrissey	13	5	N.A.	N.A.	1.4*	0.2*		30	0	30
Grand Touring Motorcars Inc. Englewood, N.J.	Anthony Altomare	2	8		Biturbo Coupe	4.0	0.4	113	30	0	30
Miller Motorcars Inc. Greenwich, Conn.	Richard Koppelman	10	35	Aston Martin, Lotus	Spyder	12.0	4.0	250	30	0	30
Continental Classic Motors Hinsdale, Ill.	John F. Weinberger	25	16	Ferrari, Rolls-Royce	Biturbo Coupe	8.3	1.2	67	26	0	26
MAZDA											
Ted Britt Mazda Fairfax, Va.	Ted Britt	N.A.	N.A.	N.A.	N.A.	42.0*	3.8*	N.A	2,284	0	2,284
Don Darr Mazda St. Louis, Mo.	Don Darr	N.A.	N.A.	N.A.	N.A.	40.5*	4.5*	N.A	2,231	0	2,231
Oak Tree Mazda San Jose, Calif.	Enide Allison, David Allison	17	87		B2200	34.8	4.6	290	2,139	85	2,224
Maple Shade Mazda Maple Shade, N.J.	Bob Dimmerman	15	75		323	31.0*	3.1*	N.A.	2,099	0	2,099
Puente Hills Mazda City of Industry, Calif.	F.E. Hitchcock, Harry Mehterian	5	79		Trucks	32.8	2.9	585	1,903	181	2,084
Gunther Mazda Fort Lauderdale, Fla.	Joe Gunther	14	138	VW	626	29.1	5.7	1,002	1,868	0	1,868
Freeman Olds-Mazda Irving, Texas	J.W. Freeman	30	171	Hyundai, Olds, Daihatsu	Trucks	60.8	12.1	474	1,705	30	1,735
Frank Bommarito Mazda Ellisville, Mo.	Frank Bommarito	N.A.	N.A.	N.A.	N.A.	42.0*	4.5*	N.A	1,678	0	1,678
128 Mazda Wakefield, Mass.	Thomas McManus Sr.	16	60	Olds, Isuzu	626	41.0	5.0	900	1,640	0	1,640
Rosenthal Mazda Arlington, Va.	Bob Rosenthal	N.A.	N.A.		N.A.	40.0*	3.5*	N.A.	1,619	0	1,619
MERCEDES-BENZ											
House of Imports Buena Park, Calif.	M.B. O'Donoghue	25	160		420-SEL	104.7	12.7	781	1,499	0	1,499
Ray Catena Motor Car Corp. Edison, N.J.	Raymond Catena	7	81		300-E	83.9	6.8	156	1,411	0	1,411
Rallye Motors Inc. Roslyn, N.Y.	George K. Moss, Peter G. Terian	29	130	Rolls-Royce, BMW	420-SEL	85.0	10.0	150	1,374	0	1,374
Downtown L.A. Motors Los Angeles, Calif.	Nickolas N. Shammas	40	143		420-SEL	77.4	8.2	703	1,353	0	1,353
Jim Slemons Imports Inc. Newport Beach, Calif.	Jim Slemons	30	216		420-SEL	96.7	20.9	1,029	1,261	0	1,261
Mercedes-Benz Manhattan New York, N.Y.	John Wolf	34	N.A.		N.A.	90.0*	10.0*	N.A.	1,100*	0	1,100*
Park Place Motorcars Dallas, Texas	Kenneth Schnitzer Jr.	1	115		300-E	65.9	9.6	257	944	0	944
RBM of Atlanta Atlanta, Ga.	John Ellis	26	137		300-E	85.0*	10.0*	250	911	0	911
Euro Motorcars Bethesda Inc. Bethesda, Md.	Michael J. Jackson	10	106		300-E	62.7	7.9	247	907	0	907
Prestige Motors Inc. Paramus, N.J.	Joseph T. Dockery	20	97	Range Rover	N.A.	63.5	7.5	216	851	0	851

*Estimate

continued →

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MITSUBISHI											
Century Mitsubishi Warwick, R.I.	Kenneth L. Hagen, Richard T. Hauke	20	40		Mirage	$ 62.0*	$ 4.5*	N.A.	1,829	3,000	4,829
West Covina Mitsubishi West Covina, Calif.	Tarek Alhassan	3	100		Mighty Max	60.0	3.5*	1,300	4,500	200	4,700
Alhambra Mitsubishi Alhambra, Calif.	Andy Chang	2	77		Mighty Max	37.7	2.3	1,010	1,981	697	2,678
Michael Mitsubishi Fresno, Calif.	Michael L. Roevold	2	210	Cadillac, VW, Porsche, Audi	2wd Pickup	81.4	9.1	1,359	2,391	58	2,449
Arrow Mitsubishi Little Falls, N.J.	Carmen DeMaio	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	2,157	0	2,157
Ramsey Mitsubishi Ramsey, N.J.	Raymond Van Duren	2	38		Montero	21.2	1.4	480	2,021	0	2,021
Jersey City Mitsubishi Jersey City, N.J.	Samuel X. DiFeo	4	34		Precis	21.8	3.0	250	1,569	176	1,734
Crabtree-Ross Mitsubishi Shelton, Conn.	David Shafman	1	60		Mirage	21.2	1.6	299	1,583	0	1,583
Potamkin Mitsubishi N. Plainfield, N.J.	Robert Potamkin	N.A.	N.A.		N.A.	24.5*	3.3*	N.A.	1,583	0	1,583
Wantagh Mitsubishi Wantagh, N.Y.	Robert Hassett, Charles W. Bast	7	40		Galant	23.4	3.3	286	1,549	0	1,549
NISSAN											
ABC Nissan Phoenix, Ariz.	Larry Van Tuyl	13	260		Sentra	91.6	10.2	2,744	4,188	735	4,923
Nissan of Downey Downey, Calif.	Carmen Koosa	5	117		Sentra	66.2	4.9	784	3,188	1,428	4,616
Autoplaza Nissan Inc. Westbury, N.Y.	Tony Panebianco, John Branham	30	126		Sentra	56.0	6.0	639	4,077	0	4,077
Harbor Nissan Inc. Harbor City, Calif.	Don Graves	17	61		Sentra	42.0*	3.5*	743	3,613	397	4,010
Rosenthal Nissan Vienna, Va.	Bob Rosenthal	N.A.	N.A.	N.A.	N.A.	36.0*	3.5*	N.A.	3,488	15	3,503
Burnsville Nissan Inc. Burnsville, Minn.	Denny Hecker	17	50		Sentra	38.9	1.6	820	775	2,668	3,443
Moon Nissan Cerritos, Calif.	Robert B. Stephens III	21	171		Sentra	54.4	7.9	821	3,001	157	3,158
West Covina Nissan West Covina, Calif.	Orval Paul, Tim Valles	4	108		Trucks	46.1	5.1	707	2,966	0	2,966
Torrance Nissan Torrance, Calif.	William J. Adkins	25	100		Sentra	49.5	3.9	946	2,405	544	2,949
Performance Nissan San Diego, Calif.	Jim Blanton	N.A.	N.A.	N.A.	N.A.	37.5*	3.3*	N.A.	2,735	202	2,937
OLDSMOBILE											
Anderson Oldsmobile Inc. Baltimore, Md.	William R. Mortimer	18	112	Sterling	Cutlass Ciera	118.0*	3.6	471	1,756	4,709	6,465
Larry Paul Oldsmobile-GMC Schaumburg, Ill.	Frederick J. Frazier	40	131	GMC	Cutlass Ciera	93.2	7.8	477	1,135	4,983	6,118
Jim Lupient Oldsmobile Minneapolis, Minn.	Jim Lupient	19	284	Sterling	Cutlass Ciera	115.9	16.5	1,092	2,107	3,819	5,926
Z. Frank Oldsmobile Des Plaines, Ill.	Jack Sayer	4	95		Cutlass Ciera	66.7	4.8	640	1,450	3,560	5,010
King Motor Co. Fort Lauderdale, Fla.	W. Clay King	50	262	GMC, Isuzu, Suzuki	Cutlass Ciera	122.0	11.7	1,566	2,155	2,002	4,157
Henry Faulkner Inc. Philadelphia, Pa.	Henry Faulkner Jr., Joseph Faulkner	31	200		Cutlass Ciera	59.6	10.8	674	2,227	1,814	4,041
Wally McCarthy's Oldsmobile Minneapolis, Minn.	Wally McCarthy	30	145		Cutlass Ciera	60.1	6.6	2,423	2,247	1,422	3,669
Prospect Motors Inc. Jackson, Calif.	Bill Halvorson	14	52	Chevrolet, Cadillac, Pontiac, Buick	N.A.	227.9	2.2	161	66	2,879	2,945
Mossy Oldsmobile Inc. Houston, Texas	Wiley L. Mossy Jr.	30	165		Cutlass Ciera	60.2	12.1	1,045	2,183	713	2,896
Arnold Palmer Motors Latrobe, Pa.	James O'Neal Jr.	6	45	Cadillac, Pontiac, Buick	N.A.	132.0*	4.0*	N.A.	525*	2,250*	2,775*
PEUGEOT											
Exotic Motors Inc. Bellevue, Wash.	Nick P. Diafos, Stauros G. Michelakis	9	30	Alfa Romeo, Isuzu, Bertone	505 Turbo	11.5	1.7	251	225	0	225
Peugeot of Westfield Westfield, N.J.	Joseph Gayer	2	22		505 Turbo	6.1	1.1	124	180	0	180

*Estimate

continued →

TOP SELLING FRANCHISES 87

(ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employes	Other makes, same location	Best selling model	Total 1987 sales all franchises, depts. at location	Parts & service volume	Retail used units	Retail new units	1987 fleet sales	Total 1987 new units
Autos Vega Inc. San Juan, Puerto Rico	Ramon Vega Perez	48	80	Ford, Lincoln, Mercury	505	$ 30.9	$ 1.7	706	175	0	178
Maplewood Peugeot Maplewood, N.J.	Alan Castroll	7	18		505-STX	6.0	1.5	100	175	0	175
Tenafly Peugeot Tenafly, N.J.	Robert Engel	19	13		505 Turbo	4.0	1.3	40	120	33	153
Fred's Foreign Cars Service Philadelphia, Pa.	David Fellner	18	18		Station Wagon	4.5	1.1	67	127	0	127
Foreign Motors West Natick, Mass.	Thomas R. Mix	28	115	Rolls-Royce, Mercedes, Range Rover, BMW	505-STI	50.3	9.5	893	110	0	110
Clair Peugeot West Roxbury, Mass.	James E. Clair	N.A.	N.A.		N.A.	3.5*	1.1*	N.A.	109	0	109
Doran Chevrolet-Peugeot Inc. Dallas, Texas	Ed Doran	8	164	Chevrolet	505	36.9	10.8	444	107	0	107
Liccardi Motors Inc. Green Brook, N.J.	Clemente J. Liccardi	34	87	Chrysler, Plymouth	505-GLS	42.8	1.7	1,081	98	0	98
PONTIAC											
Stephen World of Wheels Bristol, Conn.	Stephen Barberino Sr., Stephen Barberino Jr.	30	300	Jaguar, Nissan, GMC, Cadillac, Toyota, Suzuki, Ford	Grand Am	236.4	10.9	2,320	509	12,117	12,626
JM Pontiac Hollywood, Fla.	John McNally	20	191		Grand Am	126.3	8.7	2,798	2,562	8,273	8,835
Penn Pontiac inc. Baltimore, Md.	Stanley Z. Penn	18	58		Grand Am	24.8	3.2	184	928	7,808	8,736
Patrick Pontiac-GMC Libertyville, Ill.	Hanley Dawson III	2	100	GMC	Grand Am	65.0*	4.0*	900	1,000	3,600*	4,600*
Faulkner Pontiac-GMC Inc. Trevose, Pa.	Henry Faulkner III	14	175	GMC	Grand Am	70.3	9.4	613	2,327	1,774	4,101
Prospect Motors Inc. Jackson, Calif.	Bill Halvorson	14	52	Chevrolet, Cadillac, Olds, Buick	Grand Am	227.9	2.2	161	63	3,972	4,035
Jim Fresard Pontiac Royal Oak, Mich.	Jim Fresard	17	100		Grand Am	52.0	5.0	1,200	3,000	670	3,670
Grosinger Pontiac-GMC Skokie, Ill.	Gary Grosinger	65	70	GMC	Grand Am	30.0*	2.5*	660	1,500	2,000	3,500
Arnold Palmer Motors Latrobe, Pa.	James O'Neal Jr.	6	40	Cadillac, Olds, Buick	N.A.	132.0*	4.0*	N.A.	300*	2,575*	2,875
Ridge Motors Inc. Des Plaines, Ill.	Edward Mize	25	89		Grand Am	38.1	3.3	358	1,015	1,536	2,551
PORSCHE											
Forest Lane Porsche-Audi Dallas, Texas	Kirk Franceschini	9	85	Alfa Romeo, Audi	944	36.9	7.7	275	365	0	365
Semersky Enterprises Inc. Highland Park, Ill.	Ernie Semersky, Bruce Semersky	12	82		944	55.5	8.1	160	280	0	280
The Porsche Collection Miami, Fla.	Joseph DeMaria	31	N.A.	Audi	N.A.	20.0*	3.0*	N.A.	279	0	279
Braman European Imports Inc. North Miami, Fla.	Norman Braman	16	56	Audi, Sterling	911	27.8	4.7	340	267	0	267
Lynch Imports Ltd. Chicago, Ill.	Richard V. Lynch Jr.	6	125	Audi, Saab, VW	944	56.3	7.6	1,518	261	0	261
Jack Daniels Motors Inc. Fairlawn, N.J.	John J. Daniels	16	51	Audi	944	28.8	5.0	263	257	0	257
Schneider & Nelson Inc. Longbranch, N.J.	Philip C. Schneider, R. Jerry Nelson	11	40	Audi, Sterling, Range Rover	911	23.9	3.4	194	252	0	252
Jim Ellis Atlanta Inc. Atlanta, Ga.	James W. Ellis Jr.	18	82	Audi, Sterling, Lotus	944	38.7	7.1	385	248	0	248
Brumos Atlanta Porsche-Audi Smyrna, Ga.	Deborah Gregg	7	75	Audi	944	27.0	6.0	283	229	0	229
Paul Miller Inc. Parsippany, N.J.	Paul T. Miller II	12	75	Audi, Range Rover	944	28.8	5.6	221	229	0	229
RANGE ROVER											
BBL Inc. Vienna, Va.	George C. Andreas	17	128	Mercedes, Porsche, Audi		52.8	9.2	248	118	0	118
Volvoville USA Inc. Massapequa, N.Y.	Michael Lazarus, Bryan Lazarus	24	104	Volvo		48.9	7.1	450	115	0	115
Foreign Motors West Inc. Natick, Mass.	Thomas R. Mix	28	115	Rolls-Royce, BMW, Mercedes, Peugeot		50.3	9.5	893	115	0	115
Range Rover of Darien Darien, Conn.	Frank A. Miller	32	60	Jaguar, VW		35.2	4.7	46	101	0	101

*Estimate

continued →

87

TOP SELLING FRANCHISES

(ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employes	Other makes, same location	Best selling model	Total 1987 sales all franchises, depts. at location	Parts & service volume	Retail used units	Retail new units	1987 fleet sales	Total 1987 new units
Prestige Motors Inc. Paramus, N.J.	Joseph T. Dockery	20	97	Mercedes		$ 63.5	$ 7.5	216	86	0	86
Autohaus Tischer Inc. Laurel, Md.	Christian Von Berg	17	80	VW, Saab, Honda		35.0	3.0	320	75	0	75
Palm Beach Motor Cars Ltd. West Palm Beach, Fla.	Robert Simpson	37	71	Jaguar, Saab, Aston Martin		40.0	7.5	180	75	0	75
Warren Henry Motors Inc. Miami, Fla.	Warren Henry Zinn	12	45	Jaguar		12.0*	1.5*	N.A.	71	0	71
Zumbach Sports Cars Ltd. New York, N.Y.	Werner G. Maeder Jr.	15	65	Alfa Romeo, Saab, Peugeot		19.8	4.1	100	62	0	62
Hennessy Cadillac-Jaguar Atlanta, Ga.	Robert D. Hennessey	3	95	Cadillac, Jaguar		25.0*	3.0*	400	60	0	60
ROLLS ROYCE											
Carriage House Motor Car, New York, N.Y./Greenwich, Conn.	Michael Schudroff	4	N.A.		N.A.	24.5*	2.2*		186	0	186
Gregg Motors Rolls-Royce Beverly Hills, Calif.	Howard Schneider	N.A.	N.A.	N.A.	N.A.	20.0*	2.5*	N.A.	115*	0	115*
Terry York Motor Cars Ltd. Encino, Calif.	Terry York	19	68	Range Rover, Jaguar	Silver Spur	28.5*	3.5*	70	85	0	85
Newport Beach Auto Center Newport Beach, Calif.	Steve Bren	27	130	Porsche, Audi, Chevrolet	N.A.	23.0*	2.8*	N.A.	80*	0	80*
Lauderdale Imports Fort Lauderdale, Fla.	Larry K. Oden	2	13		N.A.	11.5	0.9	50	52	0	52
Braman Motor Cars West Palm Beach, Fla.	Richard Hellawell, Norman Braman	3	85	Sterling, BMW, Maserati	N.A.	31.0*	4.5*	N.A.	45*	0	45
F.C. Kerbeck & Sons Palmyra, N.J.	Frank R. Kerbeck	20	95	Saab	N.A.	18.0*	2.2*	N.A.	40*	0	40*
Rusnak/Pasadena Pasadena, Calif.	Paul Rusnak	28	95	Porsche, Audi, Jaguar, Sterling	Silver Spur	28.0*	2.5*	20	35	0	35
Steve Foley Cadillac Inc. Northbrook, Ill.	Steve Foley	44	13	Cadillac, Bentley	Silver Spur	39.5	5.7	273	35	0	35
Rallye Motors Inc. Roslyn, N.Y.	George K. Moss, Peter G. Terian	25	130	Mercedes, BMW	Silver Spur	85.0	10.0	150	34	0	34
SAAB											
Ramsey Saab Ramsey, N.J.	Raymond VanDuren	9	40		9000 Turbo	19.4	2.3	82	752	0	752
Zumbach Sports Cars Ltd. New York, N.Y.	Werner G. Maeder Jr.	15	65	Alfa Romeo, Peugeot, Range Rover	9000 Turbo	19.8	4.1	100	529	0	529
Stohlman Saab Alexandria, Va.	Edwin L. Stohlman III		157	Nissan	N.A.	55.4	2.4	838	421	63	484
Saab of Westport Westport, Conn.	Ralph Frascatore	3	36		900 Turbo	15.8	2.1	166	472	0	472
Wigman Inc. North Providence, R.I.	William H. Gregson Jr., Thomas J. Casey	42	36		900S	11.2	1.7	73	455	0	455
Mark Singleton Saab Smyrna, Ga.	Mark Singleton	4	42		900S	12.9	2.0	188	439	0	439
Hanley Dawson Toyota-Saab Chicago, Ill.	Hanley Dawson Jr.	6	N.A.	Chrysler, Plymouth, Toyota	N.A.	12.0*	2.0*	N.A.	394	0	394
Saab Ailents Roswell, Ga.	Douglas Klee	1	45		900S	13.9	2.0	262	392	0	392
Charles River Saab Watertown, Mass.	Felix Bosshard	32	50		900S	12.0	4.0	275	375	0	375
Patrick Motors Worcester, Mass.	James Patrick	17	58	Subaru	900S	17.8	1.1	216	374	0	374
STERLING											
Lou Ehlers Cadillac-Sterling Los Angeles, Calif.	L.W. Ehlers	41	126	Cadillac	825-S	42.2	10.3	234	185	74	259
Martin Cadillac-Sterling Los Angeles, Calif.	Dana R. Martin	11	200	Cadillac	825-SL	96.2	15.5	0	221	0	221
Motorworks of Barrington Barrington, Ill.	Paul Tamraz	15	180	Mercedes, BMW, Lotus, Porsche, Suzuki, Cadillac	825-SL	35.0*	6.0*	400	215	0	215
Don Massey Cadillac-Sterling Plymouth, Mich.	Don Massey	30	150	Cadillac, Rolls-Royce	N.A.	80.0*	6.0*	N.A.	170	0	170
Douglas Sterling Corp. Summit, N.J.	Peter T. Liebman	23	58	VW	825-SL	30.7	3.7	70	167	0	167
Braman Motor Cars West Palm Beach, Fla.	Richard Hellawell, Norman Braman	3	85	BMW, Maserati, Rolls-Royce	825-SL	31.0*	4.5*	N.A.	160	0	160

*Estimate

continued →

87

TOP SELLING FRANCHISES

(ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employes	Other makes, same location	Best selling model	Total 1987 sales all franchises, depts. at location	Parts & service volume	Retail used units	Retail new units	1987 fleet sales	Total 1987 new units
Meier Cadillac-Sterling Dallas, Texas	Todd Meier	19	132	Cadillac	825-SL	$ 78.0	$10.5	685	158	0	158
Jim Ellis Atlanta Inc. Atlanta, Ga.	James W. Ellis Jr.	18	80	Porsche, Audi, Lotus	825-SL	38.7	7.1	385	151	0	151
Sewell Village Cadillac-Sterling Dallas, Texas	Carl Sewell	77	250	Cadillac	N.A.	98.0*	20.0*	N.A.	142	0	142
Coral Sterling Pompano Beach, Fla.	Norman E. Wiese	35	3		825-SL	3.9	0.2	N.A.	136	0	136
SUBARU											
Ken Sanders Subaru Morrow, Ga.	Ken Sanders	N.A.	N.A.	N.A.	N.A.	26.5*	3.2*	N.A.	261	2,375	2,636
Browning Olds-Subaru Cerritos, Calif.	Kent Browning	15	150	Olds	GL Wagon	66.1	10.9	1,059	1,050	296	1,346
Heritage Olds-Subaru Plano, Texas	Bob Guenther	3	225	Olds, Bertone	GL Wagon	72.0	8.5	900	720	580	1,300
Hurt Subaru Englewood, Colo.	A.J. Guanella Jr., Lloyd Chavez	16	87		4wd Wagon	25.4	4.3	1,325	1,197	86	1,283
Blackstone Subaru Seekonk, Mass.	Al Dosanjos	9	80		GL Wagon	14.5	4.4	425	935	0	935
Norwood Subaru Inc. Norwood, Mass.	Edmund H. Gendreau	15	38		4wd Wagon	14.4	1.9	102	930	0	930
Manhattan Subaru Rockville, Md.	Joseph Herson	42	41		4wd Wagon	13.7	1.3	156	890	0	890
Continental Motors Anchorage, Alaska	Peter Adolph, Bahne Martensen	17	63	Volvo, Mazda	GL Wagon	21.5	3.8	684	826	22	848
Goldstein Motors Inc. Colonie, N.Y.	Clifford D. Coddington	14	50		4wd Wagon	15.7	2.0	393	835	0	835
Stohlman VW and Subaru Vienna, Va.	Richard H. Stohlman	18	102	VW, Excalibur	4wd Wagon	29.7	5.3	289	791	0	791
SUZUKI											
Red Bird Suzuki Duncanville, Texas	Tony Gullo, Ted Heas	8	100	Nissan, Jeep, Eagle		23.8*	4.4	895	1,075	100	1,175
Totem Lake Suzuki Kirkland, Wash.	Bill Wright	25	100	Ford, Toyota		53.8	1.0	1,091	1,011	68	1,079
Stillman Suzuki Englewood, N.J.	Walter R. Stillman	80	12			11.3	0.9	0	1,010	0	1,010
Superior Suzuki Tampa, Fla.	Jeffrey I. Wooley	13	21			10.6	1.1	0	952	39	991
Vista Suzuki Woodland Hills, Calif.	Steve Shuken	14	175	Ford, Isuzu		68.7	7.0	938	968	0	968
Century Suzuki Inc. Wallingford, Conn.	Michael Ferranti	1	17			11.3	0.5	199	952	0	952
Worthington Suzuki Huntington Beach, Calif.	Cal Worthington	37	100	Dodge		38.5	4.0	801	940	0	940
Earnhardt Suzuki Tempe, Ariz.	Hal J. Earnhardt III	N.A.	25			13.1	1.2	408	924	0	924
Bob Ciasulli Suzuki Little Falls, N.J.	Robert Ciasulli	18	22			9.5*	0.8*	0	901	0	901
Martin Suzuki Ardmore, Pa.	Martin Lustgarten	12	16			8.3	0.7	50	860	0	860
TOYOTA											
Longo Toyota El Monte, Calif.	John Clark	3	261		Camry	224.9	14.9	2,185	12,744	6,708	19,452
Kendall Toyota Miami, Fla.	Gerald F. Bean	N.A.	N.A.		N.A.	130.0*	10.0*	N.A.	4,000*	8,511*	12,511
Gateway Toyota Toms River, N.J.	Kenneth L. Hagen	15	175		Camry	150.1	4.7	993	11,198	901	12,099
Covington Pike Toyota Inc. Memphis, Tenn.	John A. Reddell	5	229		2wd Truck	130.8	5.6	1,505	9,304	0	9,304
Toyota of Orange Orange, Calif.	David W. Wilson	5	123		Camry	92.1	6.9	1,779	5,646	638	6,284
Toyota of Hollywood Hollywood, Fla.	Craig Zinn	8	193		Corolla	100.7	6.8	1,874	5,702	3	5,705
Elmore Toyota Westminster, Calif.	Lester P. Elmore	25	100		Camry	76.9	4.4	1,663	5,066	0	5,066
Sterling McCall Toyota Houston, Texas	Sterling B. McCall Jr.	19	120		Camry	71.9	7.0	1,097	2,288	2,505	4,793

*Estimate

continued →

TOP SELLING FRANCHISES 87

(ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employes	Other makes, same location	Best selling model	Total 1987 sales all franchises, depts. at location	Parts & service volume	Retail used units	Retail new units	1987 fleet sales	Total 1987 new units
Toyota of Cerritos Cerritos, Calif.	Lewis M. Webb	12	140		Camry	$ 93.7	$10.2	1,512	4,394	312	4,706
Toyota of Garden Grove Garden Grove, Calif.	Jan Goodrow	8	125		Corolla	78.3	6.9	2,389	3,622	1,630	5,252
VOLKSWAGEN											
Tynan Volkswagen Inc. Aurora, Colo.	Ed Tynan	25	40	Isuzu	Jetta	24.2	2.3	847	447	1,200	1,647
Jim Ellis Volkswagen Inc. Atlanta, Ga.	James W. Ellis Jr.	18	85		Jetta	31.9	6.1	742	1,523	0	1,523
South County Motors Huntington Beach, Calif.	Daniel J. McKenna	5	80	Isuzu	Jetta	28.9	3.8	1,083	1,341	0	1,341
Ganley Inc. Cleveland, Ohio	Tom Ganley	17	48	Mazda	Jetta	26.3	2.0	1,568	188	979	1,167
Volkswagen Santa Monica Inc. Santa Monica, Calif.	W. H. Sullivan		120	Hyundai	Jetta	36.1	7.6	267	1,134	0	1,134
Douglas Motors Corp. Summit, N.J.	Peter T. Liebman	23	58	Sterling	Jetta	30.7	3.7	70	1,041	0	1,041
DiFeo Volkswagen Inc. Jersey City, N.J.	Joseph C. DiFeo	6	37		Jetta	14.2	1.5	28	1,004	0	1,004
Stohlman VW and Subaru Vienna, Va.	Richard H. Stohlman	18	102	Subaru, Excalibur	Jetta	29.7	5.3	289	969	0	969
Volkswagen of Downtown L.A. Los Angeles, Calif.	Nickolas N. Shammas	40	49		Jetta	14.3	2.6	187	965	0	965
Sonnen Motors (Leon Felton Co.) San Rafael, Calif.	Peter Sonnen	25	40	Audi	Jetta	15.0	2.3	176	480	442	922
VOLVO											
Dyer & Dyer Inc. Chamblee, Ga.	Richard S. Dyer Jr.	9	180	Yugo	DL Sedan	87.4	11.1	2,441	1,861	0	1,861
Volvoville USA Inc. Massapequa, N.Y.	Michael Lazarus, Bryan Lazarus	24	104	Range Rover	740 GLE	48.9	7.1	450	1,500	47	1,547
Warren Henry Volvo Inc. Miami, Fla.	Warren Henry Zinn	12	217		DL Sedan	44.3	7.1	781	1,218	0	1,218
The Volvo Collection Miami, Fla.	Joseph A. DeMaria	25	121		740 GLE	42.9	6.6	467	923	280	1,203
San Diego Volvo Inc. San Diego, Calif.	Manny Jardin, Wes Hinkle	12	108		740 GLE	34.4	6.5	482	1,120	0	1,120
Martin Motors New York, N.Y.	Martin Schlanger	26	150	BMW	740 Turbo	28.0*	3.5*	90	820	0	820
Don Beyer Volvo Falls Church, Va.	Donald S. Beyer Jr.	14	88		740 GLE	26.8	7.1	380	817	0	817
Kramer Volvo Santa Monica, Calif.	Robert Kramer	37	80		740	25.5*	8.6	N.A.	701	0	701
Autobahn Volvo Fort Worth, Texas	John Chase	9	58		740 GLE	20.0	4.0	250	662	0	662
Orange County Volvo Garden Grove, Calif.	Charles K. Patterson	N.A.	75		240	21.1	4.8	125	632	21	653
YUGO											
Yugo of Pensacola Pensacola, Fla.	Warren Taylor	N.A.	N.A.	N.A.	GV	10.0*	1.5*	N.A.	799	0	799
Dyer & Dyer Inc. Chamblee, Ga.	Richard S. Dyer Jr.	9	180	Volvo	GV	87.4	11.1	2,441	734	0	-734
Merideth Yugo Daphne, Ala.	Robert L. Merideth	2	22		GV	4.9	0.4	144	691	0	691
Westway Yugo Irving, Texas	Joe Tigue	7	185	Ford	GV	20.0*	3.2*	1,400	590	0	590
Kelley Yugo Brewer, Maine	Richard Kelley	23	19		GV	3.7*	0.6*	300	573	0	573
Perillo Pontiac-Yugo Chicago, Ill.	Joseph Perillo, Anthony C. Scala	9	52	Pontiac	GV	18.4	1.9	452	510	0	510
Lossman Motors Lakewood, Ohio	Jerry Tenhover	5	50	VW	GV	8.5	1.8	300	496	0	496
Liberty Buick Co. Libertyville, Ill.	Sidney Oko	23	70	Buick, Jeep, Eagle	GV	27.5	3.7	494	427	0	427
Caviness Motors Ocala, Fla.	Rupert Caviness	43	75	Buick	GV	21.4	1.4	924	421	0	421
Eastside Nissan-Yugo Columbus, Ohio	Phil Siefke	10	103	Nissan	GV	21.9	3.8	690	415	0	415

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SALES GIANTS '87

continued from page 38

showroom. Only one was dualed with a domestic.

AUDI: Despite the spate of ill publicity surrounding the Audi 5000-S and the sudden-acceleration issue, most of the highest-volume Audi dealers reported that the car was their best-selling model last year.

The 5000 Quattro, reported by Prestige Imports, Lakewood, Colo., was the exception.

Most of the Audi franchises on the list were dualed with traditional German companion makes — Porsche and Volkswagen — or a non-traditional German make — Mercedes-Benz — although three were dualed with Sterling and two with Range Rover.

Keeme Annis, of the top-selling Annis Corp. dealership, Natick, Mass., said the operation was successful in 1987 because of "top people and top products, despite some pricing and public relations difficulties."

Six of the 10 high-volume Audi franchises were on the list for the second consecutive year, including Annis — high-volume franchise in both 1987 and 1986 — and two-time second-largest franchise, Lynch Imports, Chicago.

BMW: Ownership of the top-selling BMW outlet changed hands in 1987, but new dealer Hideaki Yasuki maintained the dominance of Weatherford BMW, Emeryville, Calif. The dealership reported 918 deliveries in 1987 — all retail — compared with 1,091 in 1986.

The list of the top 10 BMW franchises last year included seven that also were on the 1986 list.

BMW's biggest dealers still reported that the 3-series cars were their best selling model.

Only two of the top franchises reported that they were duals.

Steve Schaper, general manager at Stevens Creek BMW Motorsport, Santa Clara, Calif., defined that dealership's success as "maintaining a sense of urgency in all departments, always seeking new markets for our products and properly trained managers with specific goals for their departments."

BUICK: The top Buick dealers last year had a number of things in common, the most significant of which was heavy reliance on fleet sales.

Each of the top 10 Buick dealerships sold more fleet units than retail units.

Three, including top-seller Reef Buick, Fort Lauderdale, Fla., were new to the 1987 Automotive News Sales Giants list.

The reasons the dealers gave for success in 1987 were fairly typical of the comments of other successful dealers, although there were some variations.

Ralph C. Ghioto Jr., Royal Buick, Tampa, Fla., said success came from "keeping our eyes focused on the basics and placing emphasis on people development."

Bob Brest Buick said simply: "Big volume through multi-media advertising."

Irving N. Segal, Loren Buick, Glenview, Ill., was candid. "Cut overhead and hard work," he said. "But 1987 was still a down year from 1986."

CADILLAC: Only six of the top-volume Cadillac dealerships in this year's Automotive News Sales Giants ranking were repeaters from 1986.

One of the newcomers was Polkowitz Motors, Perth Amboy, N.J., which used its multi-line fleet business to post total new Cadillac sales of 13,592 units in 1987, making it the new sales leader.

Bayview Cadillac, the 1986 Cadillac leader and one of the Ed Morse dealerships in Florida, finished second in 1987.

The Penske organization placed two franchises in the top 10, although its Manhattan Penske Auto Center was acquired from the Potamkin organization in late 1987.

CHEVROLET: The highest-volume Chevrolet franchises rolled up some impressive numbers last year, including the three top — and five of the top 10 — places as highest-volume franchises among all the 1987 Automotive News Sales Giants.

Edward J. Morse Jr., of the dominant Morse family of dealers in Florida, relied on fleet business to make his Ed Morse Chevrolet rank as the top-selling franchise — of any make — in the United States last year.

The big Chevrolet dealers sold so many cars that 10th place for the franchise — held by Delorme Chevrolet, Inglewood, Calif. — reported total sales of 8,831 in 1987, more than the largest single franchises for 27 of the 35 makes included in the Automotive News Sales Giants.

The top 10 Chevrolet dealers averaged 14,824 new car and truck sales last year, more than the No. 1 franchises for each of 33 makes — all of the other makes in the Automotive News Sales Giants list except Ford Division.

Jim Johnson Chevrolet, Richardson, Texas, held the only one of the top 10 Chevy franchises that sold more Chevrolet cars and trucks at retail than to fleet customers.

Johnson's success factor: "People."

CHRYSLER-PLYMOUTH: The fleet business obviously improved a number of Chrysler-Plymouth dealers' performances in 1987.

All 10 of the highest-volume Chrysler-Plymouth dealers, like so many other high-volume domestic-

continued on page 56

TOPS IN NEW-UNIT SALES '87

Rank	Dealership	Location	Total 1987 New Units
1	Ed Morse Chevrolet	Lauderhill, Fla.	25,063
2	Friendly Chevrolet	Dallas, Texas	20,543
3	The Chevrolet Collection	Miami, Fla.	19,825
4	Longo Toyota	El Monte, Calif.	19,452
4	Fairway Ford	Latrobe, Pa.	19,452
6	Jordan Ford	Mishawaka, Ind.	17,579
7	Bill Wink Chevrolet	Dearborn, Mich.	16,979
8	Lake Forest Chrysler-Plymouth	Gaithersburg, Md.	14,783
9	Bob Brest Chevrolet	Lynn, Mass.	14,510
10	Polkowitz Motors (Cadillac)	Perth Amboy, N.J.	13,592
11	Santa Monica Ford	Santa Monica, Calif.	12,802
12	Stephen World of Wheels (Pontiac)	Bristol, Conn.	12,626
13	Arnold Palmer Ford-L-M (L-M)	Hilton Head, S.C.	12,527
14	Kendall Toyota	Miami, Fla.	12,511
15	Libertyville Lincoln-Mercury	Libertyville, Ill.	12,220
16	Z. Frank Chevrolet	Chicago, Ill.	12,177
17	Gateway Toyota	Toms River, N.J.	12,099
18	Rice and Holman Ford	Mt. Laurel, N.J.	11,720
19	Prospect Motors (Chevrolet)	Jackson, Calif.	10,709
20	Bast Chevrolet	Seaford, N.Y.	10,281
21	South Bay Chrysler-Plymouth	Torrance, Calif.	9,595
22	McInerney Ford	Orlando, Fla.	9,456
23	Luke Potter Dodge	Winter Park, Fla.	9,339
24	Jim Johnson Chevrolet	Richardson, Texas	9,317
25	Covington Pike Toyota	Memphis, Tenn.	9,304

TOPS IN USED CARS '87

Rank	Dealership	Location	1987 Retail Used Units
1	Jim Johnson Chevrolet	Richardson, Texas	3,800
2	Ricart Ford	Columbus, Ohio	3,503
3	JM Pontiac	Hollywood, Fla.	2,798
4	ABC Nissan	Phoenix, Ariz.	2,744
5	Dave McIntire Isuzu Center	Indianapolis, Ind.	2,655
6	Rountree Isuzu	Shreveport, La.	2,576
7	Dyer & Dyer	Chamblee, Ga.	2,441
8	Wally McCarthy's Oldsmobile	Minneapolis, Minn.	2,423
9	Toyota of Garden Grove	Garden Grove, Calif.	2,399
10	McInerney Ford	Orlando, Fla.	2,351
11	Stephen World of Wheels	Bristol, Conn.	2,320
12	Longo Toyota	El Monte, Calif.	2,185
13	Stu Evans Lincoln-Mercury	Garden City, Mich.	1,991
14	Dodgeland	Springfield, N.J.	1,935
15	Jordan Ford	Mishawaka, Ind.	1,910
16	Toyota of Hollywood	Hollywood, Fla.	1,874
17	Dave Sinclair Ford	St. Louis, Mo.	1,794
18	Toyota of Orange	Orange, Calif.	1,779
19	Elmore Toyota	Westminster, Calif.	1,663
20	Galpin Ford	Sepulveda, Calif.	1,625
21	Pflueger Honda	Honolulu, Hawaii	1,576
22	Al Piemonte Ford	Melrose Park, Ill.	1,573
23	Ganley (Volkswagen)	Cleveland, Ohio	1,568
24	King Motor Company	Fort Lauderdale, Fla.	1,566
25	Lynch Imports	Chicago, Ill.	1,518

SALES GIANTS '87

continued from page 54

make dealers, sold more fleet units than retail units last year.

Six of those top 10 dealers were among the Automotive News Sales Giants for the second consecutive year, including a repeat by the one-two combination of Lake Forest Chrysler-Plymouth, Gaithersburg, Md., and South Bay Chrysler-Plymouth, Torrance, Calif.

Although many of the players were the same, unit volumes were higher last year than in 1986. Leader Lake Forest raised its annual new-unit total to 14,783 from 8,480 in 1986.

DODGE: In contrast to the top-volume Chrysler-Plymouth dealers, who improved their unit sales in 1987, the high-volume Dodge dealers last year recorded volumes almost identical to 1986.

Three of the top Dodge franchise holders also held top-10 Chrysler-Plymouth franchises. Seven of the top 10 Dodge dealers were also Automotive News Sales Giants in 1986, including repeat sales leader Luke Potter Dodge, Winter Park, Fla., which posted 9,339 new-unit sales in 1987 and 9,433 in 1986.

Three of the top 10 Dodge dealers actually sold more retail than fleet units, although Luther D. Potter, Luke Potter Dodge, attributed his dealership's success to "aggressive fleet programs."

Caravan was the overwhelming popularity winner among Dodge dealers.

FORD: The list of the highest-volume Ford dealers, like the other domestic-make lists, was dominated by fleet moguls, with two places including the top spot, held by Arnold Palmer dealerships.

Fairway Ford, Latrobe, Pa., took the make leadership and finished fourth among franchises of all makes with 19,452 new-car and truck deliveries.

Arnold Palmer Ford-Lincoln-Mercury finished seventh among the ranking Ford franchises as well as first among Lincoln-Mercury franchises.

The highest finish for a volume retail dealer with few fleet sales was eighth for Ricart Ford, Columbus, Ohio, the first-place Ford retail dealer last year. Ninth and 10th places also went to perennial retail leaders Galpin Ford, Sepulveda, Calif., and Dave Sinclair Ford, St. Louis.

HONDA: There were few surprises among all of the very successful Honda dealers: Accord was the most popular model; virtually all of the top 10 franchises were in exclusive dealerships; five were repeaters from the 1986 Sales Giants list; and half reported fleet sales.

Most of the top 10 Honda dealers mentioned that they were successful because of the Honda product and customer satisfaction, which was defined by Horst J. Guenter Korallus, Honda of Lisle, Lisle, Ill., as "being consistent."

HYUNDAI: The growth of the Hyundai dealer group has given rise to a number of new high-volume dealers for the Korean make. Only four of the top 10 dealers were on the list for the second time, although sales leader Charles Ellinwood, Hyundai of Escondido, Escondido, Calif., was one of them.

In addition to the changes in the list, volume increased for the biggest Hyundai dealers last year. Escondido Hyundai, for example, recorded sales of 3,546 compared with 2,398 in 1986.

ISUZU: Half of the Isuzu dealers listed among the Automotive News Sales Giants were new for 1987, although the best-selling franchise, King Motor Co. of Fort Lauderdale, Fort Lauderdale, Fla., was a repeater.

Two of the top 10 Isuzu dealers cited "merchandising techniques" as a key to success last year.

Terry Rupenthal, Fountain Motor Co., Orlando, Fla., simply said management made the difference, while W. Clay King, King Motor Co., Ford Lauderdale, Fla., cited "good leadership."

The highest-volume Isuzu dealers were in the East. Only three said they were exclusives; the others were dualed with a plethora of import and domestic makes.

JAGUAR: Volumes slipped a little last year for the leading Jaguar franchises.

Hempstead Auto Co., which headed the list of top-selling Jaguar franchises in 1986 and 1987, sold 904 new units last year compared with 1,032 the previous year.

In addition to Hempstead, six other dealerships were consecutive-year Automotive News Sales Giants, including Main Auto Sales, Madison, N.J., which finished 10th two years running. Main's Jaguar sales went from 423 in 1986 to 359 in 1987.

Only three of the franchises included in the listing were in exclusively Jaguar dealerships. Dualed makes included primarily other prestigious European makes, although Main Auto Sales dualed Jaguar with Chrysler and Plymouth.

JEEP-EAGLE: The shift in ownership of American Motors and the resulting change in dealership signage didn't seem to matter to most of the top AMC dealers. When Chrysler Corp. acquired AMC in August, the high-volume dealers went right on selling.

In all, six of the 10 largest AMC dealers in 1986 were on the list of the top 10 Jeep-Eagle dealers in 1987.

continued →

TOPS IN DOLLAR SALES

Rank	Dealership	Location	1987 Sales (in Millions)
1	Polkowitz Motors	Perth Amboy, N.J.	$312.5
2	Fairway Ford	Latrobe, Pa.	260.0
3	Friendly Chevrolet	Dallas, Texas	258.3
4	Ed Morse Chevrolet	Lauderhill, Fla.	256.1
5	Stephen World of Wheels	Bristol, Conn.	236.4
6	South Bay Chrysler-Plymouth	Torrance, Calif.	234.3
7	Prospect Motors	Jackson, Calif.	227.9
8	Jordan Ford	Mishawaka, Ind.	227.1
9	Longo Toyota	El Monte, Calif.	224.9
10	Libertyville Lincoln-Mercury	Libertyville, Ill.	211.7
11	Bill Wink Chevrolet	Dearborn, Mich.	199.3
12	Penske Auto Center	New York, N.Y.	185.0
13	McInerney Ford	Orlando, Fla.	177.7
14	Jim Johnson Chevrolet	Richardson, Texas	170.4
15	Rice and Holman Ford	Mt. Laurel, N.J.	157.5
16	Bayview Cadillac	Fort Lauderdale, Fla.	155.3
17	Bob Brest Chevrolet	Lynn, Mass.	154.9
18	Gateway Toyota	Toms River, N.J.	150.1
19	Arnold Palmer Ford-L-M	Hilton Head, S.C.	150.0
20	Santa Monica Ford	Santa Monica, Calif.	144.6
21	Z. Frank Chevrolet	Chicago, Ill.	143.3
22	Lake Forest Chrysler-Plymouth	Gaithersburg, Md.	140.0
23	Luke Potter Dodge	Winter Park, Fla.	135.2
24	Arnold Palmer Motors	Latrobe, Pa.	132.0
25	Central Florida Motors	Orlando, Fla.	131.5

California has 23% of biggest dealers

If all of the Automotive News Sales Giants in California were laid end to end, they would equal nearly 23 percent of the 350 franchises included in the 1987 list.

Although the 350 franchises are scattered across 31 states and Puerto Rico, the six leading states account for nearly two-thirds — 227 franchises or 64.86 percent — of the 350.

The clustering was most prevalent in big fleet market areas and in heavily populated, high-demographic areas.

Polarization was clearly toward the Eastern half of the United States: 231 of the franchises are in dealerships east of the Mississippi River, including Puerto Rico, while 119 of the 1987 Automotive News Sales Giants are in states west of the Mississippi River, including Hawaii and Alaska.

The geographical distribution was as follows: California, 80; Florida, 44; New Jersey, 36; New York and Illinois, 23 each; Texas, 21; Massachusetts and Georgia, 16 each; Maryland, 13; Virginia, 12; Pennsylvania, nine; Minnesota and Connecticut, eight each; Colorado, six; Michigan and Ohio, five each; Missouri, four; Arizona, Indiana, Louisiana, Rhode Island, South Carolina and Washington, 2 each; Alaska, Alabama, Hawaii, Idaho, Maine, North Carolina, Oregon, Tennessee and Puerto Rico, one each.

In addition to the state by state view, there also was a pronounced clustering around major metropolitan areas.

Los Angeles, New York City, Miami, Washington, Chicago, Atlanta, Boston and Dallas proved to be the major metropolitan markets for the high-volume franchises.

As might be expected, there was heavy concentration of imported makes in the West Coast, East Coast and Gulf Coast regions, while domestic makes were relatively stronger in the North and Midwest.

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SALES GIANTS 87

continued from page 56

Leading the list for the second consecutive year was Jasper Jeep Sales, Jasper, Ga., which did not sell AMC or Renault automobiles and does not sell Eagle cars — it is exclusively Jeep.

Each of the top Jeep-Eagle dealers, including the ones that sell cars, reported that Cherokee was the most popular 1987 model.

LINCOLN-MERCURY: Last year was a big one for the leading Lincoln-Mercury dealers, particularly those who like to do fleet business.

Subtle changes in the fleet market — and Ford's newly acquired stake in the Hertz car-rental operation — opened new markets to enterprising dealers.

The L-M franchises included in the Automotive News Sales Giants in 1987 had average new-unit deliveries of 5,208 compared just 3,108 for the 1986 Sales Giants.

Only one of the top 10 franchises was dualed with anything other than Merkur, and that franchise was dualed with Ford. Many were exclusively L-M.

Fleet sales were not as important to the 10 largest L-M franchises as they were to the high-volume franchises of other makes. Only the four largest L-M dealers did more fleet than retail business.

MASERATI: The wonderful world of low-volume luxury automobiles was again very good to the top Maserati dealers.

Eight of the 10 Maserati franchises listed in the Automotive News Sales Giants for 1987 also were there for 1986, with 92 new units being the top volume in both 1986 and 1987.

The 1987 sales leader, Mark LaPrade Inc., St. Petersburg, Fla., was the second-place finisher in 1986, and the 1986 leader fell from the list in 1987.

The most-popular model designation was split between the Biturbo coupe and Spyder.

Only Grand Touring Motorcars was an exclusive dealership.

MAZDA: Sales leadership among the Mazda franchises shifted last year, as total car and truck new-unit volumes slipped.

Five of the 10 sales leaders from 1986 were back in the top 10 for 1987. However, the sales leader in 1986, Oak Tree Mazda, San Jose, Calif., slipped to third place. The 1987 sales leader, Ted Britt Mazda, Fairfax, Va., posted a car and truck new-unit sales total of 2,284.

Only two of the top Mazda franchises had any fleet sales last year.

David Allison, president and general manager of Oak Tree Mazda, cited the usual reasons for success but added candor. "Our goal for 1987 was survival," Allison said. "Strong back-end departments helped make that possible."

MERCEDES-BENZ: Most of the players among the top-selling Mercedes-Benz franchises were the same in 1987 as in 1986, but there were some changes. One of the 1986 leaders, in Dallas, was sold and became Park Place Motorcars, but it remained in the top 10. One dealership fell from the top 10 and was replaced by Prestige Motors, Paramus, N.J.

The new volume leader for 1987 was House of Imports, Buena Park, Calif.

There were other shifts in the ranks, although the company-owned store in Manhattan remained ensconced in the top 10 and the company-owned store in Hollywood, Calif., remained just below the top 10.

MITSUBISHI: The Mitsubishi dealer organization, recruited from the ranks of proven dealers, was still growing in 1987, but there were some clear volume leaders.

The sales leader in 1987 was Century Mitsubishi, Warwick, R.I., with 4,829 new-unit deliveries including 3,000 fleet units.

Half of the top 10 dealers reported fleet sales for 1987.

Century was one of seven Mitsubishi dealerships in the Eastern United States to capture spots in the top 10. Another was in Connecticut, with five others in New Jersey. The other three volume leaders were California franchises.

NISSAN: Like many import dealer groups, the top-volume Nissan franchises remained essentially intact from 1986 to 1987 — with seven repeaters among the top 10.

But Nissan's leading dealers this year averaged fewer new-unit sales. Despite the leaner times,

continued →

PARTS & SERVICE LEADERS

Rank	Dealership	Location	1987 parts & service vol.
1	Jim Slemons Imports	Newport Beach, Calif.	$20.9
2	Sewell Village Cadillac-Sterling	Dallas, Texas	20.0
3	Friendly Chevrolet	Dallas, Texas	18.5
4	Jim Lupient Oldsmobile	Minneapolis, Minn.	16.5
5	Martin Cadillac Co.	Los Angeles, Calif.	15.5
6	South Bay Chrysler-Plymouth	Torrance, Calif.	15.1
7	Longo Toyota	El Monte, Calif.	14.9
8	Penske Auto Center	New York, N.Y.	14.0
9	Parkway Isuzu	Chesapeake, Va.	13.4
10	Roger Penske Cadillac	Downey, Calif.	12.9
11	House of Imports	Buena Park, Calif.	12.7
12	Freeman-Olds-Mazda	Irving, Texas	12.1
12	Mossy Oldsmobile	Houston, Texas	12.1
14	King Motor Co.	Fort Lauderdale, Fla.	11.7
15	Rice and Holman Ford	Mt. Laurel, N.J.	11.5
16	Dyer & Dyer	Chamblee, Ga.	11.1
17	Jim Johnson Chevrolet	Richardson, Texas	11.0
18	Stephen World of Wheels	Bristol, Conn.	10.9
18	Browning Olds-Subaru	Cerritos, Calif.	10.9
20	Henry Faulkner Inc.	Philadelphia, Pa.	10.8
20	Doran Chevrolet-Peugeot	Dallas, Texas	10.8
22	Meier Cadillac-Sterling	Dallas, Texas	10.5
23	Ed Morse Chevrolet	Lauderhill, Fla.	10.4
24	Lou Ehlers Cadillac-Sterling	Los Angeles, Calif.	10.3
25	ABC Nissan	Phoenix, Ariz.	10.2
25	Toyota of Cerritos	Cerritos, Calif.	10.2

Service volume not full gauge of dealership's overall ranking

Sometimes it is possible to relate parts and service dollar volume to new-unit sales volume. It would stand to reason that if a dealership moves a lot of cars and trucks, there would be a pretty good owner base to boost the parts and service business.

Slemons

It's not necessarily true. The Automotive News Sales Giants dealership with the highest parts and service volume — nearly $21 million — was Jim Slemons Imports, a Newport Beach, Calif., Mercedes-Benz dealership with 216 employees that sold 1,261 new Mercedes-Benz units and 1,029 used units last year, ringing up total dealership sales of $96.7 million.

The store was only the fifth largest Mercedes-Benz franchise in unit sales, and was not among the Automotive News Sales Giants top 25 for total new-unit sales, retail new-unit sales or total dollar sales.

Slemons owns four other dealerships.

He reported that parts and service dollar sales amounted to 21.61 percent of his total sales for the Mercedes dealership in 1987.

That compares to an Automotive News Sales Giants average of 8.63 percent last year.

The 10th highest parts and service dollar volume — $12.9 million — was reported by Roger Penske Cadillac, Downey, Calif., which equaled 10.57 percent of that dealership's total sales.

Parts and service accounted for just 6.63 percent of total sales at Penske's Longo Toyota, the highest-volume retail unit franchise.

Of the top 25 parts and service dealerships, just 10 are primarily import stores.

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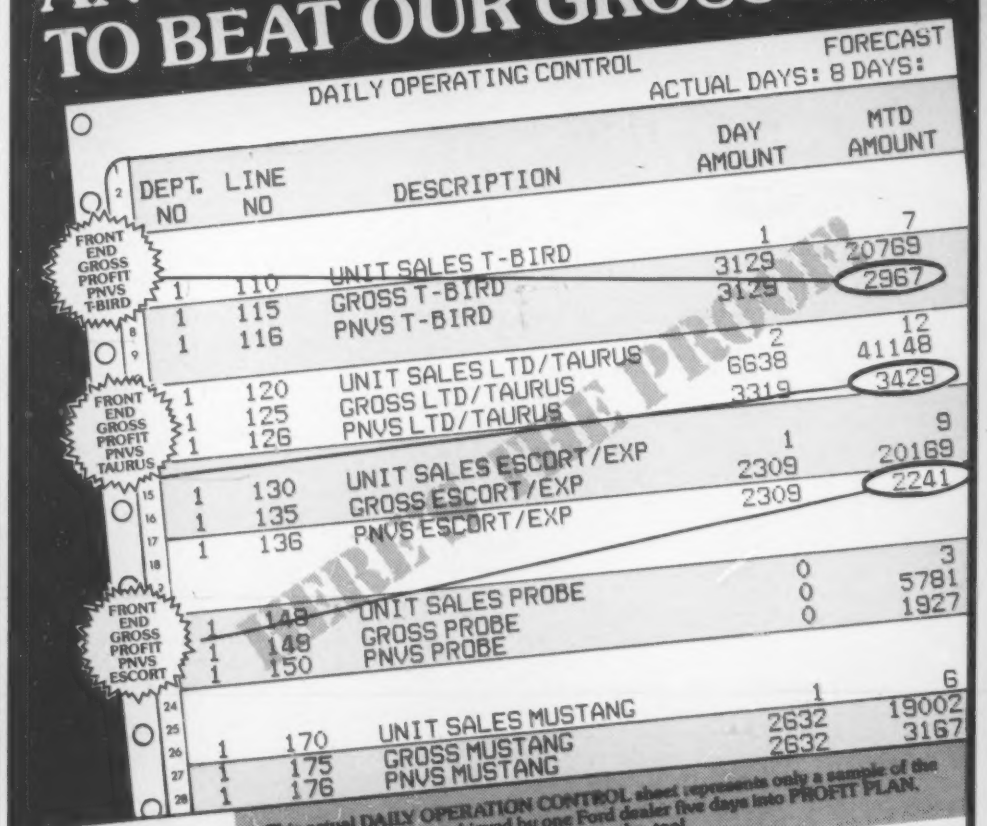
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SALES GIANTS 87

Used-vehicle sales important to pacesetters in new units

Many of the new-car dealers with franchises listed among the Automotive News Sales Giants augmented new-car profits with healthy used-unit business in 1987.

Not surprisingly, the franchises that emphasize high-volume retail new-car and truck sales, rather than fleet deliveries, tended to do the most retail used-car business, because of the stimulus and support that the used-car business provides.

Johnson

The top 10 used-unit retailers included five primarily domestic-make dealerships and five primarily import dealerships.

Jim Johnson Chevrolet, Richardson, Texas, topped the list of used-unit retailers by using two lots and selling 3,800 units in 1987. "You've got to keep them (used units) moving to make room and keep the new ones moving," he said.

His company's emphasis on used vehicles and trade-ins is almost a necessity — it supported 7,748 retail and 1,569 fleet sales last year. It tallied enough new-unit sales to rank his Chevy franchise No. 24 among the 350 Automotive News Sales Giants.

Johnson also has a used-car wholesale lot that holds its own auction, moving some 75 to 85 units weekly.

continued from page 57

none of the leading Nissan franchises dualed with another make in 1987.

Nissan's sales leader for both 1986 and 1987 was ABC Nissan, Phoenix, Ariz., although its car and truck new-unit sales declined from 5,742 in 1986 to 4,923 in 1987.

OLDSMOBILE: The most notable absence from the list of the top 10 volume Oldsmobile dealers in 1987 was Dale Oldsmobile, the Bronx (N.Y.) franchise that perpetually dominates the field with staggering fleet deliveries.

Dale led not only the Oldsmobile list in 1986, but also the entire Automotive News Sales Giants listing for all import and domestic franchises, with 26,565 new-unit sales.

Only one other 1986 high-volume Oldsmobile franchise slipped from the top 10 in 1987, leaving eight repeaters.

PEUGEOT: Only five of the 1986 Peugeot top-volume franchises made it back to the Automotive News Sales Giants for 1987.

In 1987, volumes for Peugeot's Sales Giants declined — from the 325 units sold by 1986 sales leader Maplewood Peugeot, Maplewood, N.J., to the 225 units sold by 1987 sales leader Exotic Motors, Bellevue, Wash.

In one of the major year-to-year shifts, Autos Vega, San Juan, Puerto Rico, jumped from ninth place with 139 deliveries in 1986 to third place with 178 new-unit sales in 1987.

PONTIAC: Some of the players were different for 1987, and some of the players who were included in the Automotive News Sales Giants for both 1986 and 1987 shifted rankings, but volume remained good for the top-selling Pontiac franchises last year.

Stephen World of Wheels, Bristol, Conn., was the new-unit sales leader in 1987 with 12,626 deliveries, virtually identical to the 12,669 units sold by 1986 sales leader JM Pontiac, Hollywood, Fla.

Grand Am took on new importance to Pontiac dealers last year as the unanimous best-selling model among franchises that emphasized fleet sales as well as those that emphasized retail sales.

One of the newcomers to the Automotive News Sales Giants, Jim Fresard, Jim Fresard Pontiac, Royal Oak, Mich., had a unique perspective on success: "The most important factor is community involvement, and most of our customers are loyal to us," Fresard said.

PORSCHE: Rising product prices, the falling U.S. dollar, radically higher entry-level models and some dealer group dissension did little to alter the composition of the top 10 volume Porsche dealers in 1987, although unit sales fell.

The sales leader in 1987 was once again Forest Lane Porsche-Audi-Alfa Romeo, Dallas, although that franchise's total dipped from 558 new-Porsche sales in 1986 to 365 in 1987.

In all, seven Porsche franchises repeated as top 10 performers.

RANGE ROVER: When Range Rover started building its dealer organization in early 1987, it followed a common import practice: It signed dealers who were proven winners with their existing franchises.

Therefore, it is not surprising that most of the Range Rover franchises in the 1987 Automotive News Sales Giants listing are held by dealers who have other franchises listed among the Sales Giants for various other makes.

It also is not surprising that all of the top 10 Ranger Rover franchises were dualed with other high-demographic makes.

The sales leader, with less than a full year of operation, was HBL Inc., Vienna, Va., with 118 Range Rover sales.

ROLLS-ROYCE: There was great stability among the high-volume Rolls-Royce franchises in the United States in 1987.

The sales leader, with two showrooms — one in New York and one in Greenwich, Conn. — was once again Carriage House Motor Car. That franchise is not only the largest one in the United States, it is the largest Rolls-Royce dealership in the world, with 186 new-unit sales last year.

Eight of the 1987 top 10 Rolls-Royce dealers also were among the leaders in 1986, giving that marque high-volume roster stability second only to Mercedes-Benz.

While Carriage House, by virtue of its volume, is easily able to stand alone as an exclusive in two high-rent showrooms, only one other Rolls-Royce franchise was in an exclusive dealership. The rest were dualed with premium European makes.

SAAB: Although the 1987 Saab sales leadership went to the 1986 leader — Ramsey Saab, Ramsey, N.J. — with an identical 752 new-unit sales in both years, there was more turnover among the top 10 than for most makes.

Only four of the 1986 Saab Automotive News Sales Giants were on the list for 1987. The three other returning veterans were second-place Zumbach Sports Cars, Ltd., New York; third-place Stohlman Saab, Alexandria, Va.; and sixth-place Mark Singleton Saab, Smyrna, Ga.

In one irony, Hanley Dawson Toyota-Saab, Chicago, operated by dealer Hanley Dawson Jr., replaced Patrick Saab, Schaumburg, Ill., operated by dealer Hanley Dawson III, in the top 10.

STERLING: The link between Sterling and Cadillac is tight, as evidenced by 1987's list of the marque's top dealers.

The dealer organization signed by Austin Rover Cars of North America relied heavily on the fellow Cadillac dealers of entrepreneur Norman Braman, who recently sold his interest in Austin Rover Cars of North America to Britain's Austin Rover Group.

In all, six of the top 10 Sterling franchises were dualed with Cadillac, and a seventh was owned by a Cadillac dealer who used a separate showroom at his Cadillac facility.

Half of the top 10 Sterling franchises are held by dealers with other franchises listed in the 1987 Automotive News Sales Giants, and two others were included in the 1986 listing.

SUBARU: The Subaru sales-leader group is another that underwent some changes last year, as half of the 1986 top 10 did not repeat their sales leadership performances in 1987.

Three of the franchises listed in 1986 changed hands and another was relinquished and the store converted to Jeep-Eagle.

SUZUKI: The controversy in Washington and at Customs checkpoints elsewhere about whether the Suzuki is a car or a truck apparently meant little or nothing to the Suzuki dealers included in the 1987 Automotive News Sales Giants listing.

Although six of the franchises are in exclusive facilities, they are owned by experienced dealers, many of whom have top-performing franchises from other makes included in the listing.

Many of the top-selling Suzuki dealers reported the most demand for the lower-priced, stripped models, which they said entry-level customers preferred but which also gave sales personnel the flexibility to create individualized option and accessory packages.

TOYOTA: Toyota sales leadership in 1987 once again belonged to the Penske organization's Longo Toyota, El Monte, Calif. Longo

continued →

FLEET LEADERS 87

Rank	Franchise	Location	1987 Fleet Units
1	Ed Morse Chevrolet	Lauderhill, Fla.	22,837
2	The Chevrolet Collection	Miami, Fla.	18,251
3	Friendly Chevrolet	Dallas, Texas	18,053
4	Fairway Ford	Latrobe, Pa.	17,000
5	Bill Wink Chevrolet	Dearborn, Mich.	15,618
6	Jordan Ford	Mishawaka, Ind.	15,255
7	Polkowitz Motors (Cadillac)	Perth Amboy, N.J.	13,429
8	Stephen World of Wheels (Pontiac)	Bristol, Conn.	12,117
9	Bob Brest Chevrolet	Lynn, Mass.	12,070
10	Lake Forest Chrysler-Plymouth	Gaithersburg, Md.	12,000
11	Arnold Palmer Ford L-M (L-M)	Hilton Head, S.C.	11,000
12	Prospect Motors (Chevrolet)	Jackson, Calif.	10,480
13	Santa Monica Ford	Santa Monica, Calif.	10,421
14	Libertyville Lincoln-Mercury	Libertyville, Ill.	10,400
15	Z. Frank Chevrolet	Chicago, Ill.	8,700
16	South Bay Chrysler-Plymouth	Torrance, Calif.	8,580
17	Kendall Toyota	Miami, Fla.	8,511
18	Luke Potter Dodge	Winter Park, Fla.	8,494
19	Bast Chevrolet	Seaford, N.Y.	8,422
20	McInerney Ford	Orlando, Fla.	8,005
21	Delorme Chevrolet	Inglewood, Calif.	7,990
22	Penn Pontiac	Baltimore, Md.	7,808
23	Freeway Dodge	Bloomington, Minn.	7,793
24	Rice and Holman Ford	Mt. Laurel, N.J.	7,443
25	Precision Chrysler-Plymouth	Winter Haven, Fla.	7,380

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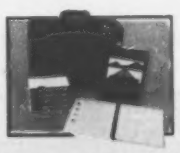

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SALES GIANTS 87

continued from page 58

rang up 19,452 new-vehicle sales and the highest volume of retail deliveries — 12,744 cars and trucks — of any make.

Second-place Kendall Toyota, Miami, posted total car and truck new-unit sales of 12,511, and third-place Gateway Toyota, Toms River, N.J., recorded 12,099 deliveries.

The Toyota sales leadership was so stable that eight of the top 10 volume franchises in 1987 also were among the Automotive News Sales Giants for 1986.

All of the top 10 Toyota franchises were in single-make points.

VOLKSWAGEN: Every top-selling Volkswagen dealer in 1987 had the same success story: Jetta.

Four of the 1987 high-volume VW dealers were new, including sales leader Tynan Volkswagen, Aurora, Colo., which sold 1,647 new units last year. The 1986 sales leader, Jim Ellis Volkswagen, Atlanta, finished second last year even though its new-unit sales increased from 1,483 in 1986 to 1,523 in 1987.

One of the other new entries was sold near the end of the year, so Leon Felton Co., San Raphael, Calif., became Sonnen Motors in the 1987 listing, with 922 new-unit sales.

VOLVO: There were extensive changes in the Volvo sales leadership ranks in 1987.

The top spot in both 1986 and 1987 went to Dyer & Dyer, Chamblee, Ga. It was one of six repeaters from 1986 on the list of Automotive News Sales Giants.

However, volumes were down. Dyer & Dyer reported 2,694 new-Volvo sales in 1986 but 1,861 in 1987. Tenth place (968 units) in 1986 would have been good enough for sixth place last year. Meanwhile, the 10th place finisher last year registered 653 units.

In 1986, eight of the top Volvo franchises were in exclusive locations. In 1987, there were seven exclusives among the top 10.

YUGO: "A person spending $4,000 is just as important to us as the person spending $25,000," said Sidney Oko, Liberty Buick, Libertyville, Ill., a top 10 Yugo dealer and a top 10 Buick dealer.

"When you ask someone to spend more money than they carry in their wallet, then you are asking a lot," Oko said.

The top 10 Yugo dealers in 1987 included experienced dealers who carried a wide range of other makes, including domestics as well as European and Japanese imports.

Only two of the 10 Yugo sales leaders were in exclusive points, demonstrating the interdependence of multi-franchise operations.

Automotive News Sales Giants was coordinated and written by Edward Lapham with research by Automotive News Staff Reporters Kathy Barbaglia, Laura Clark, Mary Connelly, Matt DeLorenzo, Arthur Flax, Edmund Fitzgerald, Francis J. Gawronski, Louise Kertesz, Dutch Mandel, Roger Rowand, John Russell, Jesse Snyder, Geoff Sundstrom, Charles M. Thomas and David Versical. Additional research was performed by Special Correspondents Jeanette Marie Bryant, Natalie Lockett and Marianne McGuire. Graphics are by Lance Graves.

Big fleet stores dominate list of top sellers

New-car dealers who believe that automobiles are sold one at a time to retail customers hate to admit it, but fleet sales have become very important.

Despite the insistence of some non-fleet dealers that fleet dealers are given too many vehicle order-and-supply advantages, and that the thin margins and drop-ship delivery techniques mean that most fleet-order vehicles never come anywhere near the dealership, fleet sales count with factories.

Among the 350 separate franchises that comprise the Automotive News Sales Giants, fleet sales accounted for nearly half of all new-vehicle deliveries made by those franchises in 1987.

Fleet sales have become so important that only five of the 25 top-selling Automotive News Sales Giants were not also high-volume fleet dealers. And only one of the top 10 — high-volume retailer Longo Toyota — was not among the 10 largest fleet franchises.

The correlation between fleet sales leadership and leadership in total sales was obvious.

Ed Morse Chevrolet, Lauderhill, Fla., was the largest fleet franchise as well as the top-selling total-volume franchise among the Automotive News Sales Giants.

The fleet total for dealerships and dealer organizations with several top-selling franchises helps put the picture in sharper focus.

Prospect Motors of Jackson, Calif., for example, ranked as the 12th largest fleet-sales franchise with 10,480 Chevrolet units. However, the dealership sells all five General Motors car makes and also was one of the 10 top-volume franchises for Cadillac, Oldsmobile and Pontiac. Total fleet sales for all five of the GM passenger-car franchises was 20,590 — from one location.

Although organizations that are strong in fleet sales tend to remain strong year after year, there is an ebb and flow. When Ford Motor Co. acquired Hertz, there were some not-so-subtle shifts in the fleet market currents.

Dale Oldsmobile, Bronx, N.Y., is the perfect example. In 1986, the dealership was the highest-volume new-car dealership in the country with 26,565 new Oldsmobile sales, including 24,715 fleet sales.

In 1987, with the shift in fleet buying, Dale Oldsmobile fell from the ranks of the largest dealers.

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May 25 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; and Minneapolis Auto Auction, Plymouth, Minn.

May 26 — Northway Exchange, Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Southwest Auto Auction, Phoenix, Ariz.

May 27 — Manheim Auto Auction, Manheim, Calif.

May 31 — Florida Auto Auction of Orlando, Ocoee, Fla.; Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; and Riverside Auto Auction, Riverside, Calif.

Ford Motor Co.

May 24 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

May 25 — Lakeland Auto Auction, Lakeland, Fla.

May 26 — Greater Houston Auto Auction, Houston; Interstate Auto Auction, Mercer, Pa.; Skyline Auto Exchange, Fairfield, N.J.; 166 Auto Auction, Springfield, Mo.; and St. Louis Auto Auction, Bridgeton, Mo.

June 1 — Atlanta Auto Auction, Red Oak, Ga.; Columbus Fair Auto Auction, Obetz, Ohio; Concord Auto Auction, Acton, Mass.; and Southern California Auto Auction, Fontana, Calif.

General Motors

May 24 — Harrisonburg Auto Auction, Harrisonburg, Va.; Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; South Seattle Auto Auction, Kent, Wash.; and Auto Dealers Exchange of Birmingham, Moody, Ala.

May 25 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; Riverside Auto Auction, Riverside, Calif.; and Omaha Auto Auction, Omaha, Neb.

Used Car Sales
Auction Averages

May 88	$5,795
Month ago	$5,712
Year ago	$5,877

Model Breakdown
Auction Averages

	MAY 1988	APR 1988	MAR 1988
1988	$12,611	$12,483	$12,283
1987	$8,694	$8,638	$8,682
1986	$7,197	$7,420	$8,927
1985	$5,673	$5,904	$5,837
1984	$4,523	$4,438	$4,380
1983	$3,796	$3,792	$3,765
1982	$2,450	$2,398	$2,534
1981	$1,989	$1,937	$1,906
Overall Average	$5,795	$5,722	$5,589

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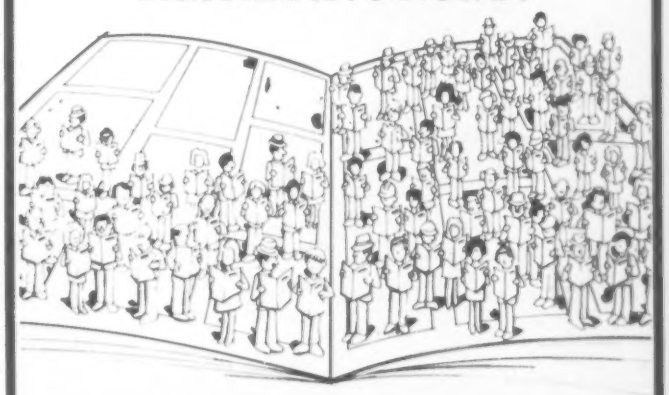

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Trade deficit in vehicles drops 10%

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The U.S. automotive trade deficit in passenger cars and light trucks declined 10.4 percent in February, compared with a year ago. The improvement resulted from a a 27 percent increase in exports and a 4.7 percent dip in imports.

Trade numbers from the U.S. Commerce Department show a trade deficit for passenger cars and light trucks of $3.476 billion for February. Total car and truck exports were valued at $887.7 million during the month, and car and truck imports totaled $4.364 billion. The automotive trade deficit for February 1987 was $3.880 billion.

Exports of passenger cars were 68,812 units with an estimated value of $712.6 million in February, while light-truck exports for the month were 17,625 vehicles with an estimated value of $175.1 million. Passenger-car exports to Japan rose by 525 units, and exports to Canada increased by 4,730 units. Exports to other countries rose by 3,324 units.

On the import side, both the value and quantity of car and truck shipments from Japan and European countries declined compared with a year ago. South Korea, Mexico and Brazil continued to post big increases in car shipments, however. Yugoslavia also scored a sizable increase.

Japanese car imports dropped 16.7 percent for the month while truck imports were off 40.9 percent. Japan shipped 156,798 cars to the United States in February, down from 188,261 a year ago. Truck shipments were 46,084 units, down from 78,020 a year ago.

West Germany, the United Kingdom, Sweden, Italy and France all shipped fewer cars to the United States in February 1988 than in February 1987. German shipments were off 34.1 percent. British manufacturers exported 42.1 percent fewer vehicles for the month, and Sweden's shipments were down 66.6 percent.

Italian and French manufacturers sent 88.1 percent and 72.2 percent fewer vehicles, respectively, to the United States for the month.

Conversely, imports from South Korea increased 132 percent from a year ago. Mexico jumped to 12,931 units, up from 457 last year. Brazilian imports were 5,678 units for the month, up from 150 vehicles shipped in February 1987. Yugoslavian imports increased 43.9 percent.

The value of car and truck imports was $4.364 billion in February, down 4.7 percent from $4.579 billion in the year-earlier period. There were 442,370 finished vehicles imported to the United States in February, compared with 477,880 vehicles in February last year.

Imports of passenger cars totaled 369,230 for the month with a value of $3.780 billion.

U.S. AUTOMOTIVE TRADE BY VALUE

(x $1,000)

Passenger cars

Country	Trade	Feb. 1987	Feb. 1988	Mar. 1986-Feb. 1987	Mar. 1987-Feb. 1988
Japan	Export	$ 4,056	$ 13,087	$ 44,502	$ 88,380
	Import	1,593,277	1,437,244	21,372,186	21,223,809
Canada	Export	521,754	599,466	5,552,822	5,876,643
	Import	1,065,788	1,171,462	11,643,606	10,383,797
West Germany	Import	753,188	540,789	8,182,701	8,700,263
South Korea	Import	98,210	247,665	963,285	2,364,961
Sweden	Import	212,099	83,705	1,639,843	1,840,277
Mexico	Import	8,616	110,035	371,385	1,267,729
Yugoslavia	Import	87,398	15,645	183,692	142,907
United Kingdom	Import	48,979	85,144	730,668	1,190,383
Italy	Import	88,135	19,474	237,649	189,679
France	Import	6,855	10,540	121,713	214,513
Brazil	Import	600	31,833	1,225	297,513
Others	Export	61,741	100,018	500,628	994,752
	Import	12,989	26,210	169,110	311,195
Car total	Export	587,551	712,570	6,097,952	6,959,776
	Import	3,976,076	3,779,727	45,767,095	43,126,796
Trade balance		(3,388,525)	(3,067,157)	(39,669,113)	(41,167,020)
Light trucks (up to 10,000 lbs. GVW)					
Canada	Export	$ 104,001	$ 161,854	$ 1,516,641	$ 1,637,815
	Import	168,351	310,371	2,244,504	2,007,583
Japan	Import	421,768	261,748	4,975,748	3,996,753
Mexico	Import	11,343	151	135,107	71,122
Others	Export	7,683	13,293	122,289	230,284
	Import	1,846	12,094	69,565	83,461
Truck total	Export	111,684	175,147	1,638,930	1,868,099
	Import	603,308	584,365	7,414,924	6,158,898
Trade balance		(491,624)	(409,218)	(5,775,994)	(4,290,799)
Car and truck total	Export	699,235	887,717	7,736,882	8,827,875
	Import	4,579,384	4,364,092	53,181,999	54,285,694
VEHICLE TRADE BALANCE		(3,880,149)	(3,476,375)	(45,445,107)	(45,457,819)
TOTAL U.S. Merchandise trade (customs value)	Export	19,360,300	23,559,300	218,202,000	262,639,600
	Import	32,306,700	35,817,700	368,225,100	415,162,900
TRADE BALANCE		(12,946,400)	(12,258,400)	(150,023,100)	(152,523,300)

U.S. AUTOMOTIVE TRADE BY QUANTITY

Passenger cars

Country	Trade	Feb. 1987	Feb. 1988	Mar. 1986-Feb. 1987	Mar. 1987-Feb. 1988
Japan	Export	280	805	2,864	5,736
	Import	188,261	156,798	7,583,607	2,387,338
Canada	Export	55,365	60,095	604,982	571,008
	Import	97,687	107,303	1,128,505	951,632
West Germany	Import	35,217	23,193	429,073	363,171
South Korea	Import	19,548	45,432	203,748	456,289
Sweden	Import	16,033	5,357	147,076	128,505
Mexico	Import	457	12,931	36,402	139,208
Yugoslavia	Import	4,208	6,057	42,562	55,848
United Kingdom	Import	5,364	3,105	31,279	48,582
Italy	Import	8,916	1,057	19,553	9,088
France	Import	2,603	749	12,751	21,804
Brazil	Import	150	5,678	336	58,597
Others	Export	4,588	7,912	37,048	74,353
	Import	737	1,570	12,150	20,240
Car total	Export	60,233	68,812	644,814	651,097
	Import	379,271	369,230	4,646,766	4,640,302
TRADE BALANCE		(319,038)	(300,418)	(4,001,952)	(3,989,205)
Light trucks (up to 10,000 lbs. GVW)					
Canada	Export	11,612	16,467	167,213	166,969
	Import	19,030	27,035	243,917	203,916
Japan	Import	78,020	46,084	967,145	719,796
Mexico	Import	1,485	1	17,876	8,777
Others	Export	799	1,158	10,733	18,349
	Import	74	20	1,031	642
Truck total	Export	12,411	17,625	177,946	185,319
	Import	98,609	73,140	1,229,969	933,131
Trade balance		(86,198)	(55,515)	(1,052,023)	(747,812)
Car and truck total	Export	72,644	86,437	822,760	836,416
	Import	477,880	442,370	5,876,735	5,573,433
TRADE BALANCE		(405,236)	(355,933)	(5,053,975)	(4,737,017)

Compiled by Automotive News from official statistics of the U.S. Commerce Department, as reported by the U.S. International Trade Commission. Because of rounding, figures may not add to the totals shown.

Saab calls a halt to bus output in U.S., cites curbs on purchases

ORANGE, Conn. — Saab-Scania announced it will discontinue bus production in the United States. The company's plant here employs 120 persons and will close this summer.

Ingvar Erickson, managing director of the Scania Division in Sweden, said demand for city buses has fallen far below forecasts. Optimistic forecasts were the motivating factor in establishing the plant.

Since the federal government subsidizes most municipal bus purchases and requires communities to accept the lowest bid, Saab has not been able to sell its buses at a profit, Erickson said.

Robert J. Sinclair, president of Saab-Scania of America, which operates the plant, said the U.S. system of low bid, regardless of proven quality or economy of operation, has made it impossible for the present Saab customers to buy more buses.

The operation was established five years ago. A total of 220 Saab buses have been built in the United States. The first bus was produced in September 1984.

UAW claims victory at Mack

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

The UAW last week claimed that a majority of the approximately 900 workers at Mack Trucks' new Winnsboro, S.C., plant want to join the union.

The UAW requested that Mack have its workers' union authorization cards checked, in accordance with an arbitrator's June 1987 decision.

A UAW spokesman said that the arbitrator's decision spelled out transfer rights to the new plant for Mack workers in Pennsylvania and Maryland and called for a "respected third party" to check whether a majority of Winnsboro workers signed authorization cards.

If the card check warrants, Mack is obligated to recognize the union at Winnsboro.

The union claims that Mack has fought union representation at Winnsboro since its 1985 decision to close its plant in Allentown, Pa., and build a new plant in South Carolina.

The spokesman said that about 370 workers transferred to Winnsboro from Mack plants in Pennsylvania and Maryland. The other workers were hired locally.

A Mack spokeswoman said last week, "We don't believe the UAW represents a valid majority at Winnsboro" and said Mack planned to respond to the union's request for a card check "by the end of business Friday."

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PRODUCTION

Car output holds steady at 167,564

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Last week's scheduled domestic auto production of 167,564 was 105 units or 0.06 percent below the prior week's build of 167,669 but was 12.53 percent above the year-ago week's 148,911.

So far this year, 2,834,967 cars have been assembled by U.S. automakers, 9.41 percent less than the 3,129,530 completed last year at this point.

Companies split last week's scheduled output as follows: General Motors, 48.01 percent; Ford Motor Co., 26.24 percent; Chrysler Motors, 14.98 percent; Honda of America Manufacturing Inc., 4.48 percent; New United Motor Manufacturing Inc., 1.94 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.60 percent; Nissan Motor Manufacturing Co. U.S.A., 1.56 percent; and Volkswagen of America, 1.19 percent.

Truckmakers estimated output at 90,374 units last week. That was 5.46 percent more than the previous week's 85,696 and 13.83 percent more than the year-ago week's 79,397.

Year-to-date, 1,691,637 trucks have been assembled, 11.41 percent more than the 1,518,336 built last year at this time.

The Cadillac Allante line at GM's Detroit-Hamtramck plant was idle last week for inventory adjustment. Production is scheduled to resume today.

GM's medium and heavy truck lines at its Pontiac, Mich., plant also were down last week for inventory adjustment. Output is slated to resume today.

Overtime was slated last Saturday for the following GM plants: Detroit-Hamtramck; Lansing, Mich.; Lordstown, Ohio; Wentzville, Mo.; Willow Run, Mich.; Arlington, Texas; Lakewood, Ga.; Baltimore; Pontiac, Mich.; Fort Wayne, Ind.; Shreveport, La; and Morain, Ohio.

GM, Honda hike Canada's total

Year-to-date production of cars in Canada continues to increase over the year-ago period with help from General Motors and Honda of Canada Manufacturing Inc.

So far this year, 470,620 cars have been built, 42.23 percent more than the 330,876 completed last year at this time.

GM is 96,001 cars ahead of last year and 66,287 of them are the new front-wheel-drive Buick Regals.

Honda, which began building cars in Canada at the start of 1987, has built 13,419 cars so far this year compared with 3,766 during the same period a year-ago.

Last week's scheduled car output totaled 24,863, 9.01 percent below the previous week's 27,325 but 77.99 percent above the year-ago week's 13,969.

The year-ago week's total reflected downtime at several plants for model changeover.

Truck production was targeted at 18,485 units last week, 6.72 percent below the prior week's 19,817 but 24.77 percent more than the year-ago week's 14,815.

U.S. CAR	Week Ended May 21, 1988	Week Ended May 23, 1987	Week Ended May 14, 1988	May to Date	Jan. 1 to May 21, 1988	Jan. 1 to May 23, 1987
Alliance	0	870	0	0	0	14,087
Total Eagle	0	870	0	0	0	14,087
Horizon	2,100	0	2,157	6,440	37,425	32,997
Sundance	1,800	1,654	1,581	5,254	41,797	43,657
Reliant	2,600	2,118	2,726	7,960	40,167	49,599
Caravelle	500	1,104	546	1,515	8,425	23,114
Gran Fury	200	166	324	808	4,980	1,418
Total Plymouth	7,200	5,042	7,334	21,977	132,794	150,785
LeBaron K	400	1,521	397	1,296	7,539	35,131
LeBaron J	2,200	3,254	2,375	6,496	27,824	45,721
LeBaron GTS	150	795	173	509	3,419	17,505
N. Yorker E-Class	0	1,666	0	0	0	35,701
N. Yorker C-Class	2,700	0	2,909	8,423	46,845	0
Fifth Avenue	200	1,431	311	840	13,403	15,179
Total Chrysler	5,550	8,667	6,165	17,564	97,330	149,237
Omni	2,000	0	2,178	6,290	37,220	28,363
Daytona	2,200	1,624	2,376	6,500	26,965	22,253
Shadow	2,200	1,959	2,095	6,869	43,651	42,834
Aries	2,500	2,805	2,591	7,377	34,371	46,846
Dodge 600	500	988	452	1,414	7,512	20,338
Dynasty	2,300	0	2,376	7,007	44,737	0
Lancer	150	535	163	530	4,378	11,234
Diplomat	400	394	489	1,414	9,368	2,225
Total Dodge	12,250	8,303	12,720	37,401	208,202	174,093
CHRYSLER MOTORS	25,100	22,882	26,219	76,942	438,326	488,202
Escort	11,126	9,174	9,493	29,958	146,946	150,049
Mustang	4,265	4,563	4,136	12,573	85,657	88,809
Tempo	3,959	3,968	4,067	12,122	80,602	79,071
Taurus	8,772	7,840	9,791	26,292	161,681	160,466
Thunderbird	3,549	4,123	3,517	9,938	64,358	66,354
Total Ford Div.	31,671	29,668	30,004	90,883	539,244	564,749
Lynx	0	263	0	0	0	18,903
Topaz	1,543	1,472	1,474	4,437	29,998	25,275
Cougar	2,367	2,723	2,530	7,757	48,803	66,406
Sable	3,519	2,593	3,491	10,534	56,424	56,955
Total Mercury	7,429	7,051	7,495	22,728	135,228	167,539
Continental	1,070	407	959	3,146	18,392	7,517
Mark VII	549	619	476	1,569	10,300	11,236
Lincoln	3,254	3,074	2,865	9,446	59,406	56,255
Total Lincoln	4,873	4,100	4,300	14,161	88,098	75,008
Total L-M Division	12,302	11,151	11,795	36,889	223,326	242,547
FORD MOTOR CO.	43,973	40,819	41,799	127,772	762,570	807,296
Skyhawk	0	234	0	0	11,350	13,945
Skylark/Somerset	1,775	1,106	1,805	5,416	17,439	31,042
Century	3,270	3,767	3,200	9,660	39,719	77,109
Regal (rwd)	0	954	0	0	0	18,709
Riviera	154	238	127	428	2,793	7,091
Electra	2,188	2,419	2,532	7,090	33,736	41,972
LeSabre (fwd)	2,500	3,682	2,500	7,500	51,686	47,919
LeSabre (rwd)	273	20	285	833	3,862	4,854
Reatta	196	0	192	542	2,160	0
Total Buick	10,356	12,420	10,641	31,468	162,745	242,641
Cimmaron	0	183	57	170	3,696	6,544
Eldorado	1,210	585	1,001	3,381	16,784	7,391
Seville	723	522	590	2,014	10,554	9,917
Brougham (rwd)	977	1,136	977	2,931	14,848	33,000
Deville (fwd)	3,540	2,912	3,542	10,637	74,140	67,853
Allante	0	132	39	104	969	1,417
Total Cadillac	6,450	5,470	6,206	19,237	120,991	126,122
Cavalier	8,967	7,620	8,890	25,007	140,595	149,857
Camaro	2,373	2,456	2,369	7,314	33,454	42,551
Celebrity	5,080	3,123	5,051	15,271	70,043	151,942
Corsica/Beretta	9,358	6,246	9,278	27,918	163,212	108,455
Monte Carlo	0	1,826	0	0	0	29,122
Caprice	4,590	1,899	3,869	12,816	78,360	88,421
Corvette	445	632	450	1,343	8,595	12,213
Total Chevrolet	30,813	28,802	29,907	89,669	494,259	582,561
Calais	3,025	3,519	3,029	9,003	45,669	50,522
Firenza	0	165	0	0	5,220	3,699
Cutlass Ciera	500	2,586	271	771	771	74,006
Cutlass Supreme	4,130	1,150	4,408	12,533	84,614	29,550
Toronado	487	536	410	1,368	7,454	7,283
88 (fwd)	3,427	2,136	4,053	11,442	67,014	82,511
88 (rwd)	220	369	228	716	5,183	7,756
Olds 98	1,399	971	1,629	4,812	33,963	31,321
Total Oldsmobile	13,388	11,432	14,028	40,645	249,888	290,246
Sunbird	2,713	2,254	2,602	7,607	43,585	47,776
Grand Am	6,280	5,306	6,304	17,885	98,700	104,851
Firebird	1,735	1,730	1,651	4,864	25,155	32,733
Grand Prix	3,423	0	3,789	10,821	47,398	0
Pontiac 6000	1,788	2,190	1,876	5,502	31,382	34,305
Bonneville	2,733	0	3,224	9,099	43,855	56,851
Safari/Parisienne	273	0	239	739	3,563	4,848
Fiero	504	0	493	1,509	8,214	15,089
Total Pontiac	19,449	11,474	20,158	58,026	301,852	296,453
GENERAL MOTORS	80,456	69,598	80,940	239,045	1,329,735	1,538,023
HONDA	7,500	6,600	6,091	22,812	147,855	132,554
Civic	2,340	3,033	2,351	6,506	38,599	42,139
Accord	5,160	3,567	5,740	16,306	109,256	90,415
MAZDA†	2,675	0	2,313	7,266	32,689	0
NISSAN	2,610	3,007	2,678	7,804	37,953	56,442
NUMMI	3,250	4,005	3,336	9,902	64,262	77,127
Corolla	1,200	875	1,205	3,620	23,654	15,719
Nova	2,050	3,130	2,131	6,282	40,608	61,408
VOLKSWAGEN	2,000	2,000	2,293	4,293	21,577	29,886
Golf/GTI	2,000	1,750	2,293	4,293	16,024	24,936
Jetta	0	250	0	0	5,553	4,950
Total Cars, U.S.	167,564	148,911	167,669	495,836	2,834,967	3,129,530
Total Cars, Canada	24,863	13,969	27,325	78,915	470,620	330,876
U.S., Canada Cars	192,427	162,880	194,994	574,751	3,305,587	3,460,406
U.S., Canada Cars and Trucks	301,286	257,092	300,507	890,503	5,381,631	5,304,734

Monthly estimates may contain error of one or two units due to rounding.
*—Estimate. †—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended May 21, 1988	Week Ended May 23, 1987	Week Ended May 14, 1988	May to Date	Jan. 1 to May 21, 1988	Jan. 1 to May 23, 1987
Eagle	0	—	0	0	0	—
Premier	1,650	—	1,726	5,034	29,251	—
CHRYSLER MOTORS	1,650	87	1,726	5,034	29,251	2,543
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,209	—	4,180	12,553	82,685	—
Topaz	1,187	—	1,398	3,978	27,990	—
Crown Victoria	2,856	—	2,841	8,587	56,174	—
Grand Marquis	2,904	—	2,860	8,665	55,720	—
FORD MOTOR CO.	11,156	8,964	11,279	33,783	222,569	213,678
Celebrity	672	—	726	2,031	8,042	—
Cutlass Ciera	6,216	—	7,220	20,561	107,404	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,120	—	1,444	3,966	20,972	—
Regal	3,040	—	3,764	10,474	66,287	—
GENERAL MOTORS	11,048	4,497	13,154	37,032	202,705	106,704
HONDA	839	241	986	2,545	13,419	3,766
VOLVO	180	180	180	521	2,676	4,185
Total Cars, Canada	24,863	13,969	27,325	78,915	470,620	330,876

U.S. TRUCK☆	Week Ended May 21, 1988	Week Ended May 23, 1987	Week Ended May 14, 1988	May to Date	Jan. 1 to May 21, 1988	Jan. 1 to May 23, 1987
Caravan	1,900	—	1,928	6,018	40,090	—
Dakota	2,100	—	2,044	6,160	47,715	—
Mini-Ram Van	300	—	335	960	6,246	—
Pickups	2,000	—	1,975	5,972	26,466	—
Total Dodge	6,300	6,364	6,282	19,110	120,517	101,307
Cherokee	3,600	—	3,683	11,698	71,562	—
Commanche	900	—	894	2,779	19,151	—
Grand Wagoneer	300	—	350	1,000	5,915	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	267	749	5,216	—
Total Jeep	5,000	4,112	5,184	16,226	107,044	87,561
Voyager	1,700	—	1,785	5,542	36,979	—
Total Plymouth	1,700	—	1,785	5,542	36,979	—
CHRYSLER MOTORS	13,000	10,476	13,251	40,878	264,540	188,868
Aerostar	4,500	—	4,380	13,293	87,234	—
Bronco	1,304	—	1,234	3,774	24,599	—
Bronco II	2,485	—	2,526	7,356	55,951	—
Econoline	5,153	—	5,135	15,451	100,503	—
Heavy trucks	1,732	—	1,499	4,704	27,599	—
Light trucks	11,698	—	11,340	33,635	207,237	—
Ranger	7,878	—	7,769	23,236	147,170	—
Total Ford Div.	34,750	32,047	32,883	101,449	652,393	613,480
FORD MOTOR CO.	34,750	32,047	32,883	101,449	652,393	613,480
Astro	3,908	—	2,934	10,563	69,533	—
Blazer	637	—	553	1,818	11,190	—
Mediums/Heavies	0	—	632	1,106	7,048	—
P-Model	758	—	813	2,373	15,622	—
Pickups	8,111	—	7,841	23,575	134,194	—
S-10	7,028	—	5,820	20,121	116,172	—
S-10 Blazer	4,394	—	3,358	12,138	65,287	—
Sportsvan/Van	2,376	—	2,515	6,845	33,774	—
Suburban	1,752	—	1,575	5,142	29,704	—
Total Chevrolet	28,964	23,234	26,041	83,683	482,524	451,262
Jimmy	186	—	140	536	3,445	—
Mediums/Heavies	0	—	647	1,444	16,590	—
P-Model	260	—	200	641	2,114	—
Pickups	2,246	—	2,128	5,998	41,847	—
S-15	1,384	—	1,308	3,596	27,252	—
S-15 Jimmy	1,071	—	1,158	2,995	17,242	—
Safari	966	—	736	2,628	17,879	—
Suburban	717	—	503	1,918	14,206	—
Vandura/Rally Vans	600	—	518	1,655	15,260	—
Total GMC	7,430	7,654	7,338	21,411	155,837	152,855
GENERAL MOTORS	36,394	30,888	33,379	105,094	638,361	604,117
NAVISTAR	1,810	1,463	1,736	5,436	35,119	30,718
NISSAN	1,670	1,773	1,697	4,984	46,774	33,703
AM GENERAL*	450	450	450	1,350	8,910	3,750
MISCELLANEOUS*	2,300	2,300	2,300	6,900	45,540	43,700
Total Trucks, U.S.	90,374	79,397	85,696	266,091	1,691,637	1,518,336

CANADIAN TRUCK	Week Ended May 21, 1988	Week Ended May 23, 1987	Week Ended May 14, 1988	May to Date	Jan. 1 to May 21, 1988	Jan. 1 to May 23, 1987
Caravan	3,126	—	3,064	9,290	60,490	—
Mini-Ram Van	330	—	345	1,019	5,829	—
Ram Wagon	540	—	540	1,634	9,876	—
Ram Van	1,510	—	1,519	4,496	25,322	—
Total Dodge	5,506	7,027	5,468	16,439	101,517	165,907
Voyager	2,688	—	2,742	8,203	55,534	—
Total Plymouth	2,688	—	2,742	8,203	55,534	—
Wrangler	1,018	—	939	2,992	20,418	—
Total Jeep	1,018	625	939	2,992	20,418	12,939
CHRYSLER MOTORS	9,212	7,652	9,149	27,634	177,469	178,846
FORD MTR. (lt. trks.)	3,648	2,625	3,541	10,858	71,372	62,843
Light trucks	2,708	—	3,252	9,430	62,976	—
Vans	1,080	—	1,339	3,753	24,296	—
Total Chevrolet	3,788	—	4,591	13,183	87,272	—
Light trucks	1,132	—	1,669	4,449	30,467	—
Vans	480	—	648	1,871	13,685	—
Total GMC	1,612	—	2,317	6,320	44,152	—
GENERAL MOTORS	5,400	4,370	6,908	19,503	131,424	80,490
NAVISTAR	225	168	219	636	4,342	3,813
Total Trks., Canada	18,485	14,815	19,817	58,661	384,607	325,992
U.S., Canada Trks.	108,859	94,212	105,513	324,752	2,076,244	1,844,328

☆—Includes window van conversion. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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1988 MARKET DATA BOOK

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Automotive News

The weekly newspaper of the industry

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1988 MARKET DATA BOOK

CONTENTS

	PAGE
PRODUCTION	3
SALES/REGISTRATIONS	19
PRODUCTS/SPECIFICATIONS	41
PRICES	57
OPTIONS/EQUIPMENT	65
MANUFACTURERS	85
DEALERS	95
DIRECTORIES	111
ET CETERA	204
INDEX	210

COVER DESIGN BY JEANNETTE JONES

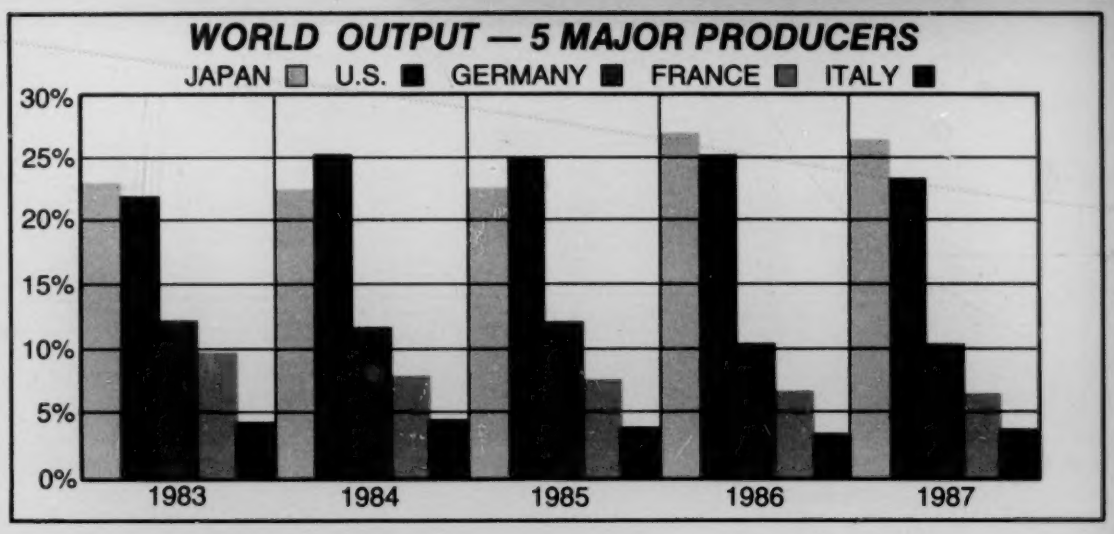
PRODUCTION

Global vehicle production and assemblies climbed to 45,684,610 units in calendar 1987 compared with 45,156,013 units in 1986.

By region, Western Europe vehicle production and assemblies last year were some 651,000 units ahead of 1986. Asia-Pacific showed an approximate 300,000-unit increase. Eastern Europe is believed to have climbed about 190,500 units. North America dropped 302,199 units or almost 4 percentage points from 1986.

Among nations, South Korea repeated its title as leading production gainer in 1987 with a 62.47-percent increase over 1986. Spain's total, which includes assemblies, rose 9.64 percent and France went up 9.35 percent.

In sheer volume, Japan (7,891,087 units) and the United States (7,094,992) were the world's top car producers in 1987. They were followed by West Germany, France, Italy, Spain and the United Kingdom, all of which produced over 1 million vehicles each. ■



Annual world vehicle production since World War II — 1987 output rises to 45.68 million

Year	Australia	Belgium	Brazil	Canada	France	Italy	Japan	S. Korea	Mexico	Spain	Sweden	U.K.	U.S.	USSR	W. Germany	World Total
1987	323,500	318,477	900,252	1,563,910	3,493,210	1,912,612	12,249,174	977,357	395,258	1,432,606	501,822	1,341,504	10,975,334	2,100,000	4,613,833	45,684,610
1986	362,247	295,315	1,056,332	1,863,836	3,194,615	1,912,612	12,259,817	601,546	338,392	1,306,644	487,152	1,202,661	11,372,865	2,226,000	4,578,278	45,156,013
1985	411,332	266,682	966,625	1,936,511	3,016,106	1,572,907	12,271,095	378,162	398,192	1,417,604	461,072	1,311,256	11,671,475	2,200,000	4,445,920	44,690,081
1984	399,084	249,461	864,663	1,877,966	3,062,152	1,601,177	11,392,711	265,361	343,698	1,308,769	431,852	1,133,731	10,924,077	2,209,400	4,045,462	42,159,635
1983	337,075	285,478	896,462	1,523,324	3,335,860	1,575,151	11,055,711	221,019	285,485	1,288,721	414,522	1,289,111	9,512,781	2,180,000	4,154,439	40,022,104
1982	408,570	278,014	860,593	1,270,012	3,148,807	1,453,043	10,731,794	163,484	472,637	1,069,507	349,066	1,156,477	6,876,034	2,172,700	4,062,655	36,433,276
1981	391,614	237,456	779,836	1,198,416	3,019,370	1,433,743	11,179,962	133,905	597,118	987,474	313,679	1,184,205	7,981,167	2,197,500	3,897,007	37,380,354
1980	364,109	259,966	1,165,207	1,373,054	3,378,433	1,611,856	11,042,884	123,135	490,006	1,181,659	298,400	1,312,904	8,010,374	2,199,200	3,878,553	38,837,519
1979	461,468	314,997	1,127,966	1,602,369	3,613,458	1,632,289	9,635,546	204,447	444,426	1,122,918	354,820	1,478,512	11,391,867	2,173,200	4,249,725	41,978,835
1978	384,966	303,260	1,062,197	1,805,737	3,507,930	1,656,115	9,269,153	156,418	384,128	1,143,831	305,534	1,607,467	12,830,046	2,150,984	4,186,364	42,611,388
1977	452,592	336,382	919,242	1,698,904	3,507,881	1,583,917	8,514,522	83,000	280,813	1,129,700	286,091	1,714,020	12,727,243	2,088,369	4,104,216	41,240,509
1976	456,216	326,978	985,469	1,640,912	3,402,715	1,596,677	7,841,447	48,292	324,979	866,240	367,780	1,705,506	11,484,169	2,024,660	3,868,089	38,619,510
1975	456,167	222,176	929,805	1,446,330	2,861,305	1,458,629	6,941,591	36,264	360,678	814,164	366,753	1,648,399	8,991,091	1,964,056	3,186,208	33,322,385
1974	489,339	183,128	858,479	1,481,595	3,462,847	1,772,515	6,551,840	30,290	350,755	837,414	368,359	1,936,685	10,052,265	1,846,000	3,099,777	35,108,355
1973	454,190	298,957	729,135	1,587,500	3,569,179	1,957,994	7,082,757	26,314	285,513	822,020	378,042	2,163,941	12,674,613	1,602,000	3,949,065	39,236,122
1972	466,197	271,453	608,985	1,459,695	3,328,320	1,839,793	6,294,438	18,648	229,766	695,217	350,989	2,329,430	11,299,236	1,379,000	3,815,982	35,845,958
1971	470,122	295,764	516,038	1,372,328	3,010,294	1,817,019	5,810,774	23,002	210,840	532,358	317,295	2,198,146	10,655,574	1,142,700	3,982,722	33,728,068
1970	473,790	272,433	416,047	1,157,476	2,750,086	1,854,252	5,289,157	28,819	192,841	536,026	310,887	2,098,498	8,266,718	916,118	3,842,247	29,707,707
1969	451,917	302,549	349,519	1,350,708	2,459,072	1,595,951	4,674,932	30,994	165,164	454,571	271,440	2,182,793	10,181,263	844,300	3,604,567	30,083,671
1968	418,307	172,906	278,473	1,169,498	2,075,617	1,663,648	4,085,826	17,657	143,478	393,433	244,786	2,225,122	10,797,851	800,900	3,106,958	28,611,717
1967	366,547	183,087	225,418	939,635	2,009,672	1,542,669	3,146,486	6,604	126,365	361,637	214,650	1,937,199	8,996,490	728,800	2,482,319	24,183,980
1966	343,929	195,219	224,574	896,119	2,024,552	1,365,898	2,286,399	3,430	113,807	340,418	199,910	2,042,354	10,363,418	675,300	3,050,708	24,983,204
1965	407,569	166,594	185,187	852,274	1,641,696	1,175,548	1,875,614	141	96,654	228,935	205,717	2,177,261	11,118,020	634,312	2,976,477	24,567,935
1964	411,750	2,070	183,707	668,508	1,615,896	1,090,078	1,702,475	249	90,752	178,128	184,184	2,332,376	9,304,403	603,100	2,909,657	22,020,669
1963	374,058	1,200	174,191	631,356	1,736,977	1,180,536	1,283,531	1,254	69,135	131,988	167,850	2,011,720	9,108,305	587,012	2,667,896	20,720,363
1962	329,629	1,043	191,194	505,187	1,536,133	946,793	990,706	1,777	66,637	100,163	151,568	1,674,530	8,191,494	577,500	2,356,612	18,202,797
1961	231,651	800	145,584	386,923	1,244,223	759,140	813,879	—	62,563	75,000	131,755	1,464,134	6,650,282	555,330	2,147,825	15,215,435
1960	326,250	256	133,041	397,739	1,369,210	644,633	481,551	—	49,807	58,209	128,527	1,810700	7,901,502	523,591	2,055,149	16,382,932
1959	263,592	343	96,114	367,939	1,283,159	500,784	262,814	—	51,118	56,800	112,394	1,560,427	6,723,204	494,994	1,718,556	13,877,791
1958	241,324	382	60,983	356,418	1,127,549	403,560	188,303	—	38,955	31,050	91,179	1,365,407	5,114,807	511,074	1,495,256	11,369,912
1957	213,620	320	30,542	413,577	927,956	351,815	181,977	—	41,106	30,436	71,654	1,149,095	7,220,431	495,408	1,212,232	12,530,056
1956	204,176	383	—	471,350	827,079	315,802	111,066	—	39,387	4,500	57,274	1,004,544	6,905,458	464,632	1,075,619	11,654,526
1955	218,004	1,625	—	452,114	725,061	268,766	68,932	—	32,275	3,972	50,299	1,237,068	9,204,049	445,268	908,742	13,221,695
1954	200,605	3,620	—	352,109	600,040	216,715	70,073	—	33;380	620	44,735	1,037,879	6,536,729	403,873	680,597	10,226,561
1953	159,307	1,786	—	486,049	497,348	174,320	49,778	—	35,709	600	29,427	834,275	7,349,123	354,175	490,681	10,500,267
1952	116,293	550	—	434,102	498,962	138,446	38,966	—	46,987	400	21,233	689,658	5,561,796	307,936	428,383	8,320,091
1951	129,259	N.A.	—	415,420	445,655	145,533	38,490	—	46,081	308	22,950	733,883	6,757,014	288,683	374,151	9,453,285
1950	126,721	248	—	387,726	357,552	127,847	31,597	—	21,575	253	17,553	783,677	8,005,859	362,895	306,064	10,579,168
1949	—	200	—	290,664	285,641	86,054	28,700	—	—	486	11,069	628,196	6,243,834	275,992	163,583	8,044,400
1948	—	1,058	—	261,009	198,372	59,953	20,367	—	—	760	9,497	507,608	5,220,755	197,056	61,294	6,564,946
1947	—	—	—	242,107	137,383	43,736	11,320	—	—	—	9,287	441,284	4,795,587	132,968	23,343	5,853,636
1946	—	—	—	170,695	96,062	28,983	14,921	—	—	—	7,336	359,634	3,100,820	102,171	30,671	3,913,410

NOTE: Totals may not add because of double counting of CKD kits and unavailable production numbers in other countries.

SOURCES: Automotive News, MVMA, AID Ltd., JAMA

PRODUCTION

World vehicle production and assembly climb slightly in 1987; total European output rises more than 5.5 percent

	Cars		Trucks*		Total	
	1987	1986	1987	1986	1987	1986
North America						
United States	7,094,992	7,829,697	3,880,342	3,543,168	10,975,334	11,372,865
Canada	809,943	1,073,312	753,967	790,524	1,563,910	1,863,836
Mexico	266,142	187,409	129,116	150,983	395,258	338,392
Total	8,171,077	9,090,418	4,763,425	4,484,675	12,934,502	13,236,701
South America						
Argentina	158,743	140,855	34,573	33,911	193,316	174,766
Brazil	684,022	815,152	216,230	241,180	900,252	1,056,332
Total	842,765	956,007	250,803	275,091	1,093,568	1,231,098
Western Europe						
Austria	6,958	6,801	3,747	4,906	10,705	11,707
Belgium**	277,021	240,580	41,456	54,735	318,477	295,315
France	3,051,830	2,773,094	441,380	421,521	3,493,210	3,194,615
Italy	1,713,300	1,652,452	199,312	179,248	1,912,612	1,831,700
Netherlands	125,000	118,976	26,218	24,531	151,218	143,507
Spain**	1,130,707	1,055,920	301,899	250,724	1,432,606	1,306,644
Sweden	431,777	421,255	70,045	65,897	501,822	487,152
United Kingdom**	1,094,777	973,976	246,727	228,685	1,341,504	1,202,661
West Germany	4,373,621	4,310,828	240,204	267,450	4,613,833	4,578,278
Total	12,204,999	11,553,882	1,570,988	1,497,697	13,775,987	13,051,579
Eastern Europe						
Czechoslovakia#	172,000	186,989	50,000	52,604	220,000	239,593
East Germany#	220,000	218,000	47,000	46,513	267,000	264,513
Hungary#	N.A.	N.A.	13,113	17,000	13,113	17,000
Poland#	500,000	295,300	61,500	60,500	567,500	355,800
U.S.S.R.#	1,200,000	1,326,000	900,000	900,000	2,100,422	2,226,000
Yugoslavia	285,269	239,841	126,324	41,940	411,593	281,781
Total	2,377,269	2,266,130	1,197,937	1,118,557	3,575,206	3,384,687
Asia-Pacific						
Australia**	303,000	337,206	20,500	25,041	323,500	362,247
India	147,952	116,004	138,449	122,834	286,401	238,838
Japan	7,891,087	7,809,809	4,358,087	4,450,008	12,249,174	12,259,817
People's Republic#** of China (PRC)	20,700	10,765	451,300	359,035	472,000	369,800
South Korea	790,743	457,385	186,614	144,163	977,357	601,546
Taiwan**	N.A.	N.A.	N.A.	N.A.	252,518	174,467
Total	9,153,482	8,731,167	5,154,950	5,101,081	14,308,432	14,006,715

NOTE: In some cases, figures are preliminary estimates and subject to slight change. Total may not add because of CKD kits counted by more than one country.
*—Truck figures include buses and commercial vehicles. European truck figures include car-derived vans. U.S. figures include minivans.
**—Includes assemblies. #—Estimates.
SOURCES: Automotive News, AID Ltd., MVMA, JAMA and other trade groups.

Mexican car production soars 42%

	1987	1986
Chrysler	64,208	42,606
Ford	67,578	20,016
GM	32,242	14,260
Nissan	58,461	49,791
Volkswagen	43,653	60,736
Total Cars, Mexico	**266,142**	**187,409**

Top 30 models produced in Western Europe

Mfr.	Model	1987	% Share
VW	Golf/Jetta	1,005,287	8.24
Fiat	Uno	682,260	5.59
GM/Opel	Kadett/Astra	626,588	5.14
Ford	Escort/Orion	620,160	5.08
Peugeot	205	542,646	4.45
Renault	R5	524,873	4.30
Ford	Fiesta	386,619	3.17
Ford	Sierra	380,700	3.12
Renault	R21	367,784	3.02
Renault	R9/R11	366,349	3.00
BMW	3-Series	301,459	2.47
Citroen	BX	292,585	2.40
Fiat	Panda	292,269	2.40
Audi	80/90 Range	290,298	2.38
Mercedes	W124 Range	279,435	2.29
Peugeot	309	272,227	2.23
GM/Opel	Corsa	268,008	2.20
GM/Opel	Ascona/ Cavalier	262,952	2.16
Citroen	AX	240,218	1.97
VW	Polo	232,158	1.90
Mercedes	190-Range	213,767	1.75
Volvo	700-Series	191,400	1.57
GM/Opel	Omega/ Record	188,885	1.55
Fiat	Ritmo/ Tipo/Regata	187,971	1.54
VW	Passat	182,103	1.49
Seat	Ibiza	160,715	1.32
Rover	Metro	158,098	1.30
Volvo	300/480	125,000	1.02
Audi	100/200 Range	115,524	0.95
Citroen	Visa/C15	111,590	0.91

SOURCE: AID Ltd. Reuse or republication without permission is prohibited.

Annual vehicle production — 15 countries; South Korea output swells 62.47%

Country	1987	1986	% of change
Australia	323,500	362,247	-10.70
Belgium	318,477	295,315	7.84
Brazil	900,252	1,056,332	-14.78
Canada	1,563,910	1,863,836	-16.09
France	3,493,210	3,194,615	9.35
Italy	1,912,612	1,831,700	4.42
Japan	12,249,174	12,259,817	- 0.08
S. Korea	977,357	601,546	62.47
Mexico	395,258	338,392	16.80
Spain	1,432,606	1,306,644	9.64
Sweden	501,822	487,152	3.01
U.K.	1,341,504	1,202,661	11.54
U.S.	10,975,334	11,372,865	- 3.50
U.S.S.R.	1,236,422	2,226,000	-44.55
West Germany	4,613,833	4,578,278	0.77
Total	**43,135,748**	**42,977,400**	**0.37**

SOURCE: AID Ltd. Reuse or republication is prohibited.

World vehicle production and assembly by region — 10 years

	North America	Europe	Asia	South America
1987	12,777,111	17,653,244	13,256,075	1,113,554
1986	13,461,068	16,706,054	13,835,201	1,231,098
1985	14,006,178	15,901,217	12,880,368	1,104,300
1984	13,145,741	15,215,560	11,759,738	977,419
1983	11,015,273	15,682,826	11,486,316	1,055,457
1982	8,734,684	14,787,194	11,047,858	992,709
1981	9,862,814	14,412,699	11,462,754	952,199
1980	9,874,206	15,412,225	11,279,345	1,454,124
1979	13,556,095	16,269,079	9,941,266	1,394,210
1978	15,101,822	16,097,613	9,524,417	1,256,884

Definitions: North America — Canada, Mexico, U.S.; Europe — Western Europe and Eastern Bloc including U.S.S.R.; Asia — India, Japan, Korea; South America — Argentina, Brazil. Totals will not match with other production tables because of CKD kits.

SOURCE: MVMA

1987 Japan car output edges up; truck build lags slightly

	Cars		Trucks		Total Vehicles	
	12 mos., 1987	12 mos., 1986	12 mos., 1987	12 mos., 1986	12 mos., 1987	12 mos., 1986
Daihatsu	141,572	142,064	455,983	460,455	597,555	602,519
Fuji	266,755	287,039	338,502	341,264	605,257	628,303
Hino			65,817	49,983	65,817	49,983
Honda	1,021,886	1,025,403	219,227	210,995	1,241,122	1,236,398
Isuzu	203,930	211,178	337,653	343,722	541,583	554,900
Mazda	853,309	811,371	344,563	384,254	1,197,872	1,195,625
Mitsubishi	594,654	578,642	636,515	599,333	1,231,169	1,177,975
Nissan	1,803,924	1,780,484	422,389	473,511	2,226,313	2,242,995
Nissan Diesel			35,933	32,703	35,933	32,703
Suzuki	296,979	300,604	570,881	571,807	867,860	872,411
Toyota	2,706,069	2,684,024	930,210	976,143	3,636,279	3,660,167
Others			414	707	414	707
Total	7,891,087	7,809,809	4,358,087	4,444,877	12,249,174	12,259,817

Japan's standard class car production rises 17.68%

Category	1987	1986
CARS		
Standard	588,575	500,147
Small	7,174,763	7,175,121
Midget	127,749	134,541
Car total	7,891,087	7,809,809
TRUCKS		
Standard	1,277,581	1,348,988
Small	1,492,866	1,559,886
Midget	1,537,623	1,501,011
Truck total	4,308,100	4,407,886
BUSES		
30 passengers & over	16,018	14,361
Under 30 passengers	33,969	27,781
Bus total	49,987	42,342
Grand Total	12,249,174	12,259,817

VEHICLE CLASSIFICATIONS

	Standard (Futsuu)	Small (Kogata)	Midget (Kei)
Width	Over 60 inches	Over 46 inches to 60 inches	46 inches or less
Height	Over 72 inches	72 inches or less	72 inches or less
Length	Over 180 inches	Over 120 inches to to 180 inches	120 inches or less
Displacement	More than 2,000cc (for vehicles except diesel)	More than 550cc to 2,000cc (for vehicles except diesel)	550cc or less

SOURCE: JAMA

PRODUCTS/SPECIFICATIONS

1987 U.S. car output drops 9.38 percent to 7.1 million

Company	January	February	March	First Quarter Total	April	May	June	Second Quarter Total	July	August	September	Third Quarter Total	October	November	December	Fourth Quarter Total	Grand Total
CHRYSLER MOTORS	108,826	113,630	101,226	324,282	91,694	88,337	97,892	297,923	44,888	71,846	97,708	214,184	112,733	81,941	88,360	283,052	1,109,411
Eagle Total	3,091	2,978	2,578	8,647	3,052	3,622	673	7,347	0	0	0	0	0	0	0	0	15,994
Alliance	3,091	2,978	2,578	8,647	3,052	3,622	673	7,347	0	0	0	0	0	0	0	0	15,994
Plymouth Total	40,494	43,004	29,462	112,930	22,144	22,196	23,520	67,860	8,983	21,610	27,366	57,959	31,134	25,450	26,242	82,826	321,595
Horizon	15,747	15,236	2,014	32,997	0	0	0	0	0	0	1,660	1,660	3,757	3,046	4,183	10,986	45,643
Sundance	9,105	9,585	10,606	29,296	8,827	8,012	8,443	25,282	2,545	5,583	7,013	15,141	7,412	6,496	6,049	19,957	89,676
Reliant	10,793	12,255	11,592	34,640	8,737	8,607	9,785	27,129	4,042	12,760	15,083	31,885	18,376	13,380	12,719	42,455	136,109
Caravelle	4,819	5,924	5,122	15,865	4,016	4,554	4,703	13,273	1,387	2,803	2,624	6,814	2,484	1,997	2,722	7,203	42,895
Gran Fury	0	4	126	130	564	1,023	589	2,176	1,019	664	966	2,649	1,105	551	569	2,225	7,180
Chrysler Total	22,752	26,748	35,849	85,349	35,892	37,073	38,223	111,188	22,018	24,249	33,140	79,407	36,746	21,512	22,943	81,204	357,148
LeBaron K	6,776	8,149	9,051	23,976	6,791	8,335	5,806	18,932	1,547	4,148	4,090	9,785	4,066	3,770	3,538	11,394	64,089
LeBaron J	5,942	7,148	9,172	22,260	12,188	13,530	14,791	40,509	8,636	5,636	10,306	24,584	12,488	4,957	9,080	26,525	113,899
LeBaron GTS	3,029	3,880	3,808	10,727	3,909	3,903	4,419	12,231	1,200	2,782	3,427	7,409	3,542	1,773	1,829	7,141	37,508
New Yorker E-Class	7,003	7,043	9,426	23,479	7,575	8,603	7,808	21,786	2,232	7,130	2,475	11,837	0	0	0	0	57,102
New Yorker C-Class	0	0	0	0	0	0	0	0	0	646	2,389	3,035	4,765	6,649	4,467	15,881	18,916
Fifth Avenue	0	515	4,390	4,905	5,429	6,702	5,599	17,730	8,401	3,905	10,451	22,757	11,668	4,363	4,052	20,283	65,575
Dodge Total	43,219	40,800	33,337	117,356	30,586	35,446	35,466	101,508	13,797	25,789	37,202	76,788	44,850	34,979	39,203	119,032	414,684
Daytona	2,976	3,600	4,595	11,171	6,116	6,757	7,401	20,274	3,072	3,777	8,171	15,020	8,303	3,280	6,006	17,589	64,054
Omni	13,664	12,929	1,770	28,363	0	0	0	0	0	0	1,525	1,525	3,302	2,728	4,120	10,151	40,039
Shadow	8,374	8,732	9,018	26,124	9,702	9,689	10,138	29,529	2,786	6,133	7,795	16,694	8,080	7,585	8,101	23,726	96,073
Aries	10,529	9,309	10,362	30,200	8,124	11,036	9,452	28,612	3,593	10,990	12,706	27,289	15,744	14,562	11,461	41,757	127,946
Dodge 600	4,906	3,960	4,877	13,763	3,845	3,936	4,341	12,122	1,216	2,288	2,319	5,803	3,020	2,697	2,388	8,085	39,773
Dynasty	0	0	0	0	0	0	0	0	0	210	475	685	1,040	1,902	4,859	7,801	8,486
Lancer	2,770	2,156	2,421	7,347	1,947	2,548	2,599	7,095	819	1,578	2,085	4,482	2,272	1,001	946	4,219	23,123
Diplomat	0	4	294	298	862	1,479	1,535	3,876	2,331	833	2,146	5,310	3,109	1,253	1,342	5,704	15,188
FORD MOTOR CO.	169,235	175,346	189,556	534,137	168,472	164,697	155,745	488,914	94,361	165,931	146,020	346,252	199,625	155,011	136,507	491,143	1,838,446
Ford Division	115,034	119,879	133,631	368,544	120,861	118,695	113,376	352,932	71,669	75,285	108,846	255,800	126,902	114,065	99,544	340,511	1,317,787
Escort	29,513	30,544	36,502	96,559	31,239	34,318	33,987	99,544	24,432	27,562	38,268	90,262	40,662	35,707	31,970	108,339	394,704
Mustang	18,178	18,800	21,339	58,317	19,488	18,031	17,960	55,479	12,833	14,403	20,679	47,915	19,772	16,920	15,750	52,442	214,153
Tempo	16,387	16,400	19,506	52,293	16,180	17,095	14,263	47,538	0	0	2,413	2,413	13,765	15,623	14,147	43,535	145,779
Taurus	40,242	41,668	41,693	123,603	37,148	31,645	31,962	100,755	23,625	26,647	34,647	84,919	35,918	33,164	27,285	96,367	405,644
Thunderbird	10,714	12,467	14,591	37,772	16,806	17,606	15,204	49,616	10,779	6,673	12,839	30,291	16,785	12,651	10,392	39,828	157,507
L-M Division	54,201	55,467	55,925	165,593	47,611	46,002	42,369	135,982	22,632	30,646	37,174	90,452	42,723	40,946	36,963	120,632	512,659
Mercury Total	38,484	41,190	37,946	117,620	31,225	29,634	27,098	87,957	15,589	13,938	19,889	49,416	25,269	25,808	22,419	73,516	328,509
Lynx	4,958	6,054	4,676	15,688	2,988	1,077	900	4,965	696	2	0	698	0	0	0	0	21,351
Topaz	5,402	5,232	4,693	15,327	5,537	6,503	5,491	17,531	0	0	821	821	3,867	4,894	4,568	13,329	47,008
Cougar	16,031	16,946	14,362	47,359	11,184	11,710	10,227	33,121	7,175	5,398	12,254	24,827	13,209	10,722	9,226	33,157	138,464
Sable	12,093	12,958	14,195	39,246	11,516	10,344	10,480	32,340	7,718	[illegible]6	6,814	23,070	8,213	10,192	8,625	27,030	121,686
Lincoln Total	15,717	14,277	17,979	47,973	16,386	16,368	15,271	48,025	7,043	16,708	17,285	41,036	17,434	15,136	14,544	47,116	184,150
Continental	1,577	1,424	1,798	4,799	1,650	1,630	1,530	4,810	0	0	0	0	400	1,495	2,091	3,986	13,595
Lincoln	11,787	10,701	13,486	35,974	12,290	12,277	11,543	36,110	5,870	13,923	14,410	34,203	14,036	11,279	10,403	35,718	142,005
Mark VII	2,353	2,152	2,695	7,200	2,446	2,461	2,198	7,105	1,173	2,785	2,875	6,833	2,998	2,364	2,050	7,412	28,550
GENERAL MOTORS	238,218	245,425	288,997	1,884,638	232,227	238,817	223,788	695,912	165,196	163,781	276,949	604,986	228,265	258,139	218,542	522,946	2,455,482
Buick Total	55,425	54,393	57,404	167,222	50,871	42,999	53,773	147,643	24,913	35,907	50,901	112,721	51,216	46,363	27,416	125,015	552,601
Skyhawk	4,093	4,025	3,779	11,897	2,310	532	1,712	4,554	515	3,049	4,538	8,102	4,471	2,206	3,286	9,963	34,516
Century	16,597	17,605	19,276	53,480	15,721	13,841	13,516	43,078	7,991	10,609	7,795	26,395	11,932	12,968	5,045	29,945	152,898
Regal	3,673	4,376	4,251	12,300	3,230	4,573	4,165	11,968	5,522	1,368	2,636	9,546	3,040	2,711	800	6,611	40,425
Skylark/Somerset	8,897	6,135	5,981	21,013	6,250	4,708	5,101	16,059	367	3,653	6,795	10,815	8,103	5,213	2,409	15,725	63,612
LeSabre (fwd)	8,556	9,170	10,880	28,606	13,855	10,948	19,713	44,516	9,244	11,372	19,511	40,127	12,312	8,904	8,160	29,376	142,625
LeSabre (rwd)	812	1,427	1,361	3,600	1,276	166	296	1,738	432	447	437	1,316	1,223	1,379	974	3,576	10,230
Electra	9,611	10,096	10,816	30,513	7,510	7,261	8,261	23,032	842	6,340	8,064	15,246	8,515	11,454	5,715	25,684	94,465
Reatta	0	0	0	0	0	0	0	0	0	0	0	0	90	132	110	332	332
Riviera	3,186	1,589	1,048	5,803	719	970	1,009	2,698	0	4[illegible]	[illegible],125	1,174	1,530	1,405	857	3,793	13,496
Cadillac Total	28,876	29,157	32,145	90,278	24,034	21,570	23,996	69,600	4,776	9,34[illegible]	[illegible]873	38,995	28,853	25,752	22,259	76,864	275,737
Cimarron	2,163	1,576	1,952	5,691	401	747	804	1,952	0	257	[illegible]019	1,276	1,092	215	178	1,485	10,404
Allante	167	203	260	630	442	506	633	1,581	645	360	[illegible]561	1,566	209	309	371	889	4,665
Brougham (rwd)	6,537	8,721	8,985	24,243	4,561	4,536	4,982	13,779	739	6,439	[illegible],955	14,133	7,955	7,559	5,539	21,040	73,195
DeVille (fwd)	13,933	15,716	17,630	47,279	16,013	11,654	13,115	40,782	3,392	2,130	12,877	18,399	14,869	12,720	11,491	39,080	145,540
Eldorado	1,798	1,347	1,718	4,863	1,377	2,178	2,495	6,050	0	76	1,995	1,971	2,560	2,451	2,653	7,664	20,528
Seville	4,386	1,594	1,591	7,573	1,250	1,949	2,257	5,456	0	84	1,576	1,660	2,166	2,498	2,040	6,704	21,385
Chevrolet Total	100,735	127,553	148,428	376,716	131,479	121,306	120,824	373,409	84,348	80,985	105,524	270,857	133,810	124,746	93,095	351,651	1,372,633
Camaro	6,151	9,604	9,376	25,131	12,651	9,165	12,591	34,407	12,400	11,764	9,600	33,764	10,455	9,449	8,325	28,229	121,551
Cavalier	27,201	32,353	36,002	95,556	34,578	30,426	34,986	99,990	11,007	4,588	20,353	35,948	31,786	27,411	24,628	83,825	315,319
Celebrity	32,532	32,550	39,810	103,892	28,988	32,086	20,325	79,379	11,580	16,388	18,777	46,733	23,578	24,402	7,127	55,107	285,111
Corsica/Beretta	15,530	21,995	26,420	65,945	25,782	26,832	30,821	83,435	32,708	33,422	34,936	101,066	37,649	32,684	28,045	98,358	348,804
Monte Carlo	3,707	6,282	8,773	18,742	6,914	7,314	5,172	19,400	4,428	5,280	7,157	16,875	7,555	7,038	3,139	17,732	72,749
Caprice	13,029	22,213	24,241	59,483	22,016	12,910	13,901	48,827	9,715	9,140	12,504	31,359	19,936	21,328	19,850	60,914	200,583
Corvette	2,585	2,576	2,806	7,967	2,570	2,573	2,828	7,971	2,530	365	2,195	5,090	2,851	2,454	2,181	7,486	28,514
Oldsmobile Total	56,944	68,447	69,239	194,630	59,586	56,120	70,377	186,083	16,316	25,157	45,970	87,443	52,035	45,466	31,600	129,101	597,257
Firenza	2,337	1,788	1,383	5,488	1,864	489	2,643	4,996	474	1,290	1,301	3,065	1,958	1,045	1,438	4,438	17,988
Calais	10,297	10,432	8,071	28,800	10,075	14,537	16,349	40,961	1,194	4,982	11,125	17,301	11,911	10,790	5,313	28,023	115,085
Cutlass Ciera	15,956	19,295	15,901	51,152	12,323	15,257	21,231	48,811	1,165	0	479	1,644	2,721	4,312	126	7,159	108,766
Cutlass Supreme	709	5,453	8,994	15,156	10,638	6,336	7,812	24,786	6,157	5,133	7,059	18,349	6,944	5,884	5,630	18,458	76,751
88 (fwd)	17,053	20,486	22,908	60,447	15,946	12,203	13,613	41,964	6,578	10,291	17,082	33,951	16,627	14,119	11,639	42,385	178,747
88 (rwd)	1,702	1,638	1,592	4,932	1,793	1,615	2,109	5,517	14	0	0	14	0	0	0	0	10,463
Olds 98	6,564	8,230	9,156	23,950	5,867	3,630	4,222	13,519	734	3,376	7,649	11,759	10,092	7,708	5,976	23,776	73,004
Toronado	2,326	1,125	1,254	4,705	1,278	2,051	2,198	5,527	0	85	1,275	1,360	1,782	1,599	1,460	4,841	16,453
Pontiac Total	56,130	65,873	73,771	195,774	66,357	57,822	64,996	189,177	34,802	31,386	48,781	114,969	62,351	50,792	44,172	157,315	657,235
Fiero	1,496	3,803	4,697	9,996	2,703	3,328	4,662	10,693	195	0	2,031	2,226	4,295	3,021	3,705	11,021	33,936
Firebird	4,699	8,671	7,612	20,982	8,204	6,362	7,640	22,206	6,603	5,994	5,657	17,854	6,177	5,751	4,761	16,689	77,731
Sunbird	8,488	10,756	13,045	32,289	9,904	8,907	9,195	28,006	0	614	4,872	5,486	8,150	7,532	8,002	23,684	89,465
Grand Am	21,005	22,394	23,970	66,469	23,718	22,907	25,737	72,362	12,787	15,696	20,116	48,599	23,611	20,249	16,371	60,231	247,661
Grand Prix	0	0	0	0	0	0	0	0	0	0	0	0	863	2,086	3,394	6,343	6,343
Pontiac 6000	6,931	6,402	10,042	23,375	7,832	6,500	6,911	21,243	4,678	3,886	3,743	12,307	5,558	4,357	905	10,820	67,947
Bonneville	12,860	12,590	13,759	39,209	12,605	9,392	10,374	32,371	9,692	4,988	11,781	26,461	13,125	7,315	6,524	26,964	125,005
Paris./Safari	651	1,257	1,546	3,454	1,391	426	479	2,296	647	606	581	1,834	572	481	510	1,563	9,147
HONDA	28,351	27,833	31,214	87,398	28,676	26,565	28,382	83,623	22,543	24,953	25,320	72,816	30,779	27,242	22,296	80,227	324,064
Civic	11,437	10,331	7,539	29,307	7,041	9,187	11,794	28,022	6,965	6,299	625	13,889	4,640	6,270	6,317	17,227	88,445
Accord	16,914	17,502	23,675	58,091	21,635	17,378	16,588	55,601	15,578	18,654	24,695	58,927	26,139	20,972	15,869	63,000	235,619
MAZDA	0	0	0	0	0	0	0	0	0	0	400	400	867	1,200	1,793	3,860	4,260
NISSAN	11,722	11,570	13,032	36,324	12,426	11,941	11,863	36,230	7,615	10,831	10,845	29,491	5,981	4,794	4,514	15,289	117,334
SUBARU	16,286	16,442	17,937	50,645	15,928	16,348	17,797	50,073	17,617	15,932	14,210	47,759	15,883	13,985	9,833	38,901	187,378
Corolla	3,394	3,287	3,719	10,400	3,182	3,463	3,888	10,533	3,907	3,502	3,802	11,211	4,350	4,131	3,101	11,582	43,726
Nova	12,872	13,155	14,218	40,245	12,746	12,885	13,909	39,540	13,710	12,430	10,408	36,548	11,533	9,854	5,932	27,319	143,652
VOLKSWAGEN	8,928	8,817	8,828	26,773	8,354	5,588	8,678	26,794	2,776	8	1,216	3,992	7,243	7,018	6,884	21,147	68,886
Golf/GTI	4,428	4,517	6,678	15,623	5,084	4,040	6,116	15,220	1,897	0	806	2,703	4,607	4,490	4,514	13,611	47,157
Jetta	1,500	1,500	2,150	5,150	1,290	1,520	2,754	5,564	879	0	410	1,289	2,636	2,520	2,380	7,536	19,539
Total cars U.S.	638,238	686,161	742,780	2,078,179	655,867	623,265	654,307	1,933,439	355,015	413,076	571,766	1,339,859	671,316	584,322	487,877	1,743,515	7,094,992

PRODUCTION

U.S. car output by model year

	1987 Model Year	Pct. of Output	1986 Model Year	Pct. of Output	Pct. pt. Change '87 vs. '86
CHRYSLER MOTORS	**1,342,681**	**18.29**	**1,233,709**	**15.63**	**+2.67**
Eagle Total	36,336	0.49	64,873	0.82	−0.33
Alliance	36,336	0.49	55,821	0.71	−0.22
Encore	0	0.00	9,052	0.11	−0.11
Plymouth Total	443,806	6.01	350,573	4.44	+1.57
Horizon	166,859	2.26	144,170	1.83	+0.44
Sundance	93,696	1.27	0	0.00	+1.27
Reliant	118,604	1.61	153,362	1.94	−0.34
Caravelle	48,096	0.65	44,110	0.56	+0.09
Gran Fury	16,551	0.22	8,931	0.11	+0.11
Chrysler Total	360,613	4.89	367,898	4.66	+0.23
Laser	0	0.00	43,210	0.55	−0.55
LeBaron K	63,069	0.86	96,780	1.23	−0.37
LeBaron J	75,449	1.02	0	0.00	+1.02
LeBaron GTS	44,013	0.60	83,478	1.06	−0.46
N. Yorker E-Class	73,835	1.00	59,533	0.75	+0.25
Fifth Avenue	104,247	1.41	84,917	1.08	+0.33
Dodge Total	501,926	6.81	450,365	5.71	+1.10
Daytona	37,272	0.51	46,761	0.59	−0.08
Omni	152,931	2.07	136,701	1.73	+0.34
Shadow	93,222	1.26	0	0.00	+1.26
Aries	111,811	1.52	122,167	1.55	−0.03
Dodge 600	45,118	0.61	69,956	0.89	−0.28
Lancer	28,731	0.39	56,627	0.72	−0.33
Diplomat	32,841	0.45	18,153	0.23	+0.22
FORD MOTOR CO.	**1,601,288**	**21.71**	**1,809,894**	**22.93**	**−1.22**
Ford Division	1,176,775	15.96	1,253,525	15.89	+0.07
Escort	337,323	4.57	390,227	4.95	−0.38
Mustang	159,145	2.16	224,410	2.84	−0.68
Tempo	177,409	2.41	166,078	2.10	+0.31
LTD	0	0.00	72,483	0.92	−0.92
Taurus	374,763	5.08	236,362	3.00	+2.08
Thunderbird	128,135	1.74	163,965	2.08	−0.34
L-M Division	424,513	5.75	556,079	7.04	−1.29
Mercury Total	315,147	4.27	399,240	5.06	−0.78
Lynx	35,372	0.48	71,559	0.91	−0.43
Capri	0	0.00	20,869	0.26	−0.26
Topaz	53,936	0.73	46,683	0.59	+0.14
Cougar	104,526	1.42	135,909	1.72	−0.30
Marquis	0	0.00	28,582	0.36	−0.36
Sable	121,313	1.64	95,636	1.21	+0.43
Lincoln Total	109,366	1.48	156,839	1.99	−0.51
Continental	17,597	0.24	19,012	0.24	0.00
Lincoln	76,483	1.04	117,771	1.49	−0.45
Mark VII	15,286	0.21	20,056	0.25	−0.04
GENERAL MOTORS	**3,718,884**	**50.31**	**4,366,916**	**55.14**	**−4.83**
Buick Total	648,689	8.80	850,103	10.77	−1.97
Skyhawk	46,864	0.63	91,421	1.16	−0.53
Century	184,178	2.50	274,507	3.48	−0.98
Regal	85,287	0.89	91,230	1.16	−0.27
Somerset/Skylark	80,206	1.09	137,855	1.75	−0.66
LeSabre (fwd)	154,331	2.09	94,972	1.20	+0.89
LeSabre (rwd)	12,759	0.17	18,126	0.23	−0.06
Electra	90,041	1.22	119,854	1.52	−0.30
Riviera	15,223	0.21	22,136	0.28	−0.07
Cadillac Total	282,582	3.83	281,683	3.57	+0.26
Cimarron	14,561	0.20	24,534	0.31	−0.11
Allante	3,366	0.05	0	0.00	+0.05
Brougham (rwd)	65,504	0.89	49,137	0.62	+0.27
DeVille (fwd)	162,798	2.20	167,572	2.12	+0.08
Eldorado	17,775	0.24	21,342	0.27	−0.03
Seville	18,578	0.25	19,098	0.24	+0.01
Chevrolet Total	1,384,214	18.77	1,368,837	17.35	+1.42
Chevette	46,206	0.63	103,244	1.31	−0.68
Camaro	137,760	1.87	192,219	2.44	−0.57
Cavalier	346,254	4.69	432,101	5.48	−0.79
Celebrity	290,814	3.94	241,942	3.07	+0.87
Corsica/Beretta	225,000	3.05	0	0.00	+3.05
Monte Carlo	79,045	1.07	119,210	1.51	−0.44
Caprice	228,501	3.10	245,012	3.11	−0.01
Corvette	30,632	0.42	35,109	0.44	−0.02
Oldsmobile Total	670,880	9.09	1,050,832	13.32	−4.23
Firenza	25,828	0.35	46,701	0.59	−0.24
Calais	117,010	1.59	151,301	1.92	−0.33
Cutlass Ciera	170,488	2.31	287,822	3.65	−1.34
Cutlass Supreme	69,578	0.94	169,305	2.15	−1.21
88 (fwd)	170,432	2.31	234,334	2.97	−0.66
88 (rwd)	17,742	0.24	21,073	0.27	−0.03
Olds 98	84,762	1.15	124,572	1.58	−0.43
Toronado	15,040	0.20	15,924	0.20	0.00
Pontiac Total	724,289	9.82	799,461	10.13	−0.31
Acadian*	7,751	0.11	21,643	0.27	−0.16
Fiero	46,581	0.63	83,974	1.06	−0.43
Pontiac 1000	5,628	0.08	21,689	0.27	−0.19
Firebird	88,623	1.20	110,483	1.40	−0.20
Sunbird	106,769	1.45	135,101	1.71	−0.26
Grand Am	244,728	3.32	223,596	2.83	+0.49
Pontiac 6000	86,972	1.18	117,887	1.49	−0.31
Bonneville	123,815	1.68	0	0.00	+1.68
Safari/Paris	13,422	0.18	85,088	1.08	−0.90
HONDA	**309,534**	**4.20**	**181,101**	**2.30**	**+1.90**
Civic	92,061	1.25	2,860	0.04	+1.21
Accord	217,473	2.95	178,241	2.26	+0.69
NISSAN	**137,427**	**1.86**	**58,783**	**0.65**	**+1.21**
NUMMI	**197,376**	**2.68**	**178,626**	**2.27**	**+0.41**
Corolla	42,480	0.58	0	0.00	+0.58
Nova	154,895	2.10	179,026	2.27	−0.17
VOLKSWAGEN	**76,499**	**1.04**	**85,358**	**1.08**	**−0.04**
Golf/GTI	62,642	0.85	85,350	1.08	−0.23
Jetta	13,758	0.19	0	0.00	+0.19
Total Cars, U.S.	**7,375,359**	**100.00**	**7,890,499**	**100.00**	

NOTE: *—Built for sale in Canada only. Percentage rounded.

Manufacturers based in the United States produced 9.38 percent fewer cars in calendar year 1987 than in 1986.

Production by the eight U.S.-based automakers in 1987 was 7,094,992 compared with 7,829,697 in 1986.

Three firms reported increases last year. Ford Motor Co. built 1,630,446 cars in 1987, 3.27 percent above 1986's volume of 1,764,316. American Honda Manufacturing Inc.'s output rose 30.58 percent in 1987. Nissan Motor Manufacturing Corp. U.S.A. last year built 80.11 percent cars than in 1986.

Reduced output in calendar 1987 was reported by: General Motors, down 16.23 percent; Chrysler Motors, 17.03 percent; Volkswagen of America Inc., 20.97 percent; and New United Motor Manufacturing Inc., 8.98 percent.

In the 1987 model year, car production in the United States declined 515,110 units or 6.53 percent from the 1986 model year total.

American Honda's 1987 model production climbed to 309,534, up nearly 71.0 percent. Nissan produced 137,427 in the '87 model year versus 50,763 in '86. NUMMI raised its output to 197,375 in the '87 model year.

Two of the domestic Big Three automakers reported leaner production volumes in the '87 model year.

GM output dropped to 3,710,954 from 4,350,916 in 1986, and Ford production fell to 1,601,288 from 1,809,604.

Chrysler Motors output advanced to 1,342,681 cars in the 1987 model year compared with 1,233,709 in the 1986 model year. ■

U.S. car output by model year

1987	7,375,359
1986	7,890,392
1985	7,975,390
1984	8,102,269
1983	5,768,893
1982	5,447,135
1981	6,639,954
1980	7,085,480
1979	9,526,024
1978	8,995,418
1977	9,159,100
1976	8,114,376
1975	6,523,880
1974	8,125,488
1973	9,915,802
1972	8,589,049
1971	7,221,290
1970	7,595,411
1969	8,440,765
1968	8,402,870
1967	7,666,898
1966	8,606,166
1965	7,882,679
1964	7,892,090
1963	7,339,992

U.S. car output by calendar year

1987	7,094,992
1986	7,829,697
1985	8,186,040
1984	7,777,721
1983	7,112,352
1982	4,973,870
1981	6,280,045
1980	6,416,885
1979	8,418,369
1978	9,153,299
1977	9,293,674
1976	8,537,759
1975	6,740,584
1974	7,309,763
1973	9,667,118
1972	8,827,706
1971	8,557,878
1970	6,550,077
1969	8,224,267
1968	8,848,507
1967	7,412,610
1966	8,604,726
1965	9,335,208
1964	7,744,888
1963	7,644,359

U.S. car output, calendar 1987 vs. 1986

	Total Output 1987	Pct. of Total Output	Total Output 1986	Pct. of Total Output	Pct. pt. Change '87 vs. '86
CHRYSLER MOTORS	**1,199,411**	**16.84**	**1,337,984**	**17.03**	**−1.44**
Eagle Total	15,994	0.23	49,435	0.63	−0.40
Alliance	15,994	0.23	46,088	0.59	−0.36
Encore	0	0.00	3,347	0.04	−0.04
Plymouth Total	321,585	4.53	422,618	5.40	−0.87
Horizon	45,663	0.64	171,882	2.20	−1.56
Sundance	89,678	1.26	36,855	0.47	+0.79
Reliant	136,109	1.92	151,695	1.94	−0.02
Caravelle	42,955	0.61	44,388	0.57	+0.04
Gran Fury	7,180	0.10	17,818	0.23	−0.13
Chrysler Total	357,148	5.03	368,637	4.71	+0.32
Laser	0	0.00	25,327	0.32	−0.32
LeBaron	64,080	0.90	83,163	1.06	−0.16
LeBaron J	113,858	1.60	4,043	0.05	+1.55
LeBaron GTS	37,506	0.53	68,699	0.88	−0.35
N. Yorker E-Class	57,102	0.80	64,964	0.83	−0.03
N. Yorker C-Class	18,916	0.27	0	0.00	+0.27
Fifth Avenue	65,675	0.93	122,441	1.56	−0.63
Dodge Total	414,684	5.85	486,404	6.34	−0.49
Daytona	64,054	0.90	33,097	0.42	+0.48
Omni	40,039	0.56	163,416	2.09	−1.53
Shadow	96,073	1.36	35,107	0.45	+0.91
Aries	127,948	1.81	126,311	1.61	+0.20
Dodge 600	39,773	0.56	64,063	0.82	−0.26
Lancer	23,123	0.33	47,617	0.61	−0.28
Dynasty	8,486	0.12	0	0.00	+0.12
Diplomat	15,186	0.21	26,593	0.34	−0.13
FORD MOTOR CO.	**1,630,446**	**23.00**	**1,764,316**	**22.53**	**+3.27**
Ford Division	1,317,787	18.57	1,221,956	15.61	+2.96
Escort	394,704	5.56	378,359	4.83	+0.73
Mustang	214,153	3.02	177,737	2.27	+0.75
Tempo	145,779	2.05	198,808	2.54	−0.49
Taurus	405,644	5.72	335,699	4.29	+1.43
Thunderbird	157,507	2.22	131,383	1.68	+0.54
L-M Division	512,659	7.23	542,360	6.93	+0.30
Mercury Total	328,509	4.63	359,325	4.59	+0.04
Lynx	21,351	0.30	60,246	0.77	−0.47
Capri	0	0.00	12,344	0.16	−0.16
Topaz	47,006	0.66	57,576	0.74	−0.08
Cougar	138,464	1.95	101,829	1.30	+0.65
Sable	121,686	1.72	127,330	1.63	+0.09
Lincoln Total	184,150	2.60	183,035	2.33	+0.27
Continental	13,595	0.19	19,628	0.25	−0.06
Lincoln	142,005	2.00	137,286	1.75	+0.25
Mark VII	28,550	0.40	26,121	0.33	+0.07
GENERAL MOTORS	**3,485,483**	**48.79**	**4,124,736**	**52.68**	**−3.88**
Buick Total	562,601	7.79	775,966	9.91	−2.12
Skyhawk	34,516	0.49	82,429	1.05	−0.56
Century	152,898	2.16	230,137	2.94	−0.78
Regal	40,425	0.57	60,887	0.78	−0.21
Skylark/Somerset	63,612	0.90	112,773	1.44	−0.54
LeSabre (fwd)	142,635	2.01	156,869	2.00	+0.01
LeSabre (rwd)	10,230	0.14	15,192	0.19	−0.05
Electra	94,485	1.33	91,559	1.17	+0.16
Reatta	332	0.00	0	0.00	0.00
Riviera	13,468	0.19	26,110	0.33	−0.14
Cadillac Total	275,737	3.89	319,096	4.08	−0.19
Cimarron	10,404	0.15	23,247	0.30	−0.15
Allante	4,665	0.07	53	0.00	+0.07
Brougham (rwd)	73,195	1.03	76,490	0.98	+0.05
DeVille (fwd)	145,540	2.05	171,807	2.19	−0.14
Eldorado	20,536	0.29	25,248	0.32	−0.03
Seville	21,395	0.30	22,474	0.29	+0.01
Chevrolet Total	1,372,633	19.35	1,310,710	16.74	+2.61
Chevette	0	0.00	105,488	1.35	−1.35
Camaro	121,551	1.71	172,585	2.20	−0.49
Cavalier	315,319	4.44	395,154	5.05	−0.61
Celebrity	285,111	4.02	257,983	3.29	+0.73
Corsica/Beretta	348,806	4.92	17,200	0.22	+4.70
Monte Carlo	72,749	1.03	110,048	1.41	−0.38
Caprice	200,583	2.83	223,842	2.86	−0.03
Corvette	28,514	0.40	28,410	0.36	+0.04
Oldsmobile Total	587,257	8.41	927,173	11.84	−3.43
Firenza	17,988	0.25	38,212	0.49	−0.24
Calais	115,085	1.62	120,629	1.54	+0.08
Cutlass Ciera	108,766	1.53	236,613	3.02	−1.49
Cutlass Supreme	76,751	1.08	107,036	1.37	−0.29
88 (fwd)	178,747	2.52	272,318	3.48	−0.96
88 (rwd)	10,463	0.15	19,028	0.24	−0.09
Olds 98	73,004	1.03	114,558	1.46	−0.43
Toronado	16,453	0.23	18,779	0.24	−0.01
Pontiac Total	657,235	9.26	791,785	10.11	−0.85
Acadian*	0	0.00	16,539	0.21	−0.21
Fiero	33,936	0.48	69,735	0.89	−0.41
Pontiac 1000	0	0.00	16,814	0.21	−0.21
Firebird	77,731	1.10	105,109	1.34	−0.24
Sunbird	89,483	1.26	130,167	1.66	−0.40
Grand Am	247,661	3.49	231,318	2.95	+0.54
Grand Prix	6,343	0.08	0	0.00	+0.08
Pontiac 6000	67,947	0.96	132,385	1.69	−0.73
Bonneville	125,005	1.76	39,886	0.51	+1.25
Safari/Paris	9,147	0.13	49,832	0.64	−0.51
HONDA	**324,964**	**4.57**	**248,139**	**3.17**	**+1.40**
Civic	88,445	1.25	34,348	0.44	+0.81
Accord	235,619	3.32	213,811	2.73	+0.59
MAZDA	**4,299**	**0.06**	**0**	**0.00**	**+0.06**
NISSAN	**117,334**	**1.65**	**66,147**	**0.83**	**+0.82**
NUMMI	**187,378**	**2.64**	**295,884**	**2.63**	**+0.01**
Corolla	43,726	0.62	14,318	0.18	+0.44
Nova	143,652	2.02	191,536	2.45	−0.43
VOLKSWAGEN	**66,696**	**0.94**	**84,357**	**1.06**	**−0.14**
Golf/GTI	47,157	0.66	83,247	1.06	−0.40
Jetta	19,539	0.28	1,150	0.01	+0.27
Total Cars, U.S.	**7,094,992**	**100.00**	**7,829,697**	**100.00**	

NOTE: *—Built for sale in Canada only.

PRODUCTION

U.S. model run output

By size classification

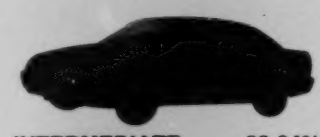
1987 Position	1987 Total	Make	1988 Total	1988 Position
Subcompacts				
1	337,323	Escort	390,227	1
2	166,859	Horizon	144,170	3
3	154,895	Nova	179,026	2
4	152,931	Omni	136,701	4
5	137,427	Sentra	50,763	9
6	92,061	Civic	2,860	13
7	62,642	Golf/GTI	85,350	6
8	46,208	Chevette	103,244	5
9	42,490	Corolla FX-16	—	—
10	36,336	Alliance	55,821	8
11	35,372	Lynx	71,550	7
12	7,751	Acadian	21,643	11
13	5,628	Pontiac 1000	21,689	10
—	—	Encore	9,052	12
	1,277,913	Total	1,272,165	
Compacts				
1	348,254	Cavalier	432,101	1
2	244,728	Grand Am	223,596	2
3	217,473	Accord	178,241	3
4	177,409	Tempo	166,078	4
5	118,604	Reliant	153,362	5
6	117,010	Calais	151,301	6
7	111,811	Aries	122,167	9
8	106,769	Sunbird	135,101	8
9	93,696	Sundance	—	—
10	93,222	Shadow	—	—
11	80,206	Skylark/Somerset	137,855	7
12	63,069	LeBaron K	96,760	10
13	53,936	Topaz	46,683	15
14	46,664	Skyhawk	91,421	11
15	45,118	Dodge 600	69,956	12
16	37,272	Daytona	46,761	13
17	25,828	Firenza	46,701	14
18	14,561	Cimarron	24,534	17
19	13,758	Jetta	—	—
	—	Laser	43,210	16
	2,067,388	Total	2,165,823	
Intermediates				
1	374,763	Taurus	236,362	4
2	290,814	Celebrity	241,942	3
3	225,000	Corsica/Beretta	—	—
4	184,178	Century	274,507	2
5	170,488	Cutlass Ciera	287,622	1
6	159,145	Mustang	224,410	5
7	137,760	Camaro	192,219	6
8	128,135	Thunderbird	163,965	8
9	121,313	Sable	95,638	13
10	104,526	Cougar	135,909	9
11	88,623	Firebird	110,483	12
12	86,972	Pontiac 6000	117,887	11
13	79,045	Monte Carlo	119,210	10
14	78,449	LeBaron J	—	—
15	73,835	New Yorker E	58,533	17
16	69,578	Cutlass Supreme	169,305	7
17	65,287	Regal	91,230	14
18	48,096	Caravelle	44,110	18
19	44,013	LeBaron GTS	83,478	15
20	28,731	Lancer	56,627	18
21	18,578	Seville	19,098	24
22	17,775	Eldorado	21,342	21
23	17,597	Continental	19,012	25
24	15,286	Mark VII	20,056	23
25	15,223	Riviera	22,136	20
26	15,040	Toronado	15,924	26
—	—	LTD	72,483	16
—	—	Capri	20,669	22
	2,46[illegible]	Total	2,915,360	
Standards				
1	228,501	Caprice	245,012	1
2	170,432	Olds 88 (fwd)	234,334	2
3	162,796	DeVille	167,572	3
4	154,331	LeSabre (fwd)	94,972	7
5	123,815	Bonneville	—	—
6	104,247	Fifth Avenue	84,917	9
7	90,041	Electra	119,154	5
8	84,762	Olds 98	124,372	4
9	76,483	Lincoln	117,771	6
10	65,504	Brougham	49,137	10
11	32,841	Diplomat	18,153	13
12	17,742	Olds 88 (rwd)	21,073	12
13	16,551	Gran Fury	8,931	15
14	13,422	Parisienne	85,098	8
15	12,759	LeSabre (rwd)	18,126	14
16	—	Marquis	28,582	11
	1,364,229	Total	1,418,894	
Specialty				
1	46,581	Fiero	83,974	1
2	30,632	Corvette	35,109	2
3	3,306	Allante	—	—
—	80,579	Total	119,083	
	7,375,269	Grand Total	7,916,469	

Intermediates rise 5.35%

1987 CALENDAR

SUBCOMPACT 13.50%

COMPACT 27.68%



INTERMEDIATE 39.64%

STANDARD 18.23%

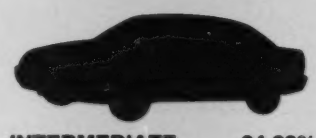
SPECIALITY 0.95%

TOTAL 100%

1986 CALENDAR

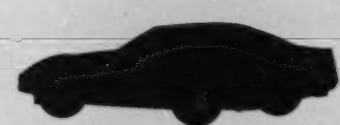
SUBCOMPACT 17.25%

COMPACT 27.60%



INTERMEDIATE 34.29%

STANDARD 19.61%



SPECIALTY 1.25%

TOTAL 100%

U.S. calendar year output

By size classification

1987 Position	1987 Total	Make	1988 Total	1988 Position
Subcompacts				
1	394,704	Escort	378,399	1
2	143,652	Nova	191,536	2
3	117,334	Sentra	85,147	7
4	88,445	Civic	34,348	10
5	47,157	Golf/GTI	83,247	6
6	45,663	Horizon	171,882	3
7	43,726	Corolla FX-16	14,318	13
8	40,039	Omni	163,416	4
9	21,351	Lynx	80,246	8
10	15,994	Alliance	46,088	9
—	—	Chevette	105,499	5
—	—	Acadian	16,539	12
—	—	Pontiac 1000	16,814	11
—	—	Encore	3,347	14
	968,895	Total	1,390,775	
Compacts				
1	315,319	Cavalier	395,154	1
2	247,661	Grand Am	231,316	2
3	235,819	Accord	213,811	3
4	145,779	Tempo	196,808	4
5	136,109	Reliant	151,695	5
6	127,948	Aries	126,311	7
7	115,085	Calais	120,629	8
8	96,073	Shadow	35,107	16
9	89,678	Sundance	36,855	15
10	89,465	Sunbird	130,167	6
11	64,089	LeBaron K	83,163	10
12	64,054	Daytona	33,097	17
13	63,612	Skylark/Somerset	112,773	9
14	47,008	Topaz	57,576	13
15	39,773	Dodge 600	64,063	12
16	34,516	Skyhawk	82,429	11
17	19,539	Jetta	1,150	20
18	17,968	Firenza	38,212	14
19	10,404	Cimarron	23,247	19
20	4,200	Mazda MX-6	—	—
—	—	Laser	25,327	18
	1,963,919	Total	2,160,882	
Intermediates				
1	405,644	Taurus	335,669	1
2	348,806	Corsica/Beretta	17,200	25
3	285,111	Celebrity	257,963	2
4	214,153	Mustang	177,737	5
5	157,507	Thunderbird	131,383	8
6	152,896	Century	230,137	4
7	138,464	Cougar	101,829	13
8	121,696	Sable	127,330	9
9	121,551	Camaro	172,585	6
10	113,858	LeBaron J	4,043	27
11	106,766	Cutlass Ciera	236,613	3
12	77,731	Firebird	105,109	12
13	76,751	Cutlass Supreme	107,036	11
14	72,749	Monte Carlo	110,043	10
15	67,947	Pontiac 6000	132,385	7
16	57,102	New Yorker E	64,964	15
17	42,955	Caravelle	44,388	18
18	40,425	Regal	60,897	16
19	37,508	LeBaron GTS	86,890	14
20	26,550	Mark VII	26,121	19
21	23,123	Lancer	47,817	17
22	21,396	Seville	22,474	22
23	20,536	Eldorado	25,248	21
24	18,916	New Yorker C	—	—
25	16,453	Toronado	18,779	24
26	13,595	Continental	19,626	23
27	13,468	Riviera	26,110	20
28	8,486	Dynasty	—	—
29	8,343	Grand Prix	—	—
—	—	Capri	12,344	26
	2,812,479	Total	2,884,534	
Standards				
1	200,583	Caprice	223,842	2
2	178,747	Olds 88 (fwd)	272,318	1
3	145,540	DeVille	171,607	3
4	142,635	LeSabre (fwd)	156,869	4
5	142,005	Lincoln	137,286	5
6	125,005	Bonneville	39,886	11
7	94,485	Electra	91,559	8
8	73,195	Brougham	76,469	9
9	73,004	Olds 98	114,558	7
10	66,675	Fifth Avenue	122,441	6
11	15,188	Diplomat	26,583	12
12	10,463	Olds 88 (rwd)	19,028	13
13	10,230	LeSabre (rwd)	15,192	15
14	9,147	Parisienne	49,832	10
15	7,180	Gran Fury	17,818	14
	1,253,082	Total	1,535,298	
Specialty				
1	33,836	Fiero	69,735	1
2	28,514	Corvette	28,410	2
3	4,866	Allante	53	3
4	332	Reatta	—	—
	67,447	Total	98,198	
	7,894,922	Grand Total	7,829,887	

PRODUCTS/SPECIFICATIONS

Where 1988-model trucks are built

UNITED STATES

CHRYSLER MOTORS

Toledo, Ohio — Cherokee, Comanche, Grand Wagoneer, Wagoneer
Warren, Mich. — light-duty trucks, Dakota, standard and mid-size trucks
St. Louis (No. 2) — Mini Ram Van, Caravan, Voyager minivans

FORD MOTOR CO.

Kansas City, Mo. — light trucks
Kentucky Truck (Louisville) — medium, heavy and extra-heavy trucks
Lorain, Ohio — Econoline, Club Wagon
Louisville, Ky. — Ranger, Bronco II
Michigan Truck (Wayne) — Bronco, light trucks
Norfolk, Va. — light trucks
St. Louis — Aerostar minivans
St. Paul, Minn.(Twin Cities) — light trucks, Ranger

FREIGHTLINER CORP.

Mount Holly, N.C. — heavy trucks
Portland, Ore. — heavy trucks

GENERAL MOTORS

Baltimore — Chevrolet Astro, GMC Safari minivans
Detroit — commercial, recreational, specialty vehicle chassis
Flint, Mich. — Blazer, Jimmy, Suburban wagons
Janesville, Wis. — Chevrolet, GMC light trucks
Lordstown, Ohio — Chevrolet, GMC vans
Moraine, Ohio — Chevrolet S-10, GMC S-15 trucks
Pontiac, Mich. — Chevrolet, GMC light and medium-duty trucks, Chevrolet S-10 and GMC S-15 trucks
Shreveport, La. — Chevrolet S-10, GMC S-15 trucks, Blazer, Jimmy
Ft. Wayne, Ind. — Chevrolet, GMC light trucks

KENWORTH TRUCK CO.

Chillicothe, Ohio — heavy trucks
Seattle — heavy trucks

MACK TRUCKS, INC.

Allentown, Pa. — heavy trucks
Macungie, Pa — heavy trucks
Winnsboro, S.C. — heavy trucks

MERCEDES-BENZ TRUCK CO.

Hampton, Va. — medium trucks

NAVISTAR

Springfield, Ohio — medium and heavy trucks

NISSAN MOTOR MFG. CO.

Smyrna, Tenn. — pickup trucks

PETERBILT MOTORS CO.

Denton, Texas — heavy trucks
Nashville, Tenn. — heavy trucks

VOLVO GM HEAVY TRUCK CORP.

Dublin, Va. — heavy trucks
Ogden, Utah — heavy trucks
Pontiac, Mich. — heavy trucks

CANADA

CHRYSLER MOTORS

Brampton, Ontario — Jeep Wrangler
Windsor, Ontario — Caravan, Voyager minivans, Mini Ram Van
Pillete Road (Windsor) — Ram Van, Ram Wagon

FORD MOTOR CO.

Ontario Truck (Oakville) — light trucks

FREIGHTLINER OF CANADA LTD.

Burnaby, British Columbia — heavy trucks

GENERAL MOTORS

Oshawa, Ontario — Chevrolet, GMC pickups
Scarborough, Ontario — full-size Chevrolet and GMC vans

NAVISTAR

Chatham, Ontario — medium and heavy trucks

MACK TRUCKS INC.

Oakville, Ontario — heavy trucks

MEXICO

CHRYSLER

Lago Alberto — Ramcharger

FORD

Cuautitlan — light trucks

GENERAL MOTORS

Mexico City — Chevrolet light trucks

NISSAN

Cuernavaca — pickup trucks

U.S. van and light truck output rises 10.03%

	Total '87 Output	% of Output	Total '88 Output	% of Output
CHEVROLET				
Chevy Van/Sports Van	96,387	2.82	149,426	4.81
S-10	229,405	6.72	185,879	5.99
S-10 Blazer	170,671	4.99	140,733	4.53
Blazer	34,431	1.01	38,588	1.24
Astro	163,508	4.79	148,336	4.78
Suburban	67,889	1.99	64,204	2.07
Pickups	323,421	9.46	417,381	13.44
P-Model	46,163	1.35	34,859	1.12
Total	1,131,875	33.13	1,179,406	37.98
CHRYSLER				
Dakota	109,,220	3.20	59,699	1.92
Pickups	112,507	3.29	92,556	2.99
Ramcharger*	—	0.00	26,130	0.84
Total	221,727	6.49	178,385	5.75
FORD				
Aerostar	187,875	5.50	107,459	3.46
Bronco	57,013	1.67	39,102	1.26
Bronco II	135,760	3.97	73,908	2.38
Econoline/Club Wagon	236,622	6.93	149,298	4.81
Pickups	482,794	14.13	540,126	17.40
Ranger	318,007	9.31	195,997	6.31
Total	1,418,071	41.51	1,105,890	35.62
GMC				
Vandura/Rally Vans	26,927	0.79	23,773	0.77
S-15	59,300	1.73	63,192	2.03
S-15 Jimmy	51,610	1.51	46,471	1.50
Jimmy	9,499	0.28	9,443	0.30
Safari	41,302	1.21	39,006	1.26
Suburban	26,407	0.77	25,883	0.83
Pickups	107,221	3.14	105,517	3.40
P-Models	6,823	0.20	12,415	0.40
Total	329,089	9.63	325,700	10.49
JEEP				
Wrangler/CJ**	—	0.00	35,267	1.14
Wagoneer	15,033	0.44	12,800	0.41
Cherokee	139,295	4.08	107,225	3.44
Grand Wagoneer	14,265	0.42	17,254	0.56
Commanche	43,070	1.26	33,386	1.08
Pickups	1,153	0.03	1,515	0.05
Scrambler	—	0.00	67	0.00
Total	212,816	6.23	207,514	6.68
NISSAN				
Pickups	102,718	3.01	108,116	3.48
Grand Total	**3,416,296**	**100.00**	**3,105,011**	**100.00**

*—Now built in Mexico.

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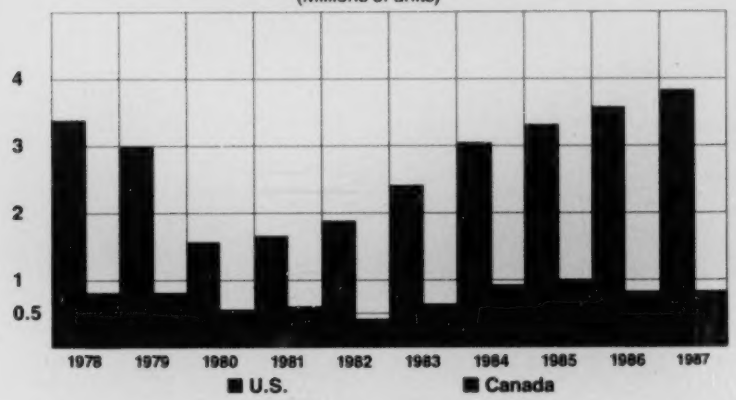
NORTH AMERICAN TRUCK PRODUCTION

(Millions of units)



1987 U.S. truck production outpaces '86 by 9.52%

Company	January	February	March	First Quarter Total	April	May	June	Second Quarter Total	July	August	September	Third Quarter Total	October	November	December	Fourth Quarter Total	Grand Total
CHEVROLET	93,029	95,893	110,865	299,787	104,938	104,841	100,479	310,258	103,787	91,985	80,424	276,196	96,297	86,459	83,338	266,094	1,152,335
DODGE/PLYMOUTH	18,657	21,177	25,251	65,085	24,289	26,506	34,597	85,392	12,366	30,203	35,689	78,258	40,063	33,224	28,511	101,798	330,533
FORD	129,207	130,732	143,928	403,867	127,569	127,531	121,541	376,641	86,992	104,918	132,920	324,830	148,016	119,396	109,265	376,677	1,482,015
GMC	29,882	32,206	34,093	96,181	33,848	33,660	34,649	102,157	34,929	25,354	32,153	92,436	33,921	27,140	22,013	83,074	373,848
NAVISTAR	6,206	6,134	7,072	19,412	6,947	6,639	7,361	20,947	2,314	6,761	6,447	15,522	7,256	6,684	6,151	20,091	75,972
JEEP	18,556	18,651	21,390	58,597	19,134	18,532	18,803	56,469	14,383	20,369	19,353	54,105	20,319	17,546	15,875	53,740	222,911
NISSAN	6,816	6,862	7,891	21,569	7,516	7,164	7,288	21,968	6,234	8,773	8,968	23,975	11,422	12,793	10,991	35,206	102,718
AM GENERAL*	2,000	1,800	1,800	5,600	1,740	1,890	1,980	5,610	2,070	1,800	2,070	5,940	1,980	1,890	1,530	5,400	22,550
MISCELLANEOUS*	9,200	9,200	9,200	27,600	10,120	9,660	10,120	29,900	12,580	9,200	10,580	32,360	10,120	9,660	7,820	27,600	117,460
Total trucks U.S.	**313,553**	**322,655**	**361,490**	**997,698**	**336,101**	**336,423**	**336,818**	**1,009,342**	**275,655**	**299,363**	**328,604**	**903,622**	**369,394**	**314,792**	**285,494**	**969,680**	**3,880,342**

*—Actual figures for AM General and Miscellaneous trucks were not reported in 1987. These figures are Automotive News estimates.

1987 Canadian truck build dwindles 4.62%

Company	January	February	March	First Quarter Total	April	May	June	Second Quarter Total	July	August	September	Third Quarter Total	October	November	December	Fourth Quarter Total	Grand Total
DODGE/PLYMOUTH	34,617	36,392	38,481	109,490	34,310	34,645	37,424	106,379	14,673	28,244	24,374	67,291	33,750	30,191	27,029	90,970	374,130
JEEP	2,468	2,562	2,832	7,862	3,108	3,063	3,411	9,582	1,872	3,416	3,592	8,880	3,328	3,563	2,899	9,790	36,114
FORD	12,898	13,524	14,508	40,930	14,500	13,173	15,096	42,769	4,642	10,411	12,902	27,955	14,251	14,740	12,345	41,336	152,990
CHEVROLET	6,454	9,126	13,717	29,297	12,749	11,170	12,120	36,039	11,688	8,412	14,516	34,616	14,927	14,531	10,575	40,033	139,985
GMC	2,308	2,985	4,022	9,315	4,405	3,512	3,621	11,538	3,203	2,031	2,333	7,567	3,876	4,616	3,868	12,360	40,780
NAVISTAR	800	788	855	2,443	853	849	990	2,692	311	903	950	2,164	948	961	760	2,669	9,968
Total	**59,545**	**65,377**	**74,415**	**199,337**	**69,925**	**66,412**	**72,662**	**288,999**	**36,389**	**53,417**	**58,667**	**148,473**	**71,080**	**68,602**	**57,476**	**197,158**	**753,967**

PRODUCTION

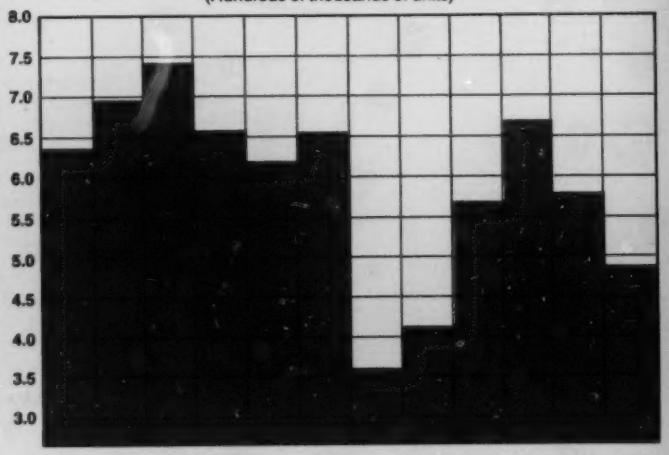
Midwest retains top share of U.S. car production

(Breakdown by states, 1987 vs. 1986)

	Total Output 1987	Pct. of Output 1987	Overall Pos., 1987	Total Output 1986	Pct. of Output 1986	Overall Pos., 1986	Pct. Pt. Change '87 vs. '86
Michigan	2,595,004	36.59	1	2,637,154	33.69	1	+2.90
Ohio	829,426	11.69	2	876,980	11.20	3	+0.49
Missouri	554,509	7.82	3	997,448	12.74	2	−4.92
Delaware	417,422	5.88	4	263,855	3.37	8	+2.51
Georgia	411,827	5.80	5	617,016	7.88	4	−2.08
California	386,560	5.45	6	342,471	4.37	6	+1.08
Illinois	355,273	5.01	7	562,164	7.18	5	−2.17
New Jersey	292,569	4.12	8	142,783	1.82	13	+2.13
Kansas	270,964	3.82	9	209,731	2.68	10	+1.14
Oklahoma	261,942	3.69	10	267,462	3.42	7	+0.27
Wisconsin	191,367	2.70	11	256,116	3.27	9	−0.57
New York	152,114	2.14	12	194,059	2.48	11	−0.34
Tennessee	117,334	1.65	13	65,147	0.83	16	+0.82
Massachusetts	108,481	1.53	14	153,562	1.96	12	−0.43
Pennsylvania	66,696	0.94	15	84,397	1.08	15	−0.14
Texas	54,890	0.77	16	130,942	1.67	14	−0.90
Kentucky	28,514	0.40	17	28,410	0.36	17	+0.40
Totals	**7,094,992**	**100.00**	—	**7,829,897**	**100.00**	—	—

PRODUCTION FOR 1987 BY MONTHS

(Hundreds of thousands of units)



1987 Canadian car production declines 24.54% or 263,369 units

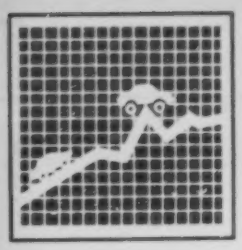
Company	January	February	March	First Quarter	April	May	June	Second Quarter	July	August	September	Third Quarter	October	November	December	Fourth Quarter	Grand Total
Eagle	605	621	694	1,920	457	369	261	1,087	244	453	462	1,159	425	452	203	1,080	5,246
Premier	0	0	0	0	0	0	0	0	0	0	0	0	1,535	1,514	4,238	7,287	7,287
CHRYSLER Total	**605**	**621**	**694**	**1,920**	**457**	**369**	**261**	**1,087**	**244**	**453**	**462**	**1,159**	**1,960**	**1,966**	**4,441**	**8,367**	**12,533**
Escort	6,061	7,083	7,765	20,909	7,956	7,370	7,695	23,021	472	0	0	472	0	0	0	0	44,402
Lynx	1,053	348	392	1,793	241	5	0	246	0	0	0	0	0	0	0	0	2,039
Tempo	10,593	9,974	12,668	33,235	11,464	9,406	9,687	30,557	604	0	0	604	5,725	12,372	13,921	32,018	96,414
Topaz	3,686	4,879	3,630	12,195	4,936	5,310	5,734	15,980	343	0	0	343	1,674	3,947	4,262	9,883	38,401
Crown Victoria	10,739	10,376	12,622	33,737	11,709	10,490	11,981	34,180	6,561	7,330	10,999	24,890	11,967	11,948	9,564	33,479	126,286
Grand Marquis	11,917	12,121	12,494	36,532	12,767	11,715	11,486	35,968	6,612	4,113	11,124	21,849	10,974	11,777	9,334	32,085	126,434
FORD Total	**44,049**	**44,781**	**49,571**	**138,401**	**49,073**	**44,296**	**46,583**	**139,952**	**14,592**	**11,443**	**22,123**	**48,158**	**30,340**	**40,044**	**37,081**	**107,465**	**433,976**
Celebrity	0	0	0	0	0	250	4,349	4,599	9,401	4,538	11,065	25,004	8,490	9,462	2,621	20,573	50,176
Cutlass Ciera	13,945	13,130	14,432	41,507	9,902	9,374	17,486	36,762	6,468	4,615	14,954	26,037	20,170	20,154	13,771	54,095	158,401
Cutlass Supreme	4,672	8,647	0	13,319	0	0	0	0	0	0	0	0	0	0	0	0	13,319
Grand Prix	2,444	2,012	0	4,456	0	0	0	0	0	0	0	0	0	0	0	0	4,456
Pontiac 6000	7,583	8,529	10,178	26,290	7,695	5,940	6,522	20,157	2,148	2,525	9,646	14,319	6,715	6,249	3,791	16,755	77,521
Regal	0	0	0	0	0	0	162	162	561	2,140	4,508	7,209	8,044	10,219	9,719	27,982	35,353
GM Total	**28,644**	**32,318**	**24,610**	**85,572**	**17,597**	**15,564**	**28,519**	**61,680**	**18,578**	**13,818**	**40,173**	**72,569**	**43,419**	**46,084**	**29,902**	**119,405**	**339,226**
HONDA	**380**	**571**	**856**	**1,807**	**978**	**1,257**	**1,645**	**3,880**	**1,761**	**1,589**	**1,550**	**4,900**	**1,737**	**1,795**	**1,566**	**5,098**	**15,685**
VOLVO	**990**	**855**	**990**	**2,835**	**945**	**900**	**990**	**2,835**	**990**	**270**	**945**	**2,205**	**315**	**0**	**333**	**648**	**8,523**
Grand Total	**74,668**	**79,146**	**76,721**	**230,535**	**69,050**	**62,386**	**77,998**	**209,434**	**36,165**	**27,573**	**65,253**	**128,991**	**77,771**	**89,889**	**73,323**	**240,983**	**809,943**

Canadian car output leanest in 4 years

1987	809,943
1986	1,073,312
1985	1,090,983
1984	1,062,183
1983	968,774
1982	801,685
1981	642,587
1980	846,777
1979	944,933
1978	1,131,050
1977	1,129,575
1976	1,143,842
1975	1,056,602
1974	1,143,037
1973	1,234,566
1972	1,154,938
1971	1,094,486
1970	923,538
1969	1,035,354
1968	891,849
1967	714,084
1966	696,100
1965	709,568
1964	559,392
1963	532,915
1962	428,189
1961	326,841
1960	325,282

Canadian car production by corporation for 23 years

	AMC	Bricklin	Chrysler	Ford	Honda	GM	Renault	Studebaker	Volvo	Total
1987	—	—	12,553	433,976	15,685	339,226	—	—	8,523	809,943
1986	4,432	—	—	517,418	526	540,526	—	—	10,390	1,073,312
1985	11,311	—	—	495,955	—	573,687	—	—	10,030	1,090,983
1984	22,992	—	—	463,296	—	565,457	—	—	10,438	1,062,183
1983	29,551	—	104,365	272,642	—	551,826	—	—	10,390	968,774
1982	30,344	—	149,442	283,001	—	332,038	—	—	6,860	801,685
1981	34,535	—	69,149	191,928	—	437,622	—	—	10,336	743,570
1980	3,077	—	71,530	249,876	—	512,330	—	—	9,964	846,770
1979	—	—	134,086	284,610	—	517,471	—	—	8,766	944,933
1978	26,283	—	160,085	372,296	—	564,187	—	—	8,199	1,131,050
1977	41,708	—	219,747	341,329	—	198,456	—	—	4,506	805,746
1976	42,269	—	245,332	371,305	—	475,090	—	—	9,486	1,143,482
1975	48,373	2,085	261,275	324,783	—	406,323	—	—	13,763	1,056,602
1974	58,002	—	225,478	387,880	—	461,596	—	—	10,081	1,143,037
1973	74,290	—	260,722	445,299	—	443,806	—	—	10,449	1,234,566
1972	58,920	—	265,773	458,972	—	354,167	7,658	—	9,448	1,154,938
1971	42,908	—	232,749	392,433	—	406,186	11,930	—	8,280	1,094,486
1970	47,796	—	239,032	396,243	—	222,676	9,591	—	8,200	923,538
1969	35,819	—	201,115	391,105	—	391,561	9,739	—	6,015	1,035,354
1968	41,726	—	219,151	287,286	—	338,016	—	—	5,670	891,849
1967	33,094	—	186,675	177,689	—	312,275	—	—	4,351	714,084
1966	32,912	—	172,960	198,498	—	285,984	—	2,045	3,701	696,100
1965	31,347	—	135,846	169,176	—	351,304	—	18,542	3,353	709,568



SALES/REGISTRATIONS

Last year turned out to be the fourth best in the past decade for combined car and truck sales in the United States.

Although passenger-car sales in 1987 fell 10.80 percent to 10,225,289 from 11,463,092 in 1986, record truck sales of 4,962,938 in 1987 versus 4,875,708 in 1986 helped offset the car decline.

In spite of cross-currents from fluctuating currencies, including the weakening of the dollar against the Japanese yen, and more cautious consumer buying attitudes following the stock market tumble on Oct. 19, 1987, vehicle makers managed a fair recovery.

A spate of sales incentives throughout the year bolstered already healthy truck sales and sporadically boosted less sprightly car sales.

The continued popularity of vans and sport-utility vehicles helped the light-truck segment garner nearly a third of the total vehicle market last year. Light-truck sales reached 4,668,483 in 1987, up 1.38 percent from 4,606,837 in 1986.

The Big Three domestic producers shared light-truck sales increases, while sales of imported trucks declined in 1987.

Sales of 3,144,027 imported cars in 1987 lagged slightly behind the record total of 3,248,430 in 1986. However, imports still took nearly a third of total new-car sales in the United States.

There was some rearranging of positions in the U.S. automobile market last year. Ford Motor Co. car sales slipped to 2,019,783 from 2,066,507 in 1986, although its Ford Taurus and Escort were the top-selling models for the year.

General Motors and Chrysler Motors car sales declined by more than 20 percentage points in 1987. GM deliveries fell 977,260 units to 3,555,538 compared with 4,532,798 sold the previous year. Chrysler deliveries dropped to 962,057 from 1,246,316 in 1986.

Honda was the most prominent import/transplant performer in 1987. Although its total sales in the United States declined to 628,836 in 1987 versus 640,646 in 1986, American Honda Manufacturing Inc. delivered 316,618 domestically built cars in 1987. Honda Accord was the third-best selling model in the United States last year.

Other Japanese firms benefiting from U.S. production were Nissan Motor Manufacturing Corp. in U.S.A. with sales of 119,678 in 1987 versus 52,602 in 1986, and Toyota Motor Sales U.S.A. Inc. with U.S.-built (NUMMI) deliveries of 44,853 against 7,281 in 1986.

Worldwide auto capacity continued to grow in 1987. Western Europe held the lead in worldwide passenger-car registrations in 1987.

New-car registrations in Western Europe surged to 12,260,202 in 1987 compared with 11,536,583 in 1986. That was an increase of 6.27 percent over the previous year.

United States and Canada placed second worldwide with combined automobile registrations of 11,150,655 in 1987 compared to 12,611,890 in 1986, according to R.L. Polk & Co. data. ■

Western European car registrations: Germany, France, Italy lead in '87

Country	1987	% Share	1986	% Share	% Change
Austria	243,221	1.98	252,175	2.19	– 3.55
Belgium	406,239	3.31	395,039	3.42	2.84
Denmark	124,097	1.01	169,386	1.47	–26.74
Ireland	54,219	0.44	59,762	0.52	– 9.28
Finland	151,432	1.24	143,183	1.24	5.76
France	2,105,180	17.17	1,911,521	16.57	10.13
Germany	2,915,654	23.78	2,829,438	24.53	3.05
Italy	1,976,537	16.12	1,825,383	15.82	8.28
Netherlands	555,743	4.53	560,512	4.86	– 0.85
Norway	115,097	0.94	167,352	1.45	–31.22
Portugal	127,515	1.04	114,226	0.99	11.63
Spain	852,323	6.95	655,892	5.69	29.95
Sweden	315,950	2.58	270,070	2.34	16.99
Switzerland	303,302	2.47	300,170	2.60	1.04
United Kingdom	2,013,693	16.42	1,882,474	16.32	6.97
Total	**12,260,202**	**100.00**	**11,536,583**	**100.00**	**6.27**

SOURCE: AID Ltd. Reuse or republication without permission is prohibited.

Western European car registrations total rises 6.24% in 1987

Manufacturer	1987 Totals	1986 Totals	% of Change
VW-Audi Group	1,599,215	1,473,922	8.50
SEAT (VAG)	229,080	216,529	5.80
Fiat-Lancia	1,562,624	1,452,834	7.60
Alfa Romeo (Fiat)	184,248	170,471	8.08
Peugeot SA	1,495,011	1,320,733	13.20
Ford	1,466,774	1,353,748	8.35
Renault	1,301,541	1,227,848	0.60
Opel-GM	1,299,344	1,259,388	3.17
Mercedes-Benz	431,751	436,837	– 1.17
Rover Group	412,375	408,027	1.19
Nissan	352,330	337,520	4.39
Toyota	341,730	332,945	2.64
BMW	292,746	295,542	– 0.09
Volvo	266,727	267,120	– 0.04
Mazda	234,274	238,361	1.72
Mitsubishi	149,119	139,862	6.62
Honda	126,721	134,087	5.50
Lada	118,240	107,631	9.86
Suzuki	79,175	65,509	20.86
Saab	69,165	68,284	1.30
Subaru	54,607	50,442	8.26
Daihatsu	37,163	36,500	1.72
Skoda	35,173	37,221	5.50
Jaguar	17,287	11,618	48.80
Porsche	14,189	20,338	30.23
Isuzu	9,851	7,545	30.56
Wartburg	2,635	2,953	0.60
Others	76,545	66,234	15.57
Totals	**12,259,820**	**11,549,045**	**6.24**
JAPAN	**1,385,615**	**1,342,771**	**3.20**

SOURCE: AID Ltd.; reuse or republication is prohibited.

Japanese car registrations rise 2.92%, market share in Europe ebbs slightly

Manufacturer	1987	% Share	1986	% Share	% Change
Nissan	352,280	2.87	338,192	2.93	4.17
Toyota	341,616	2.79	334,049	2.89	2.27
Mazda	234,401	1.91	238,590	2.07	– 1.76
Mitsubishi	149,168	1.22	140,019	1.21	6.53
Honda	126,687	1.03	134,222	1.16	– 5.61
Suzuki	79,040	0.64	65,607	0.57	20.47
Subaru	54,591	0.45	50,561	0.44	7.97
Daihatsu	37,116	0.30	36,545	0.32	1.56
Isuzu	9,791	0.08	7,561	0.07	29.49
Total Japan	1,384,690	11.29	1,345,346	11.65	2.92
Total Western Europe	12,260,202	100.0	11,546,583	100.0	6.18

World's major exporters

	Total vehicles 1987	Total vehicles 1986
Brazil	344,170	183,279
France	1,852,136	1,702,400
Germany	2,607,299	2,693,739
Japan	6,304,925	6,604,923
Mexico	162,743	123,103
South Korea	546,310	306,369
Spain	836,857	813,823
United States	811,869	842,401
U.S.S.R.	*427,000	N.A.

NOTES: *—Automotive News' estimate. U.S. total includes only light trucks. (U.S. Dept. of Commerce).

Western European new car registrations surge to 12.26 million

Manufacturer	Austria	Belgium	Denmark	Ireland	Finland	France	Germany	Italy	Netherlands	Norway	Portugal*	Sweden	Switzerland	Spain	U.K.	Total	Market Share
VW-Audi Group	47,899	60,014	9,547	3,420	10,837	128,706	861,746	164,303	56,513	11,654	660	37,700	46,312	51,781	108,123	1,599,215	13.04
Fiat-Lancia	12,794	13,557	7,185	3,159	4,089	134,416	126,521	1,063,009	31,117	5,318	15,600	6,942	24,239	42,663	72,015	1,562,624	12.75
Peugeot SA	16,981	57,302	13,709	2,045	7,476	703,495	123,265	148,804	54,951	7,609	17,550	11,001	25,374	148,171	147,278	1,495,011	12.19
Ford	23,132	39,487	13,861	7,565	11,505	143,448	301,041	78,438	56,317	16,169	7,100	34,299	21,400	132,893	580,119	1,466,774	11.96
Renault	11,725	35,539	427	2,140	1,147	641,657	89,598	156,862	22,622	856	44,400	5,072	16,920	194,082	78,694	1,301,541	10.62
Opel-GM	27,854	47,260	17,955	5,712	12,823	96,847	454,535	57,254	89,288	12,202	15,200	31,349	39,257	121,030	270,778	1,299,344	10.60
Mercedes-Benz	9,277	12,260	1,623	481	3,285	24,535	289,399	26,597	12,310	2,352	1,150	7,949	8,260	10,501	21,752	431,731	3.52
Rover Group	395	4,216	705	2,363	0	40,702	11,144	23,722	4,709	40	7,100	9	2,248	13,211	301,811	412,375	3.36
Nissan	13,732	19,423	6,371	7,019	15,750	17,844	84,540	27	31,327	7,049	2,300	18,059	13,722	924	114,243	352,330	2.87
Toyota	17,271	26,843	14,808	9,710	22,373	14,296	93,348	1,987	31,159	15,601	6,100	22,779	26,702	484	38,269	341,730	2.79
BMW	5,435	10,015	1,971	459	2,476	26,585	148,922	18,038	12,192	1,876	1,100	5,739	11,766	8,647	37,525	292,746	2.39
Volvo	2,954	9,227	4,429	539	8,118	18,755	17,301	16,316	26,553	9,168	1,550	72,492	5,378	3,067	70,880	266,727	2.18
Mazda	19,663	10,572	11,543	2,147	8,935	16,579	90,969	9	24,455	8,459	270	13,879	7,977	0	18,817	234,274	1.91
SEAT	1,371	5,557	1,030	591	1,714	30,607	10,461	61,547	6,517	0	4,400	0	3,775	93,445	8,065	229,080	1.87
Alfa Romeo	1,839	3,373	698	37	0	17,552	6,249	115,863	4,140	101	1,450	1,302	5,834	22,507	2,303	184,246	1.50
Mitsubishi	8,522	9,559	2,428	1,780	7,391	3,275	68,579	714	15,255	4,979	0	3,616	11,052	143	11,826	149,119	1.22
Honda	5,047	8,455	2,611	1,097	5,439	10,239	41,515	190	11,947	3,115	510	4,106	7,707	0	24,743	126,721	1.03
Lada	3,146	16,049	3,977	993	14,650	22,893	10,878	1,414	12,431	1,951	0	2,645	0	1,919	25,294	118,240	0.96
Suzuki	5,168	3,277	171	488	1,098	867	27,123	9,899	17,983	837	0	2,428	4,224	0	5,612	79,175	0.65
Saab	325	1,563	1,000	160	6,749	2,626	5,476	3,908	2,218	1,715	80	30,202	2,071	661	10,411	69,165	0.56
Subaru	4,136	2,974	363	576	1,150	0	16,714	354	4,723	2,553	0	1,772	14,332	0	4,960	54,607	0.45
Daihatsu	2,451	2,311	2,146	685	550	0	12,989	462	7,119	771	0	1,706	1,413	0	4,560	37,163	0.30
Skoda	1,353	2,626	3,067	12	1,864	1,482	2,622	1,917	3,569	414	0	98	0	1,606	14,543	35,173	0.29
Jaguar	138	523	52	53	0	894	2,175	610	579	57	25	110	657	312	11,102	17,287	0 14
Porsche	254	415	13	3	0	1,612	8,465	811	188	14	20	429	1,090	875	0	14,189	0.12
Isuzu	127	122	2	279	0	0	5,656	108	0	141	0	139	935	0	2,342	9,851	0.08
Wartburg	0	639	782	0	402	0	0	0	0	0	0	0	0	1,012	0	2,835	0.02
Others	232	3,281	1,623	706	1,611	5,268	4,423	22,378	5,561	96	950	128	271	2,389	27,628	76,545	0.62
Totals	**243,221**	**406,239**	**124,097**	**54,219**	**151,432**	**2,105,180**	**2,915,654**	**1,976,541**	**555,743**	**115,097**	**127,515**	**315,950**	**302,916**	**852,323**	**2,013,693**	**12,259,820**	**100.0**
Japanese	**76,117**	**83,536**	**40,443**	**23,751**	**62,686**	**63,100**	**441,433**	**13,750**	**143,968**	**43,505**	**9,180**	**68,484**	**88,064**	**2,196**	**225,372**	**1,385,615**	**11.30**
Japanese percent	**31.3**	**20.6**	**32.6**	**43.9**	**41.4**	**3.0**	**15.1**	**0.7**	**25.9**	**37.8**	**7.2**	**21.7**	**29.1**	**0.3**	**11.2**	**11.3**	

NOTE: *—Portugal is estimated.

SOURCE: AID Ltd.; republication without permission is prohibited.

SALES/REGISTRATIONS

U.S. import sales lag behind 1986 by 2.93%

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	1987	1986
ACURA	5,667	7,056	8,774	9,503	9,562	9,609	9,667	10,317	10,112	10,024	8,740	10,439	109,470	52,869
Integra	3,533	4,428	5,205	5,252	5,163	4,800	4,768	4,629	4,753	4,133	3,496	4,597	54,757	27,807
Legend	2,134	2,628	3,569	4,251	4,399	4,809	4,899	5,688	5,359	5,891	5,244	5,842	54,713	25,062
ALFA ROMEO	511	587	538	492	637	657	630	523	449	492	372	432	6,320	8,201
GTV-6	9	5	10	11	8	4	6	4	3	6	0	0	66	N.A.
Milano	217	227	225	168	208	250	285	221	251	316	227	264	2,859	N.A.
Spider	285	355	303	313	421	403	339	298	195	170	145	168	3,395	N.A.
ASTON MARTIN	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	64	74
AUDI	2,072	1,972	2,489	4,901	5,538	7,915	4,562	2,694	3,096	1,944	2,303	1,836	41,322	59,797
4000S	351	369	478	325	626	1,239	2,891	1,387	1,096	127	96	58	9,043	12,263
4000CS Quattro	207	161	172	125	166	289	575	445	543	109	97	40	2,929	4,174
5000S	1,057	969	1,308	3,283	3,522	4,753	474	389	757	1,007	980	694	19,193	30,811
5000CS Turbo	175	170	200	663	668	878	133	87	150	170	179	131	3,604	6,303
5000CS Turbo Quattro	185	221	217	428	442	584	142	133	232	235	236	190	3,245	3,400
80	0	0	0	0	0	0	0	0	0	58	236	256	550	0
90	0	0	0	0	0	0	0	0	0	63	339	366	768	0
Coupe GT	97	82	114	77	114	172	347	253	318	175	140	101	1,990	2,846
BERTONE	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	845	1,482
BMW	5,013	6,560	7,504	8,409	7,790	7,711	7,871	8,057	8,486	7,403	6,291	6,744	87,839	96,759
318i	1	3	2	2	6	1	0	0	0	1	2	0	18	907
524 TD	5	7	10	1	0	3	1	1	0	0	0	0	28	1,759
325	3,470	4,797	5,294	4,898	5,219	4,929	4,941	5,569	5,873	4,551	3,806	4,410	57,757	60,915
528e	786	790	981	804	669	867	832	811	716	806	761	582	9,405	15,880
535i/535is	376	512	583	1,254	412	479	654	434	490	526	452	375	6,547	7,377
6-series	142	151	188	190	167	161	150	132	316	140	158	49	1,944	2,979
7-series	231	255	326	1,158	1,196	1,098	1,016	870	842	1,113	861	1,062	10,028	6,942
M-3	0	0	0	0	13	61	187	159	150	175	173	203	1,121	0
M-5	1	0	39	22	35	48	29	42	57	47	50	33	403	0
M-6	1	45	81	80	73	64	61	39	42	44	28	30	588	0
CHEVROLET	9,928	8,815	10,571	10,657	9,294	10,897	12,326	15,335	15,814	10,327	11,631	11,616	137,211	160,363
Spectrum	6,056	5,205	6,673	6,383	5,335	6,628	7,924	7,927	8,112	4,966	6,105	5,538	76,852	99,380
Sprint	3,872	3,610	3,898	4,274	3,959	4,269	4,402	7,408	7,702	5,361	5,526	6,078	60,359	60,983
CHRYSLER/MITSUBISHI	8,703	9,690	11,269	10,226	9,666	11,085	12,946	13,001	11,023	8,424	7,258	7,046	120,337	135,528
Colt	6,019	5,819	6,710	6,584	6,366	7,344	8,613	8,433	7,419	5,831	5,137	5,092	79,367	93,343
Conquest	648	1,073	1,522	1,240	1,030	1,147	1,036	1,070	842	767	616	599	11,590	7,089
Vista	2,036	2,798	3,037	2,402	2,270	2,594	3,297	3,498	2,762	1,826	1,505	1,355	29,380	35,096
EAGLE/RENAULT	0	0	1,139	1,162	1,477	1,792	1,368	1,382	1,173	1,260	1,391	1,847	13,991	4,152
Medallion	0	0	1,139	1,162	1,477	1,792	1,368	1,382	1,173	1,260	1,391	1,847	13,991	0
FERRARI	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	1,054	771
FORD Festiva	0	0	0	351	1,102	1,492	2,412	5,172	5,885	3,400	3,224	3,712	26,750	0
HONDA	20,482	21,797	21,536	20,448	26,325	21,469	27,342	23,472	28,057	33,453	27,341	40,496	312,218	405,399
Civic/CRX	9,734	8,728	9,953	8,021	12,035	10,423	13,296	11,879	7,367	13,857	11,947	17,479	134,719	212,791
Accord	6,705	7,228	7,183	7,779	8,037	7,246	9,394	6,914	12,420	10,271	9,646	11,968	104 791	112,767
Prelude	4,043	5,841	4,400	4,648	6,253	3,800	4,652	4,679	8,270	9,325	5,748	11,049	72,708	79,841
HYUNDAI	18,006	18,656	19,502	21,320	22,383	27,189	30,472	26,850	21,099	20,714	18,074	19,345	263,610	168,882
ISUZU	1,950	1,622	1,917	2,953	3,271	4,438	5,154	5,874	3,424	2,472	2,722	3,790	39,587	38,910
I-Mark	1,015	1,124	1,418	2,284	2,652	3,912	4,675	5,372	2,798	1,767	2,044	3,239	32,300	26,046
Impulse	935	498	499	669	619	526	479	502	626	705	678	551	7,287	12,864
JAGUAR	1,057	1,466	1,545	1,460	2,304	2,192	2,040	2,084	2,192	1,970	1,761	2,848	22,919	24,464
XJ-6	820	1,062	1,119	1,140	1,960	1,62[illegible]	1,514	1,443	1,561	1,507	1,439	2,353	17,539	19,579
XJ-S	237	404	426	320	344	571	526	641	631	463	322	495	5,380	4,885
LAMBORGHINI	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	124	107
LOTUS	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	170	149
MASERATI	60	65	123	94	86	79	69	66	40	75	73	90	920	1,334
MAZDA	11,043	10,049	19,188	13,020	15,129	21,144	20,036	20,756	18,400	20,368	18,572	18,649	206,354	222,676
323	3,972	4,043	7,541	4,751	5,397	6,146	7,785	8,522	6,941	7,602	6,551	6,961	76,212	74,062
626	4,558	3,857	7,753	5,143	6,089	11,302	8,768	6,634	5,178	5,264	4,849	5,044	74,439	92,411
MX-6	0	0	0	0	0	0	0	404	2,813	2,866	2,392	1,970	10,445	0
929	0	0	0	0	0	0	0	87	623	1,744	2,227	2,232	6,913	0
RX-7	2,513	2,149	3,894	3,126	3,643	3,696	3,483	5,109	2,845	2,892	2,553	2,442	38,345	56,203
MERCEDES-BENZ	6,086	8,088	7,946	7,731	8,287	7,273	7,109	7,463	7,796	7,609	6,748	7,762	89,918	99,314
190	1,356	1,778	1,671	1,583	1,604	1,454	1,458	1,556	1,448	1,286	1,077	1,274	17,545	21,803
260E	255	410	521	562	567	486	500	519	589	672	523	556	6,160	859
300	1,667	2,156	2,145	1,949	2,187	1,849	1,869	1,899	2,053	1,961	1,689	2,032	23,456	27,521
300SDL Turbo	445	668	648	587	699	573	586	604	526	396	186	117	6,035	6,850
300SEL	0	0	0	0	0	0	0	0	0	23	304	579	906	0
420SEL	906	1,202	1,188	1,111	1,277	1,191	1,168	1,369	1,637	1,633	1,125	1,138	14,945	15,958
560SEL	466	617	548	532	562	453	428	440	452	495	655	698	6,346	9,922
560SL	844	1,050	961	1,109	1,106	944	875	930	933	930	1,004	1,139	11,825	12,214
560SEC	109	161	180	185	162	119	124	116	121	144	162	202	1,785	2,175
Tourist	38	46	84	113	123	204	101	50	37	69	23	27	915	2,012
MERKUR	410	486	1,219	541	1,045	1,432	1,922	2,482	2,268	1,015	845	636	14,301	14,315
XR4Ti	410	486	1,219	541	711	641	817	1,170	1,577	595	556	400	9,123	14,315
Scorpio	0	0	0	0	334	791	1,105	1,312	691	420	289	236	5,178	0
MITSUBISHI	2,326	5,314	6,431	6,275	6,046	7,755	6,984	6,351	5,411	5,193	4,683	5,185	67,954	49,436
Starion	234	613	531	577	400	608	499	474	338	309	244	257	5,084	5,792
Cordia	180	452	351	429	324	432	320	230	358	496	421	506	4,499	4,997
Tredia	194	469	308	437	489	626	655	659	425	304	226	180	4,972	9,449
Mirage	728	1,596	1,322	1,189	1,696	1,938	1,388	832	877	924	1,102	1,593	15,185	14,640
Galant	710	1,504	867	1,183	764	912	748	748	920	940	797	763	10,856	14,363
Precis	0	0	2,457	1,820	1,699	2,467	2,668	2,944	1,992	1,767	1,390	1,454	20,658	0
Van/Wagon	280	680	595	640	674	772	706	464	501	453	503	432	6,700	195
NISSAN	35,967	38,339	41,824	29,087	25,732	37,013	34,847	33,746	35,350	33,094	31,330	29,667	405,996	494,294
Sentra	10,794	13,222	14,734	7,073	4,466	10,395	10,546	8,072	6,320	11,083	12,578	11,856	121,139	158,893
Pulsar	5,499	6,069	6,671	5,320	4,436	5,588	5,713	5,933	6,168	4,317	3,439	3,022	62,175	47,350
Stanza	5,366	3,005	6,020	4,377	4,668	6,045	5,550	5,684	8,064	5,464	5,120	5,382	64,745	67,804
Maxima	7,258	8,060	7,964	6,544	6,958	8,717	8,028	9,370	10,044	8,365	6,671	6,113	94,092	112,755
200SX	3,243	3,523	3,085	2,638	2,507	3,235	2,649	2,434	2,432	1,822	1,388	1,240	30,196	45,952
300ZX	3,[illegible]	4,460	3,350	3,135	2,697	3,033	2,361	2,253	2,322	2,043	2,134	2,054	33,649	52,936
Hawaii	0	0	0	0	0	0	0	0	0	0	0	0	0	8,604
PEUGEOT	920	639	714	706	706	755	853	793	894	615	873	954	9,422	14,336
Retail	919	639	703	700	695	740	834	788	874	615	870	943	9,320	14,296
Tourist	1	0	11	6	11	15	19	5	20	0	3	11	102	40
PONTIAC LeMans	0	0	0	0	0	3,454	5,849	9,510	8,135	3,042	2,664	2,910	35,564	0
PORSCHE	1,654	1,815	2,394	2,288	2,473	2,200	2,052	2,137	2,301	1,480	1,557	1,281	23,632	30,471
924S	131	178	273	276	317	312	252	366	446	201	118	105	2,975	3,096
944	415	420	567	526	659	595	625	678	788	355	389	319	6,336	9,488
944S	216	241	278	241	195	177	125	130	123	62	48	39	1,875	808
944 Turbo	196	221	244	258	239	225	204	215	233	237	211	105	2,588	6,215
911 Coupe	294	323	406	427	442	364	370	333	298	277	319	304	4,157	4,485
911 Turbo	75	87	150	151	164	144	159	131	139	110	128	103	1,541	1,384
911 Cabriolet	155	183	288	241	248	218	159	145	145	107	153	150	2,192	2,215
928S	172	162	188	168	209	165	158	139	129	131	191	156	1,968	2,780
ROLLS-ROYCE	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	1,208	1,155
SAAB	3,681	3,265	3,817	3,149	3,897	4,279	4,754	4,657	3,637	3,902	2,965	3,103	45,106	48,246
900	793	633	812	675	831	913	1,015	1,091	881	927	640	627	9,838	13,869
900S	1,188	995	1,119	1,040	1,321	1,425	1,555	1,606	1,264	1,181	798	858	14,350	15,151
900 Turbo	645	618	792	603	770	836	974	922	702	829	681	748	9,120	8,627
9000S	252	321	340	288	325	584	438	402	345	326	303	274	4,198	46
9000 Turbo	760	681	681	471	578	353	662	560	402	609	528	573	6,858	9,721
Tourist	43	17	73	72	72	168	110	76	43	30	15	23	742	832
STERLING	0	1,043	1,535	1,621	1,022	1,160	1,510	1,426	1,465	1,433	1,045	911	14,171	0

SALES/REGISTRATIONS

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	1987	1988
SUBARU	8,734	12,347	13,862	12,102	16,126	14,343	14,436	17,745	19,674	17,728	13,443	15,324	175,864	179,100
Hatchback	717	610	663	545	495	563	593	839	766	941	836	809	8,377	15,972
3-Door	735	999	1,153	995	1,397	1,253	1,260	1,400	1,484	1,470	1,236	1,159	14,541	12,032
4-Door Sedan	2,061	3,038	3,538	2,951	4,159	3,692	3,642	3,898	4,285	3,426	2,143	2,564	39,397	49,706
XT	989	1,700	1,938	1,508	2,022	1,695	1,649	1,565	1,555	1,142	978	1,160	17,901	23,947
Station Wagon	3,910	5,144	5,665	5,307	7,263	6,216	6,426	8,684	10,347	9,215	6,601	7,630	82,408	77,438
Justy	322	856	905	796	790	924	866	1,359	1,237	1,534	1,649	2,002	13,240	5
TOYOTA	29,305	34,713	37,099	43,339	50,677	47,584	53,345	61,451	47,002	55,361	51,254	72,679	583,809	633,914
Corolla	5,159	6,437	7,885	8,210	9,099	8,065	9,452	10,928	8,092	13,502	13,811	18,807	119,447	152,137
Tercel	4,373	5,602	6,287	7,172	8,437	8,993	10,509	11,353	7,900	9,894	8,928	11,142	100,590	76,914
Celica	4,570	5,426	4,905	6,644	7,972	6,692	7,735	9,644	7,326	6,064	5,199	7,156	79,333	106,731
Supra	1,942	2,321	1,865	2,669	2,911	2,467	2,733	3,003	2,991	2,470	1,916	2,619	29,907	33,823
Camry	9,041	9,887	10,909	13,156	16,447	15,849	17,854	20,725	14,673	18,111	16,534	23,447	186,633	151,767
Cressida	1,491	1,883	1,583	1,989	1,935	1,548	1,690	2,291	2,623	1,748	1,243	1,944	21,968	42,180
Land Cruiser	328	261	380	321	306	330	405	366	390	506	605	810	5,008	4,475
Van	910	1,157	1,410	1,223	1,274	1,171	1,144	1,272	1,049	770	594	918	12,892	21,936
4Runner SR-5	102	116	96	110	133	178	175	201	137	299	630	1,458	3,635	5,564
MR2	1,050	1,298	1,455	1,555	1,896	1,386	1,274	1,321	1,391	1,137	869	1,215	15,847	28,851
Hawaii	339	325	324	290	267	905	374	347	430	860	925	3,163	8,549	9,536
VOLKSWAGEN	5,228	7,250	8,474	13,882	15,208	12,813	14,278	11,002	10,850	10,765	9,229	11,662	130,641	143,319
Cabriolet	678	975	1,204	1,581	1,882	1,558	1,517	1,243	1,096	780	504	545	13,563	14,275
Jetta	3,170	3,984	4,382	4,665	7,631	5,163	6,413	2,976	2,980	3,036	3,289	4,864	52,553	93,611
Vanagon	508	704	880	1,028	1,118	742	844	1,201	1,296	1,053	564	718	10,656	12,669
Quantum	427	464	524	551	637	515	586	855	825	800	234	304	6,722	11,880
Scirocco	445	584	587	701	799	615	631	681	697	652	253	326	6,971	10,884
Fox	0	539	897	5,356	3,141	4,220	4,287	4,046	3,956	4,444	4,385	4,905	40,176	0
VOLVO	12,619	9,043	10,562	10,255	10,402	9,083	8,907	10,080	8,647	6,438	6,493	4,010	106,539	113,267
240 Series	6,099	4,507	5,185	4,878	5,185	4,609	4,131	4,624	3,176	2,616	2,486	1,611	49,107	54,195
740 Series	5,028	3,491	4,206	4,213	3,980	3,129	3,375	3,784	3,415	2,498	2,513	1,728	41,360	46,578
760 Series	1,425	931	1,070	997	1,004	1,027	1,113	1,474	1,896	1,236	1,376	560	14,109	10,313
780	1	0	0	0	6	28	97	82	116	64	72	45	511	0
Tourist	66	114	101	167	227	290	191	116	44	24	46	66	1,452	2,181
YUGO	4,174	5,059	4,571	4,357	4,111	4,761	4,038	4,200	3,891	3,606	3,204	2,840	48,812	35,959
IMPORT TOTAL	195,596	215,736	246,543	240,329	260,296	281,574	297,779	308,646	286,571	273,607	246,086	287,814	3,144,042	3,239,043

Total U.S. sales

Domestics and Imports

1968	9,655,519
1969	9,582,075
1970	8,403,057
1971	10,241,784
1972	10,943,402
1973	11,446,589
1974	8,851,956
1975	8,627,120
1976	10,099,573
1977	11,175,554
1978	11,308,498
1979	10,643,554
1980	8,975,209
1981	8,532,672
1982	7,978,177
1983	9,181,036
1984	10,393,230
1985	11,045,784
1986	11,453,705
1987	10,225,304

Import sales, 20 years

U.S. sales of import cars

1968	1,030,700
1969	1,117,700
1970	1,287,520
1971	1,565,500
1972	1,621,900
1973	1,776,900
1974	1,403,035
1975	1,577,000
1976	1,493,000
1977	2,071,100
1978	2,000,500
1979	2,327,932
1980	2,396,934
1981	2,326,376
1982	2,221,517
1983	2,385,734
1984	2,441,713
1985	2,841,063
1986	3,239,043
1987	3,144,042

Domestic sales

Sales of U.S. new cars

1968	8,624,819
1969	8,464,375
1970	7,115,537
1971	8,676,284
1972	9,321,502
1973	9,669,689
1974	7,448,921
1975	7,050,120
1976	8,606,573
1977	9,104,454
1978	9,307,998
1979	8,315,622
1980	6,578,275
1981	6,206,296
1982	5,756,660
1983	6,795,302
1984	7,951,517
1985	8,204,721
1986	8,214,662
1987	7,081,262

U.S. diesel-powered car sales drop 60.80%

	1987 Sales	Percent Share of Diesel Market	1986 Sales	Percent Share of Diesel Market
Buick	0	—	0	—
Cadillac	0	—	0	—
Chevrolet	0	—	0	—
Oldsmobile	0	—	0	—
Pontiac	0	—	0	—
GM	**0**	**—**	**0**	**—**
Ford Motor Co.	**1,402**	**8.45**	**7,000***	**16.53**
VW	257	1.55	14,630	34.55
Audi	0	—	0	—
VWoA	**257**	**1.55**	**14,630**	**34.55**
Mercedes-Benz	14,941	90.00	14,329	33.84
Volvo	0	—	2,150	5.08
BMW	0	—	1,759	4.15
Peugeot	0	—	1,609	3.80
Nissan	0	—	0	—
Toyota	0	—	867	2.05
Isuzu	0	—	0	—
Diesel Total	**16,600**	**100.00**	**42,344**	**100.00**
Total U.S. new-car sales	**7,081,267**	**—**	**11,454,468**	**—**
Diesel percent of total U.S. car sales	—	0.023	—	0.37

NOTE: *—Estimated.

Imported new-car sales in U.S. since 1976

	1987	1986	1985	1984	1983	1982	1981	1980	1979	1978	1977	1976
Acura	109,470	52,869	—	—	—	—	—	—	—	—	—	—
Alfa Romeo	6,320	8,201	4,502	3,702	3,002	2,194	2,301	3,000	4,011	6,237	6,712	5,283
Aston Martin	64	74	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Audi	41,322	59,797	74,061	71,237	47,936	45,954	50,817	42,483	42,709	40,878	35,854	33,316
Bertone	845	1,482	N.A.	N.A.	—	—	—	—	—	—	—	—
BMW	87,839	96,759	87,832	70,897	59,242	52,393	41,761	37,071	34,521	31,457	28,776	26,040
Capri	—	—	—	—	—	—	—	—	—	4,079	22,458	29,904
Chevrolet Spectrum	76,852	99,380	53,968	2,077	—	—	—	—	—	—	—	—
Chevrolet Sprint	60,359	60,983	30,892	10,927	—	—	—	—	—	—	—	—
Chrysler Conquest	11,217	2,572	—	—	—	—	—	—	—	—	—	—
DeLorean	—	—	—	—	—	2,830	3,009	—	—	—	—	—
Dodge Colt	41,787	48,249	39,724	36,560	39,158	75,031	42,796	50,689	62,705	44,570	70,679	48,542
Dodge Conquest	234	2,335	2,716	3,725	14,024	14,128	12,690	12,924	14,166	17,649	1,832	—
Dodge Vista	15,336	18,101	12,023	7,805	2,311	—	—	—	—	—	—	—
Eagle	13,991	4,152	7,205	12,243	33,229	37,540	30,869	25,365	18,862	15,739	13,198	6,880
Fiat	—	—	—	—	6,184	14,113	32,185	37,814	58,934	60,435	63,479	61,540
Ferrari	1,054	771	N.A.	N.A.	N.A.	N.A.	N.A.	779	679	617	N.A.	N.A.
Fiesta	—	—	—	—	—	—	32,856	68,595	78,109	76,145	40,549	—
Ford	26,750	—	—	—	—	—	—	—	—	—	—	—
Honda	312,218	405,399	406,413	374,819	350,670	365,865	370,705	375,388	353,291	274,876	223,633	150,929
Hyundai	263,610	168,882	—	—	—	—	—	—	—	—	—	—
Isuzu	39,587	38,910	26,953	17,233	20,731	15,462	17,805	—	—	—	—	—
Jaguar	22,919	24,464	20,528	18,044	15,815	10,349	4,695	3,029	3,748	4,782	4,349	7,384
Lamborghini	124	107	26	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Lancia	—	—	—	—	637	1,174	1,068	2,100	1,602	2,811	5,500	—
Lotus	170	149	—	—	—	—	—	—	—	—	—	—
Maserati	920	1,334	1,190	2,023	—	—	—	—	—	—	—	—
Mazda	206,354	222,676	211,093	169,666	173,388	163,150	166,105	161,623	156,533	75,309	50,609	35,383
Mercedes-Benz	89,918	99,314	89,098	79,222	73,692	65,963	63,059	53,790	52,819	46,695	48,722	43,205
Merkur	14,301	14,315	8,974	—	—	—	—	—	—	—	—	—
MG	—	—	—	—	—	3,712	13,370	26,025	26,656	34,794	28,436	27,946
Mitsubishi	67,954	49,436	49,734	39,104	32,755	3,950	—	—	—	—	—	—
Nissan	405,996	494,294	535,372	485,298	521,902	470,246	464,805	516,890	472,252	388,096	388,378	270,103
Opel	—	—	—	—	—	—	—	—	13,815	19,222	29,067	10,483
Peugeot	9,422	14,296	15,636	20,007	15,241	14,323	16,725	12,930	11,688	9,061	10,002	9,497
Plymouth Colt	37,580	45,094	36,491	32,819	34,513	—	42,128	55,474	48,680	28,296	47,345	30,430
Plymouth Conquest	139	2,182	2,671	3,344	11,571	13,068	13,326	10,263	12,322	12,277	1,406	—
Plymouth Vista	14,044	16,995	11,588	7,465	1,992	—	—	—	—	—	—	—
Pontiac LeMans	35,564	—	—	—	—	—	—	—	—	—	—	—
Porsche	23,632	30,471	25,306	20,024	21,831	14,407	11,241	10,490	14,080	17,017	19,896	14,192
Rolls-Royce	1,208	1,155	1,110	1,063	1,046	N.A.	1,158	942	1,002	1,109	N.A.	N.A.
Rover	—	—	—	—	—	—	481	—	—	—	—	—
Saab	45,106	48,246	39,068	33,631	26,323	18,463	14,613	13,558	15,142	15,662	13,120	9,866
Sterling	14,171	—	—	—	—	—	—	—	—	—	—	—
Subaru	175,864	179,100	178,175	157,385	156,840	150,335	152,062	142,968	127,871	103,274	80,826	48,928
Toyota	583,809	633,914	620,047	557,961	555,766	530,246	576,491	582,204	507,816	441,800	493,048	346,920
Triumph	—	—	—	—	—	—	9,768	14,939	12,733	16,447	29,258	28,232
Volkswagen	130,641	143,319	140,505	103,479	77,009	67,350	82,173	90,952	77,106	216,709	260,704	201,670
Volvo	106,539	113,267	104,267	99,541	88,857	72,375	64,477	56,999	56,602	50,880	46,790	43,887
Yugo	48,812	35,959	3,895	—	—	—	—	—	—	—	—	—
Total	3,144,042	3,239,043	2,841,063	2,443,144	2,386,064	2,221,817	2,326,300	2,396,934	2,280,001	2,000,500	2,071,100	1,493,000

SALES/REGISTRATIONS

Domestic car sales shrink by 13.80 percent in calendar 1987

Sales and rankings, 1987 vs. 1986

	January	February	March	April	May	June	July	August	September	October	November	December	Total 1987	1987 Position	Total 1986	1986 Position
Alliance	2,063	2,501	2,339	2,465	2,559	2,568	2,196	2,303	1,913	1,371	1,695	1,121	25,094	59	64,519	47
Eagle	358	0	409	372	324	441	280	292	245	522	472	525	4,240	79	8,334	78
Premier	0	0	0	0	0	0	0	0	0	0	0	192	192	82	0	0
Total Eagle	2,421	2,501	2,748	2,837	2,883	3,009	2,476	2,595	2,158	1,893	2,167	1,838	29,526	0	72,853	0
Horizon	6,062	7,103	6,719	6,313	4,768	3,690	2,361	1,236	531	1,893	2,916	2,848	46,460	48	111,092	28
Sundance	4,294	5,007	6,203	6,444	8,978	9,966	7,107	6,776	5,643	5,104	5,127	5,214	75,863	69	20,340	36
Turismo	1,205	2,432	3,952	2,254	1,099	993	1,169	1,526	1,259	536	336	230	16,991	65	44,742	54
Reliant	5,915	9,288	12,533	9,899	8,014	8,313	5,406	4,646	10,872	10,516	9,749	10,766	105,919	26	130,043	22
Caravelle	1,702	3,169	4,157	3,577	2,872	4,153	3,221	2,783	2,937	2,587	2,031	2,888	36,077	54	39,138	55
Gran Fury	432	333	477	573	1,026	828	909	755	618	720	641	470	7,762	74	17,443	73
Total Plymouth	19,630	27,332	34,041	29,060	26,757	27,963	20,173	17,722	21,860	21,356	20,800	22,418	289,112	0	362,798	0
Laser	528	888	858	487	575	293	679	0	0	0	0	0	4,308	78	27,762	60
LeBaron K	2,807	4,199	5,611	5,378	5,560	6,449	5,551	5,431	4,110	3,582	3,236	2,832	54,748	46	93,761	37
LeBaron J	1,531	2,923	4,050	5,631	5,805	8,250	9,290	11,697	10,596	10,229	8,796	9,004	87,802	31	831	81
LeBaron GTS	2,026	3,343	4,218	3,072	2,546	2,512	2,914	2,389	2,360	1,584	1,784	2,191	30,939	56	86,984	45
Fifth Avenue	2,876	2,513	4,852	3,714	3,250	3,450	5,424	6,560	6,984	7,902	5,110	5,635	58,270	45	106,897	32
New Yorker C	0	0	0	0	0	0	0	0	95	1,422	2,721	4,343	8,581	73	0	0
New Yorker E	2,038	4,812	5,804	6,084	5,863	6,133	3,595	4,741	4,218	2,637	2,182	2,372	50,479	47	57,653	50
Total Chrysler	11,806	18,678	25,393	24,366	23,599	27,087	27,453	30,818	28,363	27,356	23,829	26,377	295,125	0	353,886	0
Omni	5,074	6,055	5,563	5,123	3,557	2,762	1,766	898	541	1,645	2,213	2,529	37,726	53	97,634	35
Shadow	4,101	5,514	5,929	6,296	8,888	10,283	7,229	6,523	5,777	5,421	5,147	5,978	77,066	35	20,140	70
Charger	1,364	2,759	4,551	2,489	1,130	1,100	1,162	1,346	1,164	505	243	219	18,032	63	50,196	52
Daytona	888	2,157	2,805	2,736	3,645	4,298	4,262	4,230	4,466	3,792	3,678	4,819	41,776	51	35,788	56
Aries	5,788	9,112	10,880	8,546	7,660	8,685	5,499	4,794	9,729	9,678	8,945	9,723	99,039	29	108,051	30
Lancer	2,000	3,020	2,967	1,927	1,783	1,706	2,382	1,767	1,480	883	1,077	1,410	22,422	60	47,996	53
Diplomat	855	671	694	863	1,054	1,444	1,278	1,445	1,076	1,253	1,145	997	34,656	71	12775	57
Dynasty	0	0	0	0	0	0	3,327	0	33	468	812	1,779	6,419	75	0	0
Dodge 600	1,947	3,210	3,806	3,248	2,882	3,402	0	3,018	2,620	3,109	2,821	3,156	33,019	55	62,336	48
Total Dodge	22,017	32,498	37,215	31,228	30,599	33,680	26,905	24,021	26,886	26,754	25,881	30,610	348,294	0	456,777	0
CHRYSLER MOTORS	**55,574**	**81,089**	**98,367**	**87,491**	**83,838**	**91,730**	**77,867**	**75,188**	**79,257**	**77,360**	**72,577**	**81,243**	**982,897**	**0**	**1,246,316**	**0**
Escort	15,977	30,282	38,302	35,120	35,196	36,715	33,438	39,422	41,188	29,966	28,737	28,017	392,360	1	402,181	2
Mustang	9,766	18,657	21,551	14,470	15,724	16,105	14,265	12,537	12,557	13,458	12,144	11,368	172,602	12	167,699	16
Tempo	14,126	22,518	24,177	22,968	21,163	21,153	19,172	15,152	11,015	9,776	18,172	19,904	219,296	7	265,382	5
Taurus	22,758	23,707	32,070	34,647	30,299	31,499	30,475	33,549	35,557	21,572	26,195	32,643	354,971	2	263,450	6
Thunderbird	6,971	9,343	10,879	11,100	10,338	12,292	13,481	14,270	13,955	10,912	9,312	9,770	132,623	17	140,713	18
LTD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	23,587	63
Crown Victoria	6,255	8,412	11,539	13,045	12,342	12,724	10,601	7,814	8,851	9,545	8,763	8,143	118,034	21	134,129	19
Total Ford Div.	75,853	112,919	138,518	131,350	125,062	130,488	121,432	122,744	123,123	95,229	103,323	109,845	1,389,886	0	1,397,141	0
Lynx/Tracer	2,602	4,549	6,371	5,762	5,957	6,927	6,419	7,665	8,125	4,818	4,983	4,760	68,938	39	65,497	46
Topaz	3,874	6,537	7,054	6,680	6,275	5,851	5,859	4,630	3,659	3,238	4,625	4,918	63,200	43	67,499	44
Sable	5,262	7,348	9,593	8,845	7,693	8,483	9,449	11,135	11,126	8,036	8,348	9,200	104,518	27	98,593	34
Cougar	5,017	7,311	9,998	10,065	9,656	10,795	11,544	12,803	11,375	7,684	7,226	7,248	110,722	24	114,270	25
Capri	0	0	0	0	0	0	0	0	0	0	0	0	0	0	12,647	76
Marquis	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10,180	77
Grand Marquis	5,926	8,720	10,998	10,754	10,672	12,296	10,724	9,931	8,875	10,444	8,890	8,252	116,482	23	123,096	23
Total Mercury	22,681	34,465	44,014	42,106	40,253	44,352	43,995	46,164	43,160	34,220	34,072	34,378	463,860	0	491,782	0
Continental	957	1,194	1,413	1,221	1,189	1,294	1,259	989	618	387	161	2,227	12,909	70	20,629	68
Lincoln	7,153	7,067	10,915	11,399	11,269	12,528	9,588	10,689	11,749	12,078	10,694	10,880	126,009	18	133,175	20
Mark VII	1,626	1,386	2,468	2,736	2,555	2,678	2,110	2,238	2,427	2,585	2,443	1,867	27,119	57	23,780	62
Total Lincoln	9,736	9,647	14,796	15,356	15,013	16,500	12,957	13,916	14,794	15,050	13,298	14,974	166,037	0	177,584	0
Total L-M Division	32,417	44,112	58,810	57,462	55,266	60,852	56,952	60,080	57,954	49,270	47,370	49,352	629,897	0	669,366	0
FORD MOTOR CO.	**108,270**	**157,031**	**197,328**	**188,812**	**180,328**	**191,340**	**178,384**	**182,824**	**181,077**	**144,499**	**150,693**	**159,197**	**2,019,783**	**0**	**2,066,507**	**0**
Skyhawk	2,345	2,264	3,428	3,894	3,372	3,603	3,233	3,843	3,946	3,080	2,894	2,749	38,651	52	74,906	39
Skylark/Somerset	4,472	5,677	7,142	7,872	5,011	6,284	6,104	6,786	6,579	3,961	3,277	3,913	67,078	40	111,744	26
Century	10,416	10,837	14,710	16,239	10,394	11,819	10,938	15,350	19,304	10,335	8,434	9,021	147,797	14	240,747	8
Regal	2,888	3,627	5,064	5,317	3,874	4,938	6,017	4,063	4,077	7,032	6,985	9,971	63,853	41	78,340	38
LeSabre	9,330	10,085	11,178	13,893	9,125	12,502	14,013	17,844	14,928	9,702	7,947	10,779	141,126	15	132,406	21
Electra	5,187	5,663	6,363	7,143	5,292	6,597	6,796	8,467	8,497	6,183	5,799	10,732	82,719	33	107,999	31
Riviera	2,824	2,223	1,969	1,703	1,082	1,268	997	832	947	870	677	795	16,187	68	23,292	65
Total Buick	37,462	40,376	49,854	55,861	38,150	47,011	48,098	57,185	58,278	41,163	36,013	47,960	557,411	0	769,434	0
Cimarron	920	858	1,075	1,448	1,275	1,181	1,128	1,488	1,130	649	636	507	12,295	72	23,435	64
Allante	0	59	270	248	281	235	227	224	107	242	348	276	2,517	80	0	0
Seville	2,953	2,067	2,024	1,685	1,864	1,814	1,391	1,041	1,023	1,694	1,900	2,059	21,515	61	21,150	67
Cadillac	12,472	15,284	15,424	19,723	18,030	15,587	14,382	24,045	19,299	20,750	14,001	14,480	203,487	10	235,206	9
Eldorado	2,512	1,110	1,355	1,798	1,647	1,943	1,900	1,592	1,401	1,603	2,146	2,463	21,470	62	24,266	61
Total Cadillac	18,857	19,378	20,148	24,902	23,097	20,760	19,038	28,390	22,960	24,938	19,031	19,785	261,284	0	304,057	0
Chevette	5,878	3,392	2,638	1,891	1,040	716	427	363	277	140	97	108	16,967	66	74,389	40
Nova	5,478	6,742	9,891	15,362	16,104	22,200	19,259	14,029	12,682	5,722	4,006	3,679	134,956	16	170,507	15
Cavalier	22,259	37,490	35,461	30,187	19,537	21,931	22,738	24,806	21,225	19,823	20,876	30,695	307,028	3	357,093	3
Citation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,052	80
Camaro	7,105	11,956	13,536	13,710	10,837	10,995	10,432	11,090	8,761	6,378	5,610	6,914	117,324	22	163,204	17
Celebrity	21,663	28,102	35,877	38,541	28,172	25,797	18,532	23,101	21,044	23,995	19,123	22,533	306,480	4	408,946	1
Corsica/Beretta	706	2,962	8,911	13,533	22,290	28,504	27,452	30,272	31,548	15,929	13,308	18,659	214,074	8	12,879	75
Monte Carlo	4,199	3,945	5,462	5,900	6,048	6,391	5,910	5,884	4,701	6,179	4,611	4,347	63,577	42	111,247	27
Chevrolet	11,479	13,271	16,097	17,255	15,966	15,050	15,217	19,039	16,930	11,219	11,159	14,662	177,344	11	226,132	10
Corvette	1,559	1,787	2,322	2,555	2,564	2,415	2,023	1,827	1,411	2,644	2,101	2,229	25,437	58	33,027	59
Total Chevrolet	80,326	109,647	129,995	138,934	122,558	133,999	121,990	130,411	118,579	92,029	80,893	103,826	1,363,187	0	1,558,476	0
Firenza	1,426	918	1,454	1,613	1,434	1,525	1,425	1,609	1,998	1,649	1,006	1,569	17,626	64	34,113	58
Calais	6,492	8,039	10,768	10,413	8,862	9,662	9,754	10,684	8,176	6,797	5,814	6,400	101,861	28	116,018	24
Cutlass Ciera	18,076	18,761	25,747	25,335	19,823	20,833	19,163	26,322	24,564	15,950	14,008	16,025	244,607	5	329,930	4
Cutlass Supreme	6,769	9,989	11,898	11,261	7,015	9,328	10,173	6,199	4,772	6,062	5,026	4,287	92,779	30	191,937	14
Olds 88	10,838	12,986	16,903	18,067	15,258	15,244	15,167	19,469	12,835	11,406	9,858	10,820	168,853	13	261,260	7
Olds 98	4,892	4,537	5,488	7,067	6,205	6,265	5,733	7,390	5,985	6,305	4,786	7,548	72,001	38	109,370	29
Toronado	1,210	1,319	1,372	2,037	1,880	2,323	1,287	852	1,049	1,028	1,228	1,062	16,667	67	16,762	74
Total Oldsmobile	49,503	56,549	73,630	75,793	60,477	65,180	62,702	72,525	59,379	49,199	41,726	47,731	714,394	0	1,059,390	0
Fiero	2,803	3,916	4,666	6,000	5,072	3,939	3,689	3,384	2,662	1,789	1,937	1,973	41,830	50	68,340	43
Pontiac 1000	910	937	868	774	433	201	205	154	133	105	61	45	4,826	77	18,329	72
Sunbird	5,819	7,077	8,893	9,163	7,127	7,598	6,541	6,932	5,739	4,006	5,264	4,853	79,014	34	104,216	33
Firebird	3,788	5,664	7,336	9,167	8,554	7,989	6,828	6,757	5,028	3,949	4,023	4,107	73,190	37	94,241	36
Grand Am	15,840	15,658	19,193	21,085	19,606	20,279	20,534	18,372	11,807	20,387	15,119	13,312	211,192	9	205,254	12
Pontiac 6000	9,996	9,058	12,260	12,408	10,191	10,303	8,894	9,009	10,359	9,672	10,315	7,908	120,373	19	199,443	13
Grand Prix	0	0	0	0	0	0	0	0	761	908	1,478	2,476	5,623	76	71,056	42
Bonneville	5,877	7,879	10,317	10,538	8,355	9,311	9,068	11,119	10,424	8,437	8,564	9,441	109,330	25	18,561	71
Paris /Safari	1,326	1,817	1,847	1,922	1,264	883	841	860	1,124	734	686	580	13,884	69	62,001	49
Total Pontiac	46,359	52,006	65,380	71,057	60,602	60,503	56,600	56,587	48,037	49,989	47,447	44,695	659,262	0	841,441	0
GENERAL MOTORS	**232,507**	**277,568**	**339,007**	**366,547**	**304,894**	**327,453**	**309,428**	**345,998**	**307,233**	**257,318**	**225,110**	**263,987**	**3,555,536**	**0**	**4,532,796**	**0**
Civic	6,705	10,443	7,966	7,125	7,567	9,995	9,312	9,535	2,453	2,063	4,252	9,117	86,533	32	23,010	66
Accord	13,193	17,408	20,510	20,441	18,438	15,020	16,975	20,206	21,175	25,983	20,661	20,075	230,085	6	212,237	11
HONDA	**19,898**	**27,851**	**28,476**	**27,566**	**26,005**	**25,015**	**26,287**	**29,741**	**23,628**	**28,046**	**24,913**	**29,192**	**316,618**	**0**	**235,247**	**0**
MAZDA	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**4**	**154**	**528**	**985**	**1,671**	**81**	**0**	**0**
NISSAN	**6,580**	**7,200**	**10,130**	**12,250**	**14,923**	**13,718**	**10,957**	**12,858**	**12,516**	**8,188**	**4,906**	**5,485**	**119,678**	**20**	**52,882**	**51**
TOYOTA	**1,741**	**2,068**	**3,455**	**3,930**	**4,463**	**2,586**	**3,290**	**3,500**	**4,956**	**4,119**	**3,627**	**7,000**	**44,853**	**49**	**7,281**	**79**
VOLKSWAGEN	**3,185**	**4,907**	**5,809**	**7,212**	**7,962**	**4,876**	**6,883**	**4,799**	**4,531**	**4,189**	**3,514**	**3,517**	**61,084**	**44**	**73,911**	**41**
Total Sales	**428,024**	**568,062**	**663,602**	**693,817**	**622,303**	**656,727**	**611,836**	**653,974**	**613,212**	**523,872**	**485,968**	**550,676**	**7,081,262**	**0**	**8,214,862**	**0**

SALES/REGISTRATIONS

U.S. factory sales of special trucks for last 25 years

	Domestic	Export	Total
4x4 trucks			
1962..	84,559	35,188	119,747
1963..	95,316	41,299	136,615
1964..	92,384	44,990	137,374
1965..	106,206	39,772	145,978
1966..	111,194	39,548	150,742
1967..	115,766	37,829	153,595
1968..	128,093	34,326	162,419
1969..	142,790	32,036	174,826
1970..	142,095	19,740	161,835
1971..	204,811	20,561	225,372
1972..	271,382	25,656	297,038
1973..	368,471	35,157	403,628
1974..	431,108	49,816	480,924
1975..	413,720	65,991	479,711
1976..	615,652	58,680	674,332
1977..	749,154	74,959	824,113
1978..	893,662	79,361	973,023
1979..	666,522	85,066	751,588
1980..	241,528	55,290	296,818
1981..	241,889	56,633	298,522
1982..	344,302	29,079	373,381
1983..	673,720	49,307	723,027
1984..	911,518	57,945	969,463
1985..	997,861	72,752	1,070,613
1986..	900,643	81,821	982,464
1987..	983,739	95,047	1,078,786
Multi-stop delivery trucks			
	Domestic	Export	Total
1962..	31,749	738	32,487
1963..	33,303	792	34,095
1964..	29,467	1,039	30,506
1965..	41,102	866	41,968
1966..	37,520	1,333	38,853
1967..	36,893	1,950	38,843
1968..	35,842	988	36,830
1969..	48,918	1,904	50,822
1970..	45,244	2,258	47,502
1971..	68,211	3,886	72,097
1972..	73,005	4,534	77,539
1973..	82,811	5,885	88,696
1974..	38,800	3,987	42,787
1975..	33,019	4,000	37,019
1976..	49,473	4,664	54,137
1977..	52,573	3,685	56,258
1978..	112,730	7,142	119,872
1979..	45,395	6,422	51,817
1980..	23,148	3,466	26,614
1981..	25,979	3,451	29,430
1982..	31,793	1,040	32,833
1983..	46,431	1,519	47,950
1984..	61,524	1,460	62,984
1985..	47,623	1,910	49,533
1986..	44,090	2,059	46,149
1987..	53,317	2,329	55,646
Trucks with diesel engines			
	Domestic	Export	Total
1962..	38,464	5,383	43,847
1963..	47,211	9,191	56,402
1964..	57,179	8,197	65,376
1965..	72,357	9,794	82,151
1966..	85,619	11,011	96,560
1967..	70,800	13,225	84,025
1968..	83,423	10,396	93,819
1969..	101,703	13,167	114,870
1970..	91,801	13,913	105,714
1971..	101,488	11,664	113,152
1972..	129,628	13,461	143,089
1973..	152,373	16,016	168,389
1974..	144,702	22,557	167,259
1975..	72,605	29,903	102,508
1976..	107,216	21,860	129,076
1977..	165,559	19,738	185,297
1978..	219,915	23,933	243,848
1979..	227,834	28,210	258,528
1980..	214,562	29,584	244,146
1981..	209,394	27,776	237,170
1982..	219,748	16,853	236,601
1983..	231,905	15,376	247,281
1984..	333,122	27,664	360,786
1985..	324,471	35,921	360,392
1986..	261,072	37,613	298,685
1987..	274,786	44,012	318,798
Trucks with 3 or more axles			
	Domestic	Export	Total
1962..	30,525	1,898	32,423
1963..	39,847	2,374	42,221
1964..	50,558	3,406	53,994
1965..	57,968	4,241	62,209
1966..	71,817	4,914	76,731
1967..	58,745	6,424	65,169
1968..	65,923	6,143	72,066
1969..	81,286	12,431	93,717
1970..	76,129	9,426	85,555
1971..	84,027	9,314	93,341
1972..	106,732	12,165	118,897
1973..	124,913	14,652	139,565
1974..	125,658	21,126	146,784
1975..	56,772	26,682	83,454
1976..	80,533	16,064	96,597
1977..	124,427	13,804	139,231
1978..	134,296	16,668	150,964
1979..	142,646	23,315	165,961
1980..	86,572	17,747	104,319
1981..	83,103	16,414	99,517
1982..	59,170	7,176	66,346
1983..	66,340	5,027	71,367
1984..	113,512	10,170	123,682
1985..	105,703	11,313	117,016
1986..	87,810	10,954	98,764
1987..	104,388	13,490	117,878

SOURCE: MVMA

1987 U.S. truck sales set a record; nearly reach 5-million mark

	6,000 & less GVW Class 1	6,001-10,000 GVW Class 2	*10,001-14,000 GVW Class 3	14,001-16,000 GVW Class 4	16,001-19,500 GVW Class 5	19,501-26,000 GVW Class 6	26,001-33,000 GVW Class 7	33,001- & over GVW Class 8	Total 1987	Total 1986	Percent of change
CHRYSLER	592,215	111,379	4,531						708,125	596,159	+ 18.78
JEEP	193,040	15,400							208,440	207,514	+ 0.45
TOYOTA	303,783								303,783	384,150	- 20.92
NISSAN	216,514								216,514	223,406	- 3.08
MAZDA	123,699								123,699	157,127	- 21.27
ISUZU	86,990								86,990	88,720	- 1.95
MITSUBISHI	51,862								51,862	34,985	+ 48.24
SUZUKI	81,349								81,349	47,732	+ 70.43
SUBARU	1,274								1,274	4,142	- 69.24
RANGE ROVER	2,596								2,596	0	0.00
FORD	818,497	579,228		1,244		9,458	32,002	12,796	1,453,225	1,381,438	+ 5.20
FREIGHTLINER								23,350	23,350	17,473	+ 33.63
CHEVROLET	814,870	358,217	588		244	9,274	8,252	403	1,191,848	1,247,594	- 4.47
GMC	198,827	110,856	1,534		5,679	8,197	20,615	7,308	353,016	345,047	+ 2.31
KENWORTH							207	14,018	14,225	10,457	+ 36.03
MACK						2,499	2,797	18,268	23,564	22,548	+ 4.51
MERCEDES						1,516	2,312		3,828	4,016	- 4.68
NAVISTAR				202	400	11,717	32,072	28,914	73,305	71,022	+ 3.21
PETERBILT							201	12,578	12,779	9,992	+ 27.89
VOLVO							1,673	10,840	12,513	12,820	- 2.39
HINO					499	496	1,009		2,004	1,038	+ 93.06
NISSAN DIESEL					571	284	856		1,711	724	+136.33
ISUZU TRUCK			5,109	1	178	336	42		5,666	4,954	+ 14.37
MITSUBISHI FUSO			976			205	545		1,726	0	0.00
SCANIA								149	149	0	0.00
IVECO			1,269	682	614	164			2,729	2,650	+ 2.98
WESTERN STAR								1,436	1,436	0	0.00
OTHER DOMESTICS						136		1,096	1,232	0	0.00
Grand Total	**3,485,516**	**1,175,080**	**14,009**	**2,129**	**8,185**	**44,282**	**102,583**	**131,156**	**4,962,938**	**4,875,708**	+ 1.79
1986 Total	**3,383,383**	**1,213,664**	**12,758**	**768**	**6,505**	**45,046**	**100,713**	**112,871**	**4,875,708**		

*Note: Class 1-3 sales based on manufacturer reports to Automotive News. Class 4-8 sales based on manufacturer reports to the Motor Vehicle Manufacturers Association.
0Ford and General Motors sell domestically built light trucks in Class 3, but do not break them out. They are included in the companies' Class 2 sales. Figures reported for Class 3 for these companies are imported vehicles, Isuzu-built units in the case of GMC and Chevrolet and Brazilian-built Cargo units in the case of Ford.

SALES/REGISTRATIONS

U.S. new car registrations over 25 years

Year	Rambler	*American Motors	Plymouth	Dodge	**Eagle	Chrysler	Imperial	Chrysler Motors	Ford Div.	Mercury	Lincoln
1963—	428,346	428,346	426,332	379,026	——	114,062	15,266	934,686	1,559,108	288,884	31,517
1964—	379,412	379,412	492,775	462,551	——	137,029	21,157	1,113,512	1,749,014	311,574	36,897
1965—	324,669	324,669	624,779	521,783	——	202,559	17,214	1,366,335	1,998,385	331,367	42,363
1966—	——	265,712	596,160	543,560	——	230,182	14,609	1,386,511	1,991,520	308,049	49,324
1967—	——	237,785	627,173	491,919	——	206,399	15,901	1,341,392	1,520,711	295,511	35,218
1968—	——	259,346	709,823	581,476	——	220,786	15,778	1,527,863	1,803,271	367,515	57,486
1969—	——	239,937	658,987	538,381	——	211,727	18,860	1,427,955	1,880,384	352,137	58,835
1970—	——	254,327	681,760	504,097	——	153,168	10,753	1,349,778	1,848,669	310,375	56,654
1971—	——	245,805	687,115	545,785	——	156,195	12,089	1,401,184	1,913,033	384,152	66,092
1972—	——	301,973	709,884	562,985	——	178,951	14,321	1,466,141	2,058,676	396,186	94,434
1973—	——	392,102	746,699	587,937	——	163,075	12,809	1,512,520	2,137,123	413,677	116,115
1974—	——	329,431	597,276	462,872	——	107,802	12,252	1,180,202	1,756,811	330,513	84,693
1975—	——	307,618	404,408	344,697	——	212,809	4,764	966,678	1,481,169	332,173	91,496
1976—	——	247,032	526,957	450,647	——	271,061	411	1,259,076	1,665,619	408,121	115,801
1977—	——	182,539	436,027	448,128	——	303,480	——	1,187,635	1,791,414	489,160	172,853
1978—	——	157,797	394,534	427,946	——	189,631	——	1,112,111	1,769,077	560,299	178,873
1979—	——	156,926	323,225	367,387	——	243,842	——	934,454	1,475,178	498,326	128,262
1980—	——	150,878	236,522	250,556	——	138,385	——	625,463	1,046,887	326,361	72,740
1981—	——	133,455	335,691	311,824	——	87,165	4,940	739,620	975,312	340,868	61,775
1982—	——	108,706	243,519	252,183	——	169,275	2,603	667,580	889,470	316,293	87,820
1983—	——	190,797	258,584	307,633	——	254,175	1,264	820,492	1,034,732	395,041	97,206
1984—	——	188,752	281,897	359,722	——	321,303	——	962,922	1,286,004	520,868	144,548
1985—	——	128,318	324,257	425,755	——	371,292	——	1,121,304	1,364,829	515,895	164,295
1986—	——	72,008	351,543	441,694	——	351,741	——	1,143,103	1,364,434	477,874	169,805
1987—	——	44,526*	343,981	407,174	44,626	296,362	——	1,092,143	1,417,270	463,432	166,599

	Ford Motor Co.	Buick	Cadillac	Chevrolet	Oldsmobile	Pontiac	General Motors	Studebaker-Packard	Imports	Misc. Domestics	Total
1963—	1,879,509	454,237	159,233	2,161,653	474,786	606,791	3,866,700	64,570	385,624	7,282	7,556,717
1964—	2,097,485	481,043	151,638	2,124,905	513,134	687,902	3,958,622	27,073	484,131	5,915	8,065,150
1965—	2,372,388	608,620	189,661	2,424,358	608,930	831,448	4,663,017	12,042	569,415	6,046	9,313,912
1966—	2,348,893	569,131	196,498	2,158,811	580,550	830,856	4,335,846	——	658,123	7,636	9,008,488
1967—	1,851,440	565,313	209,546	1,978,758	551,274	834,146	4,139,037	——	779,220	8,440	8,357,421
1968—	2,228,272	627,159	205,593	2,060,249	624,262	877,382	4,394,645	——	985,767	7,969	9,403,862
1969—	2,291,356	677,319	243,905	2,060,202	642,889	759,605	4,419,920	——	1,061,617	5,739	9,446,524
1970—	2,215,698	493,207	165,042	1,668,288	461,732	544,715	3,332,984	——	1,230,961	4,456	8,388,204
1971—	2,363,277	726,542	253,002	2,195,345	666,958	980,097	4,521,944	——	1,293,743	4,673	9,830,626
1972—	2,549,296	646,526	257,795	2,289,407	729,153	962,775	4,635,656	——	1,529,402	5,326	10,487,794
1973—	2,666,915	696,333	285,709	2,455,063	808,889	807,546	5,053,540	——	1,719,913	6,002	11,350,995
1974—	2,172,017	428,194	219,993	1,973,706	519,082	504,081	3,645,056	——	1,369,148	5,240	8,701,094
1975—	1,904,838	489,290	256,135	1,749,877	604,882	478,142	3,578,326	——	1,500,928	3,452	8,261,840
1976—	2,189,541	700,778	293,716	2,035,858	867,485	706,460	4,604,297	——	1,446,637	4,902	9,751,485
1977—	2,453,427	735,396	325,724	2,205,566	953,875	800,230	5,020,791	——	1,976,512	5,330	10,926,234
1978—	2,508,249	762,532	335,053	2,294,990	967,896	857,083	5,217,554	——	1,946,094	4,299	10,946,104
1979—	2,101,766	687,182	307,897	2,106,404	931,836	774,525	4,807,844	——	2,351,053	4,652	10,356,695
1980—	1,445,988	707,544	212,557	1,725,874	807,000	612,794	4,065,769	——	2,469,180	3,659	8,760,937
1981—	1,377,955	718,304	224,458	1,437,091	830,892	546,936	3,757,681	——	2,431,680	3,528	8,443,919
1982—	1,293,583	713,671	240,197	1,222,624	775,702	461,149	3,413,343	——	2,268,631	2,499	7,754,342
1983—	1,526,979	816,256	291,552	1,310,503	971,229	536,404	3,927,944	——	2,457,357	617	8,924,186
1984—	1,951,420	919,904	310,257	1,546,098	1,038,774	685,361	4,501,394	——	2,523,974	267	10,128,729
1985—	2,045,019	851,031	301,228	1,577,349	1,067,881	785,098	4,582,587	——	3,011,132	248	10,888,608
1986—	2,012,113	757,328	300,090	1,367,002	1,044,444	829,650	4,624,746	——	3,444,190	77	11,139,842
1987—	2,060,743	556,122	258,146	1,493,413	715,961	696,842	3,720,484	——	3,624,536	80	10,122,154

NOTES: 1986 data has been changed because of revisions in Massachusetts' registrations. Manufacturers' sales records were used to compile Oklahoma's numbers in 1986.
*—American Motors was acquired by Chrysler Corp. in 1987. **—Eagle is part of Chrysler Motors.
SOURCE: R.L. Polk & Co.

Top 10 passenger cars in selected countries for 1987

AUSTRALIA

1. Ford Falcon/Fairmont 69,346
2. Holden Commodore/Calais 53,148
3. Mitsubishi Magna 31,822
4. Ford Laser 27,717
5. Toyota Corolla 22,171
6. Toyota Camry/Corona 22,171
7. Holden Camira 13,585
8. Nissan Pintara 11,776
9. Nissan Skyline 9,483
10. Nissan Pulsar 8,721

BRAZIL

1. VW Golf 63,098
2. GM Monza 55,278
3. Ford Escort 51,143
4. Chevrolet Chevette 40,355
5. Fiat Uno 36,598
6. VW Santana 22,171
7. Ford Del Rey 21,636
8. VW Parati 21,477
9. VW Voyage 19,802
10. Chevrolet Pickup 19,010

CANADA

1. Ford Tempo 42,320
2. Pontiac 6000 32,916
3. Chevrolet Cavalier 31,967
4. Honda Accord 31,463
5. Chevrolet Celebrity 29,718
6. Plymouth Reliant 26,847
7. Ford Taurus 26,257
8. Toyota Tercel 26,021
9. Mercury Topaz 25,986
10. Honda Civic 25,831

FRANCE

1. Renault 5 239,660
2. Peugeot 205 230,318
3. Renault 21 176,605
4. Citroen BX 120,637
5. Peugeot 309 114,802
6. Renault 11 96,673
7. Citroen AX 91,163
8. Renault 25 64,986
9. Fiat Uno 60,199
10. VW Golf 59,334

ITALY

1. Fiat Uno 427,524
2. Fiat Panda 200,910
3. VW Golf 107,791
4. Renault 5 81,344
5. Autobianchi Y10 80,762
6. Fiat Regata 72,919
7. Alfa Romeo 33 60,663
8. Peugeot 205 57,387
9. Fiat Duna 52,624
10. Lancia Prisma 47,655

JAPAN

1. Toyota Corolla 235,737
2. Toyota Mark II 174,203
3. Nissan Sunny 171,353
4. Toyota Carina 157,107
5. Nissan Bluebird 126,074
6. Toyota Co[illegible] 120,070
7. Toyota Spr[illegible] 105,436
8. Honda Civic 103,198
9. Toyota Crown 97,557
10. Mazda Familia 88,595

MEXICO

1. Nissan Tsuru 49,061
2. VW Beetle 17,532
3. VW Golf 12,609
4. Ford Topaz 10,589
5. Chrysler Dart 9,884
6. Chevrolet Cutlass 7,570
7. VW Corsar 6,781
8. Chrysler Volare 6,331
9. VW Jetta 6,259
10. Chrysler Phantom 4,421

NETHERLANDS

1. Opel Kadett 52,772
2. VW Golf 26,825
3. Ford Escort 25,992
4. Volvo 300-series 19,727
5. Peugeot 205 17,601
6. Ford Sierra 17,366
7. Nissan Sunny 17,341
8. Citroen BX 16,830
9. Toyota Corolla 14,630
10. Mazda 323 12,326

SOUTH KOREA

1. Hyundai Excel 70,725
2. Daewoo LeMans 47,441
3. Hyundai Stellar 40,926
4. Kia Pride 28,662
5. Daewoo Royale 22,763
6. Hyundai Pony 2 20,295
7. Daewoo Maepsy 4,584
8. Hyundai Grandeur 4,046
9. Daewoo Super Salon 2,671
10. Kia Concord 1,663

SWITZERLAND

1. VW Golf/Jetta 22,943
2. Opel Kadett 14,934
3. BMW 3-series 8,419
4. Toyota Corolla 8,281
5. Opel Omega 8,147
6. Fiat Uno 8,098
7. Opel Ascona 7,679
8. Ford Sierra 7,537
9. Ford Escort/Orion 7,331
10. Peugeot 205 7,256

UNITED KINGDOM

1. Ford Escort 178,001
2. Ford Fiesta 153,453
3. Ford Sierra 139,878
4. Austin Rover Metro 108,223
5. Vauxhall Cavalier 98,490
6. Vauxhall Astra 88,637
7. Ford Orion 69,262
8. Austin Rover Montego 56,238
9. Austin Rover 200 50,254
10. Peugeot 205 49,127

UNITED STATES

1. Ford Escort 392,360
2. Ford Taurus 354,971
3. Honda Accord 334,876
4. Chevrolet Celebrity 306,480
5. Chevrolet Cavalier 307,028
6. Hyundai Excel 263,610
7. Oldsmobile Cutlass Ciera 244,607
8. Nissan Sentra 211,495
9. Ford Tempo 219,296
10. Pontiac Grand Am 211,192

WEST GERMANY

1. VW Golf/Jetta 420,204
2. Opel Kadett 239,929
3. Audi 80/90 161,050
4. Mercedes-Benz 200/300 147,493
5. Mercedes-Benz 190 111,329
6. VW Passat 107,034
7. BMW 3-series 104,978
8. Ford Escort/Orion 98,976
9. Opel Omega 88,422
10. Ford Sierra 86,706

Compiled by Automotive News from various sources, including AID Ltd.
European numbers are registrations; all others are sales.

SALES/REGISTRATIONS

New-car registrations in the United States fell by 9.14 percent, or more than 1 million units in 1987. The total was 10,122,154 units compared with 11,139,842 in 1986.

Domestic-car registrations dropped 8.44 percent to 6,497,618, compared with 1986's total of 7,695,652 units.

Import-car registrations accounted for more than a third of the 1987 grand total. Import registrations climbed by 5.24 percent (180,346 units) to 3,624,536. In 1986 the import total was 3,444,190 units.

Registrations of domestic-sponsored import cars rose 22.33 percent to 375,832 from 307,212 in 1986, while registrations of all other import cars rose 3.56 percent to 3,248,704, compared with 3,136,978 in 1986.

The year's numbers are compiled from data collected by R.L. Polk & Co., which gathers registration numbers from states and manufacturers' records. ■

Record years for car registrations

1973	11,350,995
1986	11,139,842
1978	10,946,104
1985	10,888,608
1977	10,826,234
1972	10,487,794
1979	10,356,695
1984	10,128,729
1987	10,122,154
1971	9,830,626
1976	9,751,485
1969	9,446,524
1968	9,403,862
1965	9,313,912
1966	9,008,488
1983	8,924,186
1980	8,760,937
1974	8,701,094
1981	8,443,919
1970	8,388,204
1967	8,357,421
1975	8,269,840
1964	8,065,150
1982	7,754,342
1963	7,556,717
1955	7,169,908
1962	6,938,863
1960	6,576,650
1950	6,326,438
1959	6,041,275
1957	5,982,342
1956	5,955,248
1961	5,854,747

U.S. new-car registrations decline by over 1 million in 1987

Based on R.L. Polk & Co. Statistical Report

	1987	1986
Chrysler Conquest*	11,195	1,875
T/C By Maserati*	—	—
Laser	4,792	28,321
LeBaron GTS (fwd)	32,183	67,056
LeBaron	49,219	46,365
LeBaron Coupe/Conv	78,429	40,390
LeBaron SW	4,809	6,789
New Yorker Turbo	39,113	38,695
New Yorker/Landau	18,425	17,050
Fifth Ave/Newport	58,197	105,200
Total	296,362	351,741
Plymouth Colt*	37,916	45,237
Colt SW*	—	—
Colt Vista SW*	14,663	16,632
Conquest*	—	2,289
Horizon	48,788	108,476
Sundance	75,168	16,278
Turismo	17,805	44,689
Reliant	83,415	99,727
Reliant SW	22,654	28,242
Caravelle	35,869	38,622
Gran Fury	7,703	15,509
Total	343,981	415,701
Chrysler/Plymouth Total	640,343	767,442
Dodge Colt*	41,875	48,373
Colt SW*	—	—
Colt Vista SW*	15,925	17,628
Conquest*	—	2,441
Omni	39,899	94,896
Shadow	76,755	15,609
Charger	19,928	48,893
Daytona	37,071	36,547
Aries/LE	81,182	80,581
Aries SW	19,880	24,153
Lancer	22,793	47,900
600	36,660	61,305
Dynasty	2,274	—
Diplomat	12,932	31,810
Total	407,174	510,136
Eagle Alliance	26,132	49,907
Encore	—	14,721
Eagle 4wd	591	1,159
Eagle 4wd SW	4,087	6,221
Premier/SportWagon*/ Medallion*	13,816	2,234
Total	44,626	74,242
Total Chrysler	**1,082,143**	**1,351,820**
Ford Festiva*	24,114	—
Escort	331,846	325,876
Escort SW	60,912	74,819
EXP	—	444
Mustang	170,566	165,854
Probe	—	—
Tempo	222,963	259,896
Taurus	267,285	178,015
Taurus SW	89,748	60,595
LTD	—	23,291
LTD SW	—	6,114
Crown Victoria	102,257	110,580
Crown Victoria SW	16,055	20,348
Thunderbird	131,544	138,602
Total	1,417,270	1,364,434
Lincoln Town Car	126,035	127,457
Mark VII	27,195	22,236
Continental	12,288	20,110
Continental (fwd)	1,081	—
Total	166,599	169,805
XR4 Total*	8,817	14,108
Scorpio Total*	4,625	—
Mercury Lynx	30,049	55,546
Lynx SW	6,101	10,343
Tracer*	29,994	—
Tracer SW*	2,261	—
Capri	1,087	11,850
Topaz	63,126	65,498
Sable	76,488	67,191
Sable SW (fwd)	26,519	24,150
Marquis	—	10,854
Marquis SW	—	1,260
Grand Marquis	108,540	108,353
Grand Marquis SW	9,345	10,011
Cougar	109,922	112,818
Total	463,432	477,874
Lincoln-Mercury Total	643,473	661,787
Total Ford	**2,999,743**	**2,626,221**
Buick Reatta	10	—
Skyhawk	36,661	69,071
Skyhawk SW	2,793	5,101
Somerset/Skylark (fwd)	67,880	112,375
Century	137,645	215,114
Century SW	14,239	21,832
Regal	47,516	77,962
Regal (fwd)	11,156	—
LeSabre	132,203	110,229
Electra	79,634	106,825
Buick SW	9,913	15,882
Riviera (fwd)	16,472	22,937
Total	556,122	757,328
Cadillac DeVille/Fltwd	144,782	162,320
Cimarron	12,609	23,592
Brgham/Fltwd Chassis	56,537	69,045
Fleetwood 60 Sp	1,216	11
Eldorado	20,282	24,476
Seville	20,656	20,641
Allante	2,064	5
Total	258,146	300,090
Chevrolet Nova	134,889	169,837
Sprint*	59,001	61,269
Spectrum*	78,947	95,126
Chevette	21,264	72,454
Corsica	100,084	1,372
Beretta	108,387	1,505
Camaro	116,656	165,883
Cavalier	260,744	312,033
Cavalier SW	38,034	50,747
Citation (fwd)	0	45,788
Celebrity	252,949	316,208
Celebrity SW	60,542	81,089
Monte Carlo	63,784	111,245
Caprice	142,877	179,105
Chevrolet SW	30,601	42,780
Corvette	24,854	32,581
Total	1,493,413	1,693,234
Oldsmobile Firenza (fwd)	15,389	29,855
Firenza SW	1,863	4,615
Calais	100,706	114,295
Cutlass Ciera	223,872	291,396
Cutlass Ciera SW	22,403	32,211
Cutlass Supreme	95,190	191,138
Cutlass Supreme (fwd)	—	—
Delta 88	155,106	234,755
98	71,307	109,280
Oldsmobile SW	14,014	20,660
Toronado (fwd)	16,111	16,239
Total	715,961	1,044,444
Pontiac 1000	5,697	18,142
Firebird	73,641	93,521
LeMans*	32,794	—
Sunbird	77,326	98,788
Sunbird SW	2,794	5,137
Grand Am	213,778	198,509
Bonneville	—	35,060
Bonneville (fwd)	100,506	14,114
6000	112,176	180,171
6000 SW	11,935	17,430
Grand Prix	13,705	37,728
Grand Prix (fwd)	600	—
Parisienne	—	50,939
Safari SW	9,424	12,363
Fiero	42,466	67,748
Total	696,842	829,650
Total GM	**3,729,484**	**4,624,746**
Misc. Domestic	**86**	**77**
***(Domestic Sponsored Imports)**	**375,832**	**307,212**
Other Imports	**3,248,704**	**3,136,978**
(Grand Total)	**3,624,536**	**3,444,190**
(Domestic Station Wgn)	478,665	582,892
(Import Station Wgn)	253,983	274,151
Grand Total All Registrations	**10,122,154**	**11,139,842**

Automotive News analysis of new-car registrations based on R.L. Polk & Co. statistical report. Manufacturers' sales records used for compiling Oldsmobile in 1986.

Market shares for 36 years — U.S. car registrations by company

Year	GM	Ford	Chrysler	AMC*	Studebaker-Packard	Kaiser-Frazer, Willys	Miscellaneous Domestic	Imports
1952	41.74	22.78	21.27	5.31	5.39	2.71	0.09	0.71
1953	45.07	25.15	20.31	3.55	4.05	1.34	0.02	0.51
1954	50.70	30.83	12.90	2.01	2.43	0.47	0.07	0.59
1955	50.76	27.63	16.82	1.81	2.06	0.10	0.01	0.81
1956	50.78	28.45	15.48	1.81	1.76	—	0.07	1.65
1957	44.85	30.39	18.33	1.77	1.13	—	0.07	3.46
1958	46.36	26.44	13.92	4.01	1.08	—	0.07	8.12
1959	42.10	28.12	11.30	6.01	2.21	—	0.09	10.17
1960	43.64	26.60	14.01	6.42	1.62	—	0.13	7.58
1961	46.53	28.53	10.79	6.33	1.23	—	0.12	6.47
1962	51.87	26.30	9.61	6.10	1.12	—	0.11	4.89
1963	51.04	24.87	12.37	5.67	0.85	—	0.10	5.10
1964	49.08	26.01	13.81	4.71	0.32	—	0.07	6.00
1965	50.07	25.47	14.67	3.49	0.13	—	0.06	6.11
1966	48.13	26.06	15.39	2.35	0.06	—	0.08	7.31
1967	49.53	22.15	16.05	2.85	—	—	0.10	9.32
1968	46.73	23.70	16.25	2.76	—	—	0.08	10.48
1969	46.79	24.25	15.12	2.54	—	—	0.06	11.24
1970	39.73	26.42	16.09	3.03	—	—	0.05	14.68
1971	45.16	23.52	13.71	2.50	—	—	0.05	15.06
1972	44.40	24.39	13.80	2.83	—	—	0.05	14.53
1973	44.32	23.50	13.33	3.45	—	—	0.05	15.15
1974	41.89	24.96	13.56	3.79	—	—	0.06	15.74
1975	43.31	23.06	11.70	3.72	—	—	0.04	18.17
1976	47.22	22.45	12.91	2.53	—	—	0.05	14.84
1977	46.37	22.66	10.97	1.69	—	—	0.04	18.26
1978	47.67	22.91	10.16	1.44	—	—	0.05	17.78
1979	46.42	20.29	9.02	1.52	—	—	0.05	22.70
1980	46.41	16.51	7.14	1.72	—	—	0.04	28.18
1981	44.50	16.32	8.76	1.58	—	—	0.04	28.80
1982	44.02	16.62	8.61	1.09	—	—	0.03	29.57
1983	44.01	17.11	9.19	2.14	—	—	0.01	27.54
1984	44.44	19.26	9.51	1.86	—	—	0.00	24.93
1985	42.83	18.86	11.23	1.18	—	—	0.00	25.90
1986	41.51	18.19	11.47	0.85	—	—	0.00	28.18
1987	36.76	20.36	10.79	—	—	—	0.00	32.09

SOURCE: R.L. Polk & Co. *—And predecessors. (American Motors was acquired by Chrysler Corp. in 1987.) Chart includes domestic-sponsored imports for 1985, 1986 and 1987.

SALES/REGISTRATIONS

New car registrations in U.S. by state top 10 million in 1987

(compiled by R.L. Polk & Co.)

State	Year	Eagle Div.	Chrysler	Dodge	Plymouth	CHRYSLER TOTAL	Ford	Lincoln	Mercury	FORD TOTAL	Buick	Cadillac	Chevrolet	Oldsmobile	Pontiac	GM TOTAL	*Others	TOTAL	Year	State
Alabama	'87	196	4,034	3,417	2,481	10,128	17,545	1,873	4,987	24,405	9,062	3,503	22,286	11,077	11,481	57,389	48,148	140,070	'87	Alabama
	'86	370	5,609	4,759	3,352	14,090	18,663	2,077	5,763	26,503	12,034	4,503	26,668	15,789	15,851	74,825	44,053	159,471	'86	
Alaska	'87	96	322	320	288	1,018	2,026	60	356	2,442	279	97	1,142	399	397	2,314	5,216	10,990	'87	Alaska
	'86	208	511	516	478	1,713	1,898	71	502	2,471	406	135	1,291	817	673	3,322	5,292	12,798	'86	
Arizona	'87	281	2,627	2,575	2,402	7,885	14,876	1,904	3,711	20,491	5,302	3,285	14,048	5,303	5,386	34,324	46,237	108,937	'87	Arizona
	'86	652	3,567	3,583	2,529	10,331	15,337	1,957	4,256	21,550	7,315	3,645	17,112	8,950	7,914	44,936	44,708	121,525	'86	
Arkansas	'87	252	2,078	2,247	1,375	5,952	6,702	1,139	2,910	12,751	3,455	1,814	9,143	6,254	4,309	24,975	16,255	59,933	'87	Arkansas
	'86	376	2,521	3,163	1,797	7,857	6,418	1,453	3,315	13,186	4,339	2,385	12,119	9,057	5,702	33,602	16,306	70,951	'86	
California	'87	2,290	26,522	22,070	15,655	66,527	139,724	14,435	30,299	184,458	32,377	31,047	87,328	42,737	35,655	229,144	625,219	1,105,348	'87	California
	'86	5,662	34,115	26,473	13,780	80,030	130,084	14,803	35,570	180,457	47,955	37,811	94,014	63,921	47,441	291,142	595,732	1,147,361	'86	
Colorado	'87	548	2,212	2,984	1,882	7,626	14,695	1,413	3,581	19,689	4,868	2,303	11,097	4,873	5,399	28,540	53,076	108,931	'87	Colorado
	'86	938	2,518	3,649	2,298	9,404	13,552	1,442	4,199	19,193	5,930	2,683	13,002	8,618	6,946	39,179	55,039	121,815	'86	
Connecticut	'87	474	5,037	5,796	6,022	17,329	22,599	2,311	6,733	31,643	9,960	3,499	21,632	12,352	8,742	56,185	79,407	184,564	'87	Connecticut
	'86	1,269	6,293	7,550	7,359	22,471	23,268	2,410	8,301	33,999	13,771	4,054	28,150	19,158	11,838	76,971	80,623	214,064	'86	
Delaware	'87	118	1,173	1,324	1,348	3,963	5,744	554	2,022	8,320	2,540	894	6,926	3,670	3,000	17,030	18,194	47,507	'87	Delaware
	'86	335	1,473	1,702	1,608	5,118	5,384	517	2,053	7,954	3,034	1,006	7,312	5,368	3,576	20,296	14,409	47,777	'86	
District of Columbia	'87	91	771	714	635	2,211	2,248	296	657	3,201	759	617	2,739	1,409	827	6,351	11,133	22,896	'87	District of Columbia
	'86	206	748	715	481	2,150	2,363	282	757	3,402	890	672	2,298	1,820	855	6,533	10,692	22,777	'86	
Florida	'87	1,419	23,893	37,728	20,443	83,483	90,316	21,325	33,733	145,374	48,416	33,504	97,516	40,544	48,988	268,868	273,193	770,918	'87	Florida
	'86	4,085	23,080	36,162	18,012	81,339	78,357	18,896	31,496	128,751	51,697	28,768	82,028	57,395	54,812	274,700	216,022	700,812	'86	
Georgia	'87	581	7,528	6,412	5,425	19,946	37,126	4,068	11,392	52,586	12,459	7,067	31,171	17,943	18,869	87,509	103,005	263,046	'87	Georgia
	'86	983	8,956	8,777	5,635	24,351	36,103	4,147	12,527	52,777	17,856	8,277	35,222	25,481	24,236	111,072	96,235	283,435	'86	
Hawaii	'87	59	625	1,266	670	2,620	4,775	1,029	548	6,352	1,530	863	4,503	1,887	1,379	10,162	32,312	51,446	'87	Hawaii
	'86	143	1,156	969	624	2,892	3,435	816	1,068	5,319	1,703	638	3,907	1,975	1,652	9,875	31,594	49,680	'86	
Idaho	'87	76	683	714	503	1,976	2,336	174	1,381	3,891	1,032	418	1,817	1,349	1,240	5,858	8,712	20,435	'87	Idaho
	'86	162	793	968	582	2,515	2,554	190	1,285	4,029	1,460	397	2,225	2,097	1,397	7,576	9,566	23,686	'86	
Illinois	'87	1,423	14,245	18,296	15,651	49,615	91,584	10,322	28,527	130,533	39,772	15,065	89,574	52,035	47,798	244,244	152,700	577,092	'87	Illinois
	'86	3,659	17,413	24,316	18,910	64,298	78,017	9,383	28,081	115,481	53,455	18,714	104,990	70,520	54,237	301,916	152,067	633,762	'86	
Indiana	'87	879	6,585	6,928	6,631	21,123	28,347	2,170	9,763	40,280	14,785	4,299	32,122	20,976	18,098	90,190	37,034	188,627	'87	Indiana
	'86	1,994	7,777	9,552	8,538	27,861	31,030	2,055	11,302	44,387	19,987	5,438	40,081	30,393	22,772	118,671	36,260	227,179	'86	
Iowa	'87	339	2,427	3,691	2,215	8,672	12,520	757	4,200	17,477	7,893	1,424	14,562	9,150	7,120	40,149	15,061	81,359	'87	Iowa
	'86	761	2,537	4,908	3,044	11,250	12,817	710	5,010	18,537	8,956	1,592	17,770	11,792	7,305	47,415	14,492	91,694	'86	
Kansas	'87	158	2,410	2,038	1,895	6,501	10,023	676	3,272	13,971	4,400	1,395	9,185	6,587	5,071	26,908	19,484	66,544	'87	Kansas
	'86	397	3,263	3,053	2,523	9,236	10,510	1,032	4,247	15,789	6,687	2,016	12,765	10,496	6,301	38,265	21,490	86,780	'86	
Kentucky	'87	280	3,833	4,135	3,613	11,861	15,937	1,602	4,489	22,028	6,120	2,586	15,430	8,799	8,524	41,459	26,655	102,003	'87	Kentucky
	'86	669	4,215	5,693	4,472	15,049	16,686	1,813	5,907	24,406	8,173	3,260	20,222	13,023	9,964	54,642	27,361	121,458	'86	
Louisiana	'87	204	3,422	3,416	2,497	9,539	17,928	2,414	5,160	25,502	5,987	3,200	14,479	9,337	7,370	40,413	45,899	121,353	'87	Louisiana
	'86	359	4,251	4,507	2,868	11,985	17,195	3,278	5,988	26,461	8,905	3,867	17,676	13,316	10,184	53,949	41,028	133,423	'86	
Maine	'87	225	1,212	2,121	1,712	5,270	8,037	382	2,643	11,062	2,917	492	7,306	3,876	2,820	17,511	16,269	50,112	'87	Maine
	'86	572	1,278	3,092	2,303	7,245	8,619	456	2,918	11,993	3,293	544	9,137	4,796	3,240	21,010	18,377	56,625	'86	
Maryland	'87	686	6,862	11,456	9,894	28,898	49,766	3,376	10,174	63,316	13,094	4,448	45,102	22,229	19,435	104,308	106,898	303,220	'87	Maryland
	'86	1,642	8,161	13,684	11,351	35,038	44,493	3,163	11,460	59,116	15,659	5,592	50,881	31,122	24,036	127,290	97,791	319,235	'86	
Massachusetts	'87	1,113	7,221	12,469	10,512	31,315	37,448	4,677	17,237	59,362	15,454	5,857	46,112	19,686	17,343	104,452	136,108	331,237	'87	Massachusetts
	'86	2,561	9,385	15,260	11,129	38,335	42,624	5,159	18,742	66,525	23,571	6,045	56,218	28,722	21,807	136,363	121,987	363,210	'86	
Michigan	'87	1,890	17,768	24,147	16,923	60,728	83,792	9,179	29,932	122,903	32,256	12,161	69,471	38,057	50,604	202,549	67,563	453,743	'87	Michigan
	'86	5,576	21,069	31,086	21,670	79,401	91,749	8,050	35,350	135,149	47,402	16,267	84,440	60,434	71,955	280,498	63,974	559,022	'86	
Minnesota	'87	373	4,357	6,045	7,601	18,376	25,103	1,498	7,418	34,019	12,331	3,249	29,036	18,971	13,897	77,484	34,737	154,616	'87	Minnesota
	'86	1,127	4,763	7,947	9,628	23,465	23,788	1,409	8,005	33,202	17,906	4,024	33,315	29,106	18,917	103,268	37,829	197,764	'86	
Mississippi	'87	84	1,764	1,327	1,257	4,432	8,356	1,230	2,517	12,103	4,490	1,778	8,296	5,707	4,884	25,155	20,980	62,679	'87	Mississippi
	'86	171	2,472	1,792	1,661	6,096	8,832	1,507	2,976	13,315	5,893	2,101	10,822	8,300	6,601	33,717	18,702	71,830	'86	
Missouri	'87	566	5,684	7,027	5,683	18,960	32,293	2,552	8,636	43,481	9,734	4,613	27,172	16,319	13,095	70,933	47,255	180,629	'87	Missouri
	'86	1,398	7,990	9,712	7,025	26,125	33,496	3,008	11,080	47,564	15,923	5,397	34,937	24,459	15,965	96,681	47,346	217,716	'86	
Montana	'87	149	636	467	470	1,722	2,687	115	824	3,626	1,233	232	2,394	1,671	910	6,440	8,592	18,380	'87	Montana
	'86	233	707	759	714	2,413	2,561	125	925	3,611	1,564	269	2,506	2,344	933	7,616	6,336	19,976	'86	
Nebraska	'87	110	1,421	1,327	1,200	4,058	6,713	412	2,058	9,183	3,838	939	6,295	3,823	3,051	17,946	9,380	40,567	'87	Nebraska
	'86	311	1,607	2,188	1,480	5,586	7,127	459	2,633	10,219	5,904	1,060	9,148	6,150	3,326	25,588	10,457	51,850	'86	
Nevada	'87	122	1,320	1,636	927	4,005	6,953	1,060	1,792	9,805	1,780	1,489	5,020	1,910	2,307	12,506	17,764	44,080	'87	Nevada
	'86	420	1,497	1,734	956	4,607	5,105	964	1,716	7,805	2,285	1,434	3,845	2,908	2,608	13,080	17,474	42,966	'86	
New Hampshire	'87	306	1,431	2,954	1,996	6,687	9,349	927	3,297	13,573	3,073	1,083	10,210	4,067	4,021	22,454	31,220	73,934	'87	New Hampshire
	'86	572	1,699	3,697	2,408	8,376	8,798	874	3,252	12,924	3,929	1,112	12,185	5,115	4,566	26,907	28,360	76,567	'86	
New Jersey	'87	1,586	12,793	15,414	13,787	43,580	60,463	11,827	23,789	96,059	26,353	11,203	64,640	31,433	29,243	162,872	193,285	495,796	'87	New Jersey
	'86	3,094	17,846	21,466	16,762	59,168	57,828	12,852	23,667	94,347	37,723	15,272	73,719	48,733	37,490	212,937	185,006	551,458	'86	
New Mexico	'87	183	1,371	1,656	1,404	4,614	7,389	765	1,998	10,152	1,887	781	4,920	2,445	2,438	12,471	17,006	44,243	'87	New Mexico
	'86	224	1,594	1,661	1,445	4,924	7,047	719	2,290	10,056	2,190	897	5,569	3,729	3,458	15,843	16,301	47,124	'86	
New York	'87	2,556	20,491	31,033	31,175	85,255	79,128	15,145	28,476	122,749	39,966	18,045	99,858	52,739	46,349	256,957	279,252	744,213	'87	New York
	'86	6,736	26,638	39,502	35,405	108,283	82,024	14,828	28,616	125,468	56,432	21,305	114,471	79,043	56,816	328,067	263,694	825,512	'86	
North Carolina	'87	445	6,344	5,927	5,303	18,019	39,619	2,785	8,207	50,611	16,204	5,783	33,626	18,694	17,167	91,474	95,977	256,081	'87	North Carolina
	'86	1,036	7,930	8,014	6,808	23,788	35,987	2,874	9,716	52,577	21,976	6,629	38,255	27,146	21,828	115,834	92,487	284,686	'86	
North Dakota	'87	61	453	586	385	1,485	2,066	113	924	3,103	1,494	337	2,670	1,922	1,292	7,715	3,376	15,679	'87	North Dakota
	'86	189	630	831	619	2,269	2,431	136	1,088	3,655	2,061	417	3,538	2,506	1,618	10,140	3,799	19,863	'86	
Ohio	'87	1,909	13,830	20,304	16,694	52,737	72,102	7,008	25,624	104,734	33,032	10,128	81,804	42,315	41,847	209,176	113,626	480,273	'87	Ohio
	'86	4,795	17,103	29,206	23,800	74,904	72,454	6,881	30,572	109,907	45,620	13,036	103,005	59,720	50,366	270,747	110,587	566,145	'86	
Oklahoma	'87	467	3,005	1,973	1,547	6,992	12,604	1,780	4,711	19,095	4,743	2,202	9,804	6,752	6,981	30,482	24,317	80,886	'87	Oklahoma
	'86	162	5,185	3,635	3,060	12,062	14,892	2,059	5,476	22,427	8,457	2,944	12,887	10,659	8,850	43,747	25,007	103,243	'86	
Oregon	'87	241	2,359	1,777	1,787	6,164	11,127	570	2,502	14,199	3,561	1,599	7,692	3,603	3,231	19,686	43,782	83,831	'87	Oregon
	'86	517	2,597	2,602	2,224	7,940	10,350	714	2,313	13,377	4,798	1,975	8,611	5,829	4,303	25,516	44,676	91,509	'86	
Pennsylvania	'87	3,020	16,720	22,987	22,443	65,170	68,244	7,807	23,708	99,759	35,258	11,610	81,759	40,939	38,451	208,017	155,838	528,784	'87	Pennsylvania
	'86	6,149	19,148	27,373	25,430	78,100	68,070	7,316	25,950	101,336	44,422	12,880	87,576	54,419	46,036	245,333	148,351	573,120	'86	
Rhode Island	'87	168	1,319	1,945	1,525	4,957	5,202	584	1,895	7,681	2,350	916	4,778	3,702	2,398	14,144	19,874	46,656	'87	Rhode Island
	'86	472	1,660	2,900	1,994	7,026	6,443	492	2,226	9,161	3,583	1,089	6,167	5,212	3,400	19,451	17,960	53,598	'86	
South Carolina	'87	230	2,637	2,917	2,568	8,352	16,908	1,543	4,785	23,236	7,104	3,101	15,690	10,990	8,517	45,402	43,468	120,458	'87	South Carolina
	'86	426	3,553	4,140	2,780	10,899	15,265	1,684	4,979	21,928	9,750	2,989	18,776	14,483	10,332	54,330	40,679	127,836	'86	
South Dakota	'87	129	516	677	628	1,950	2,722	111	783	3,616	1,840	336	3,195	1,896	1,599	8,866	3,369	17,801	'87	South Dakota
	'86	239	530	719	806	2,294	2,751	26	916	3,793	1,965	374	3,667	2,374	1,493	9,873	2,997	18,957	'86	
Tennessee	'87	395	5,306	5,350	4,332	15,383	24,893	2,775	7,116	34,784	10,031	5,972	22,777	13,202	14,953	66,935	65,162	182,264	'87	Tennessee
	'86	745	6,618	6,550	5,078	18,991	23,235	2,973	7,545	33,753	13,097	6,327	26,297	18,471	17,636	81,828	58,275	192,847	'86	
Texas	'87	865	16,705	13,415	12,545	43,530	79,887	12,998	24,827	117,712	24,592	19,702	80,924	42,547	30,307	178,081	192,238	531,541	'87	Texas
	'86	1,682	22,516	17,857	15,112	57,167	76,206	15,951	28,297	120,454	37,507	26,513	75,543	84,419	39,288	243,370	193,157	614,148	'86	
Utah	'87	168	1,234	1,487	1,043	3,932	4,932	647	1,615	7,194	2,253	886	4,604	2,297	2,221	12,261	19,706	43,093	'87	Utah
	'86	352	1,395	2,100	1,412	5,259	4,470	384	1,658	6,512	2,583	753	6,041	3,324	2,479	15,180	21,245	48,196	'86	
Vermont	'87	220	556	1,074	971	2,821	3,392	148	992	4,532	1,460	363	4,288	1,487	1,328	8,926	11,902	28,181	'87	Vermont
	'86	336	651	1,452	1,441	3,880	3,393	161	1,384	4,938	1,794	288	4,639	1,751	1,629	10,101	11,169	30,088	'86	
Virginia	'87	1,045	8,865	10,271	9,148	29,329	42,357	3,122	10,314	55,793	10,440	5,466	35,438	18,269	17,343	86,956	112,347	284,425	'87	Virginia
	'86	2,247	10,938	11,819	10,200	35,204	43,974	3,718	12,465	60,157	14,939	6,210	40,315	28,054	21,454	111,002	109,256	315,619	'86	
Washington	'87	334	3,373	3,041	2,877	9,625	17,064	824	3,565	21,453	3,985	2,008	13,304	4,813	3,818	27,928	64,062	123,068	'87	Washington
	'86	447	4,123	4,262	3,199	12,031	16,917	1,323	4,105	22,345	5,829	2,485	13,707	8,425	5,553	35,999	65,500	135,875	'86	
West Virginia	'87	370	1,775	2,506	1,985	6,636	7,770	539	2,266	10,575	3,604	1,010	10,460	5,062	4,210	24,346	15,001	56,558	'87	West Virginia
	'86	774	2,175	3,781	2,815	9,545	8,642	540	2,887	12,069	4,536	1,233	14,896	6,734	5,229	32,678	13,919	68,211	'86	
Wisconsin	'87	1,035	4,538	7,283	7,175	20,031	21,774	1,474	8,142	31,390	13,772	3,304	25,810	16,736	16,461	76,083	35,418	162,922	'87	Wisconsin
	'86	2,269	4,952	8,785	8,334	24,340	22,773	1,446	10,247	34,466	17,999	3,437	31,652	24,616	21,448	99,152	35,185	193,143	'86	
Wyoming	'87	91	438	392	285	1,206	1,526	100	668	2,294	856	196	1,448	950	945	4,395	3,846	11,741	'87	Wyoming
	'86	194	585	526	423	1,728	1,540	102	798	2,440	1,108	227	1,623	1,268	1,214	5,440	4,361	13,969	'86	
Federal Government	'87	25	336	312	2,197	2,870	2,339	4	41	2,384	91	7	22,793	131	119	23,141	69	28,464	'87	Federal Government
	'86	1,110	74	347	13,151	14,682	859	—	13	872	76	4	1,601	107	90	1,878	54	17,486	'86	
U.S. TOTAL	'87	30,921	285,167	340,374	291,462	956,864	1,393,158	166,509	431,177	1,990,532	556,122	258,146	1,355,485	715,961	684,848	3,540,742	3,624,616	10,122,154	'87	U.S. TOTAL
	'86	72,986	349,886	441,894	351,543	1,215,111	1,364,434	169,825	477,874	2,012,113	757,328	288,888	1,539,839	1,044,444	829,858	4,460,361	3,444,267	11,130,842	'86	

Notes: Manufacturers' sales records were used to compile Oklahoma figures in 1986. All data is property of R.L. Polk & Co.; may not be copied sold or reprinted without permission from Polk.

*—Includes imports and domestic-sponsored cars.

SALES/REGISTRATIONS

New truck registrations in U.S. by state, near 5 million mark

(compiled by R.L. Polk & Co.)

State	Year	Chrysler Corp.	Ford	Daimler-Benz Corp.	Chevrolet	GMC	Navistar	Jeep Truck	Mack Truck Corp.	Paccar Corp.	Volvo White Corp. & Western Star	Other domestic & imports	TOTAL	Year	State
Alabama	'87	10,165	21,794	697	26,121	5,748	866	2,325	494	688	539	17,498	86,935	'87	Alabama
	'86	9,373	20,524	449	28,799	5,686	732	2,128	509	471	580	17,361	86,812	'86	
Alaska	'87	1,439	3,104	5	2,209	619	50	420	4	11	29	2,054	9,944	'87	Alaska
	'86	1,648	3,704	3	3,118	820	104	590	3	49	13	2,343	12,395	'86	
Arizona	'87	7,596	19,392	175	18,527	5,019	486	3,116	154	152	170	21,972	76,759	'87	Arizona
	'86	6,344	19,742	72	21,344	5,968	574	3,345	116	101	128	26,053	83,787	'86	
Arkansas	'87	6,785	15,272	289	14,689	3,839	907	1,211	267	115	47	7,407	50,828	'87	Arkansas
	'86	6,035	13,913	240	18,153	4,303	889	1,436	182	192	140	7,679	51,362	'86	
California	'87	58,753	138,046	2,331	86,568	21,679	3,472	26,615	599	2,258	781	204,739	545,841	'87	California
	'86	47,104	129,661	1,453	96,913	24,330	3,720	25,296	733	2,037	1,015	223,702	555,964	'86	
Colorado	'87	6,318	17,744	133	11,554	4,036	623	6,679	86	275	102	17,038	64,588	'87	Colorado
	'86	5,734	18,895	140	13,668	4,508	780	6,333	74	197	95	17,810	68,234	'86	
Connecticut	'87	10,611	16,747	222	14,460	4,188	1,213	4,614	502	169	212	17,120	70,058	'87	Connecticut
	'86	8,455	15,134	179	16,492	3,982	935	4,190	413	159	176	13,850	63,965	'86	
Delaware	'87	2,988	6,323	190	4,630	847	705	827	196	118	248	2,800	19,872	'87	Delaware
	'86	2,262	5,181	121	4,413	988	629	793	146	91	255	2,909	17,788	'86	
District of Columbia	'87	697	846	1	694	126	13	309	1	2	—	964	3,653	'87	District of Columbia
	'86	560	769	12	654	120	13	274	4	2	1	649	3,058	'86	
Florida	'87	38,985	78,625	1,163	58,255	19,198	3,456	11,846	1,431	914	432	64,853	279,158	'87	Florida
	'86	27,257	72,173	746	53,499	15,557	2,963	11,176	1,195	722	336	62,357	247,981	'86	
Georgia	'87	19,486	45,267	834	39,439	8,296	2,273	5,836	706	859	738	28,345	152,079	'87	Georgia
	'86	15,562	42,871	723	42,474	8,309	2,159	5,315	645	567	576	29,699	148,900	'86	
Hawaii	'87	2,958	4,683	1	2,453	777	111	1,697	2	56	18	8,936	21,692	'87	Hawaii
	'86	2,065	3,835	—	2,219	729	128	1,638	4	53	18	7,691	18,380	'86	
Idaho	'87	2,601	4,983	42	3,641	1,809	124	776	22	214	18	3,615	17,845	'87	Idaho
	'86	2,263	5,187	35	3,894	1,844	146	1,020	10	134	47	4,261	18,841	'86	
Illinois	'87	33,130	64,115	2,361	54,433	13,647	6,240	5,459	1,444	1,504	1,216	23,788	207,337	'87	Illinois
	'86	26,332	54,853	1,642	53,176	14,110	5,400	5,488	1,110	1,175	1,175	23,226	187,687	'86	
Indiana	'87	15,092	31,850	1,023	31,772	10,845	2,048	2,520	448	1,382	280	10,869	108,129	'87	Indiana
	'86	12,987	30,127	1,229	32,193	10,107	2,296	2,558	450	850	243	10,104	103,146	'86	
Iowa	'87	7,826	17,037	504	15,162	2,832	1,705	1,021	184	573	366	4,712	51,922	'87	Iowa
	'86	5,652	14,019	736	12,434	2,493	1,569	1,210	148	293	137	5,248	43,939	'86	
Kansas	'87	6,166	13,527	210	10,820	3,591	396	1,308	79	366	50	6,058	42,571	'87	Kansas
	'86	6,005	14,124	235	12,734	4,280	557	1,804	104	383	80	6,947	47,253	'86	
Kentucky	'87	10,755	20,619	169	18,967	3,932	907	1,496	282	215	66	9,003	66,411	'87	Kentucky
	'86	8,495	20,045	136	21,138	3,857	809	1,712	396	162	74	9,273	66,097	'86	
Louisiana	'87	9,108	23,352	415	18,119	4,967	532	1,689	314	232	74	15,203	74,005	'87	Louisiana
	'86	9,018	21,525	159	19,072	5,637	568	1,396	235	192	141	15,160	73,103	'86	
Maine	'87	4,624	10,345	135	7,613	3,860	426	1,224	173	138	61	4,995	33,594	'87	Maine
	'86	4,049	8,484	86	7,774	3,806	347	1,334	205	148	70	5,036	31,339	'86	
Maryland	'87	19,959	36,276	408	28,559	5,689	2,033	4,652	803	252	273	21,806	120,710	'87	Maryland
	'86	14,506	32,072	417	26,180	5,546	1,704	3,862	624	183	263	18,665	104,022	'86	
Massachusetts	'87	19,020	32,285	705	26,677	10,560	1,918	9,694	1,104	267	498	25,168	127,896	'87	Massachusetts
	'86	14,473	29,131	489	25,430	9,420	1,779	8,630	860	131	492	19,344	110,179	'86	
Michigan	'87	39,169	74,275	416	57,467	23,459	1,999	7,343	430	425	316	9,763	215,062	'87	Michigan
	'86	33,811	73,542	323	68,213	26,391	2,122	8,618	368	368	404	11,084	225,244	'86	
Minnesota	'87	14,552	34,366	533	22,943	5,093	1,704	2,803	310	557	166	9,148	92,175	'87	Minnesota
	'86	11,792	32,673	501	22,895	4,817	1,519	3,315	323	630	283	9,841	88,589	'86	
Mississippi	'87	4,482	13,361	596	11,778	3,552	563	878	230	229	70	9,990	45,729	'87	Mississippi
	'86	4,117	13,215	452	13,420	4,094	531	794	270	261	136	10,020	47,310	'86	
Missouri	'87	15,500	33,025	680	26,255	9,998	1,527	2,508	254	954	239	13,555	104,495	'87	Missouri
	'86	13,534	31,703	537	27,608	9,970	1,466	3,098	242	717	212	13,960	103,047	'86	
Montana	'87	1,861	5,434	123	3,834	1,231	84	572	29	281	42	3,043	16,534	'87	Montana
	'86	1,563	5,793	101	4,217	1,496	124	622	22	245	32	3,120	17,335	'86	
Nebraska	'87	3,534	9,147	855	7,464	2,449	1,441	783	139	1,637	184	2,717	30,350	'87	Nebraska
	'86	2,849	8,757	947	7,708	2,178	1,252	867	134	1,321	317	3,349	29,679	'86	
Nevada	'87	3,322	7,537	20	3,766	2,158	191	1,505	10	108	34	7,814	26,465	'87	Nevada
	'86	3,075	7,005	19	4,070	2,011	253	1,386	39	142	14	7,780	25,794	'86	
New Hampshire	'87	6,753	10,494	179	9,742	4,366	671	2,398	232	102	79	9,131	44,147	'87	New Hampshire
	'86	4,899	8,964	125	9,880	4,039	582	2,123	319	102	81	7,772	38,886	'86	
New Jersey	'87	23,602	44,153	1,067	29,793	9,743	2,586	9,229	1,739	849	655	29,152	152,568	'87	New Jersey
	'86	20,047	42,258	899	31,281	10,223	2,811	7,619	1,910	539	703	23,863	142,153	'86	
New Mexico	'87	4,165	12,185	30	7,463	3,035	258	1,527	39	224	29	8,615	37,570	'87	New Mexico
	'86	3,450	12,452	69	8,264	3,345	293	1,375	47	214	12	8,960	38,481	'86	
New York	'87	44,137	62,952	1,269	54,037	16,763	5,460	16,146	2,044	489	676	39,296	243,269	'87	New York
	'86	36,484	57,646	974	57,466	16,135	5,343	14,086	1,906	348	514	33,528	224,430	'86	
North Carolina	'87	17,726	43,668	950	35,202	7,982	1,815	5,284	647	1,047	524	33,588	148,433	'87	North Carolina
	'86	14,033	41,315	970	36,784	7,967	1,512	4,732	702	970	758	29,985	139,728	'86	
North Dakota	'87	1,612	4,259	160	3,805	935	89	292	43	166	35	1,309	12,705	'87	North Dakota
	'86	1,416	4,299	90	4,191	954	113	471	54	102	41	1,916	13,647	'86	
Ohio	'87	32,920	61,328	855	61,397	13,860	3,281	4,521	985	987	590	20,937	201,661	'87	Ohio
	'86	27,062	57,740	697	65,308	13,665	3,400	4,693	957	682	509	22,430	197,153	'86	
Oklahoma	'87	6,646	19,089	915	18,703	6,619	749	3,377	209	570	54	8,596	65,527	'87	Oklahoma
	'86	6,315	18,915	—	18,318	5,010	679	574	64	110	8	8,067	58,060	'86	
Oregon	'87	6,811	17,047	383	11,509	3,673	414	2,456	122	495	142	16,261	59,313	'87	Oregon
	'86	5,829	15,964	342	12,645	3,524	425	2,652	87	457	176	16,744	58,845	'86	
Pennsylvania	'87	37,023	70,100	1,389	50,782	14,588	3,304	8,851	2,073	1,027	711	25,162	215,010	'87	Pennsylvania
	'86	28,680	59,731	818	46,762	12,417	3,143	8,231	2,132	617	481	24,090	187,102	'86	
Rhode Island	'87	2,806	4,267	61	2,876	1,242	254	1,008	144	33	68	5,065	17,824	'87	Rhode Island
	'86	2,328	3,912	36	3,285	1,147	243	962	197	25	56	4,151	16,342	'86	
South Carolina	'87	8,291	17,453	593	15,252	5,479	1,130	1,830	333	287	120	15,847	66,615	'87	South Carolina
	'86	6,675	15,446	280	16,010	5,097	1,058	1,790	350	281	93	14,263	61,343	'86	
South Dakota	'87	1,549	4,551	114	4,236	859	211	539	25	213	22	1,248	13,567	'87	South Dakota
	'86	1,122	4,006	159	4,154	817	175	598	11	185	18	1,387	12,632	'86	
Tennessee	'87	13,764	28,652	1,154	23,553	8,442	1,323	2,857	587	1,071	724	24,315	106,442	'87	Tennessee
	'86	11,772	25,771	880	25,073	7,888	1,167	2,711	551	914	474	22,384	99,585	'86	
Texas	'87	42,469	106,033	1,344	96,533	25,874	3,101	12,368	938	1,529	397	59,182	349,768	'87	Texas
	'86	40,376	109,939	1,504	114,995	32,035	3,894	14,458	1,013	1,467	439	61,969	382,089	'86	
Utah	'87	3,328	8,031	294	5,807	2,664	374	2,042	72	561	438	6,757	30,368	'87	Utah
	'86	3,251	8,711	135	6,986	2,894	242	1,820	78	225	127	6,623	31,092	'86	
Vermont	'87	2,395	4,971	93	4,296	1,901	278	1,048	126	29	31	3,389	18,557	'87	Vermont
	'86	1,723	4,233	77	4,269	1,788	209	1,059	92	29	41	3,724	17,244	'86	
Virginia	'87	20,561	42,564	393	29,549	8,078	1,783	7,980	750	368	302	32,558	144,886	'87	Virginia
	'86	16,356	39,339	214	29,352	7,193	2,436	6,803	902	302	465	29,900	133,262	'86	
Washington	'87	9,155	20,140	404	15,096	3,287	920	3,403	147	956	173	20,759	74,440	'87	Washington
	'86	7,242	20,648	216	17,932	4,208	774	3,433	194	783	181	21,567	77,178	'86	
West Virginia	'87	5,421	12,663	58	12,845	2,076	726	1,266	193	85	59	4,033	39,425	'87	West Virginia
	'86	4,421	12,648	33	15,049	2,248	554	1,563	169	75	83	4,596	41,439	'86	
Wisconsin	'87	16,378	29,353	467	22,588	7,760	1,611	2,986	468	1,027	262	9,025	91,925	'87	Wisconsin
	'86	11,548	27,285	322	22,272	8,040	1,519	3,292	503	623	206	10,040	85,650	'86	
Wyoming	'87	1,565	3,841	40	2,746	1,499	84	470	12	54	1	1,498	11,810	'87	Wyoming
	'86	1,612	4,624	51	3,430	1,543	131	687	16	84	11	1,746	13,935	'86	
Federal Government	'87	11,214	703	5	15,865	607	1,522	21	40	1	151	41	30,170	'87	Federal Government
	'86	12,010	4,485	—	28,160	1,143	1,749	13	1	—	122	32	47,715	'86	
U.S. TOTAL	'87	697,773	1,427,874	27,453	1,162,544	335,376	69,957	283,629	22,685	27,121	13,512	950,737	4,938,637	'87	U.S. TOTAL
	'86	575,571	1,348,988	21,873	1,245,758	348,877	68,522	195,973	21,829	21,119	13,052	948,258	4,801,821	'86	

Notes: Compiled from official state records. Data is property of R.L. Polk & Co. May not be copied, sold or reprinted without Polk permission. 1986 data for Oklahoma compiled from manufacturers' sales records.

SALES/REGISTRATIONS

Recreational vehicle shipments tie 1986 for 10 year top total

1987
(Total Shipments—400,200)

Travel trailers	92,800
Folding camping trailers	41,600
Truck campers	10,100
Motor homes	73,800
Van conversions	181,900

1986**
(Total Shipments—379,500)

Travel trailers	86,000
Truck campers	7,400
Camping trailers	36,500
Motor homes	67,700
Van conversions	181,900

1985**
(Total Shipments—359,200)

Travel trailers	82,900
Truck campers	6,900
Camping trailers	35,900
Motor homes	68,700
Van conversions	164,800

1984**
(Total Shipments—398,200)

Travel trailers	92,400
Truck campers	7,600
Folding camper trailers	40,900
Motor homes	82,000
Van conversions	175,300

1983**
(Total Shipments—358,000)

Travel trailers	90,000
Truck campers	6,800
Folding campers	37,500
Motor homes	69,500
Van conversions	154,200

1982**
(Total Shipments—258,000)

Travel trailers	65,500
Truck campers	5,700
Folding camping trailers	34,300
Motor homes	41,200
Van conversions	111,300

1981**
(Total Shipments—239,100)

Travel trailers	63,800
Truck campers	5,100
Fold-down camping trailers	35,000
Motor homes	35,400
Van conversions	99,800

1980**
(Total Shipments—181,400)

Travel trailers	51,900
Truck campers	5,000
Fold-down camping trailers	24,500
Motor homes	28,600
Van conversions	71,400

1979**
(Total Shipments—303,300)

Travel trailers	90,200
Truck campers	13,800
Fold-down camping trailers	31,100
Motor homes	64,100
Van conversions	104,100

1978**
(Total Shipments—526,300)

Travel trailers	159,800
Truck campers	48,200
Fold-down camping trailers	48,200
Motor homes	157,200
Van conversions	136,400

1977
(Total Shipments—745,600)

Travel trailers	167,900
Truck campers	31,900
Fold-down camping trailers	53,900
Motor homes	280,200
Pickup covers	211,700

1976
(Total Shipments—656,300)

Travel trailers	189,700
Truck campers	42,000
Camping trailers	53,300
Motor homes	156,100
Pickup covers	215,200

1975
(Total Shipments—552,100)

Travel trailers	150,600
Truck campers	44,300
Camping trailers	48,100
Motor homes	96,600
Pickup covers	212,500

1974
(Total Shipments—529,200)

Travel trailers	126,300
Truck campers	45,400
Camping trailers	55,200
Motor homes*	68,900
Pickup covers	233,400

1973
(Total Shipments—752,500)

Travel trailers	212,300
Truck campers	89,800
Camping trailers	97,700
Motor homes*	129,000
Pickup covers	223,700

NOTES: **—Pickup covers no longer included in RVIA shipments.
*—Imports of Volkswagen Campmobile motor home included only in 1972-'74 totals.

SOURCE: Recreation Vehicle Industry Assn.

Domestic and import truck sales in U.S. edge up 1.40% in 1987

	January	February	March	April	May	June	July	August	September	October	November	December	1987	1986
Ford														
Vans	10,410	13,717	17,940	17,126	16,203	17,826	15,906	14,673	16,808	15,825	14,646	13,333	184,413	180,395
Aerostar	8,488	11,788	13,916	14,286	15,085	17,245	16,815	14,624	12,363	11,979	10,407	12,153	159,149	150,049
Club Wagon	1,830	2,382	2,581	2,684	2,623	2,548	2,030	1,572	1,491	2,578	2,548	2,433	27,300	27,374
Ranger	19,676	25,632	31,530	30,281	28,663	32,677	29,942	23,304	19,091	20,066	22,917	21,516	305,295	269,490
Bronco	3,212	3,786	4,833	4,536	4,372	4,388	3,689	3,493	4,098	5,146	5,167	5,062	51,782	49,588
Bronco II	8,072	9,388	9,073	8,666	9,321	12,087	12,935	12,072	10,733	8,558	10,158	9,842	120,905	103,020
Pickups	28,932	41,442	52,253	50,983	49,193	48,256	42,489	44,884	45,288	49,489	49,170	47,746	550,125	544,969
Mediums	2,533	2,896	3,560	3,850	3,640	3,649	4,109	3,657	3,963	3,410	3,075	3,098	41,440	45,267
Heavies	668	822	1,081	1,098	1,203	1,313	1,326	1,155	1,133	1,178	955	864	12,796	11,286
Total Ford	83,821	111,853	136,767	133,510	130,303	139,989	129,241	119,434	114,968	118,229	119,043	116,047	1,453,205	1,381,438
Chevrolet														
Vans	5,836	7,139	9,578	10,241	10,173	10,738	10,742	10,437	8,157	12,144	9,133	10,517	114,835	134,977
Sports Van	778	958	1,400	1,132	947	1,049	1,052	974	777	1,013	858	1,041	11,979	15,614
Astro	8,839	10,781	11,781	13,621	14,228	15,903	15,329	12,437	9,421	13,824	11,280	10,761	148,205	147,932
S-10	13,520	21,194	22,006	17,822	18,864	22,303	22,156	21,687	18,893	13,433	14,615	18,314	224,807	203,416
S-10 Blazer	10,057	13,467	12,465	11,387	11,072	13,837	14,492	17,245	16,637	9,273	9,865	11,267	153,064	159,820
El Camino	921	1,011	1,086	1,184	1,168	1,326	1,553	1,826	1,521	1,163	610	374	13,743	21,508
Blazer	1,908	2,246	2,864	2,647	2,171	2,813	2,499	2,476	2,379	3,476	2,794	2,586	30,859	41,893
Suburban	3,086	3,631	4,695	5,026	4,901	5,979	5,501	5,181	3,873	5,932	5,090	5,067	57,962	61,226
Pickups	20,809	29,925	40,461	39,977	35,889	39,577	35,935	38,165	33,167	33,640	32,830	37,846	418,221	443,051
Mediums	1,023	1,187	1,353	1,382	1,460	948	1,451	1,649	1,428	861	2,736	2,292	17,770	18,158
Total Chevy	66,777	91,539	107,689	104,419	100,873	114,473	110,710	112,077	98,253	94,759	89,811	100,065	1,191,445	1,247,595
Chrysler														
Vans	4,215	4,522	5,565	6,825	6,676	7,632	6,721	5,976	4,315	3,850	3,790	4,178	64,265	73,706
Ram Wagon	2,273	2,472	2,896	2,462	3,025	3,735	2,370	2,119	2,243	2,061	2,178	2,671	30,505	39,843
Voyager	4,948	7,413	10,438	12,015	13,422	15,855	16,402	10,917	10,820	13,179	12,021	13,369	140,799	110,083
Caravan	5,618	8,654	11,307	12,258	13,738	16,800	17,033	11,473	12,062	15,008	14,331	14,909	153,191	115,964
Mini Ram Van	855	1,088	1,255	1,269	1,034	1,388	1,346	976	1,050	1,057	1,243	1,290	13,851	14,587
Ram 50	4,831	5,700	6,880	6,486	4,999	6,190	6,099	6,290	6,054	4,648	3,501	3,815	65,593	78,706
Raider	939	1,375	1,448	1,665	1,700	1,805	1,987	2,311	2,030	1,670	1,454	1,155	19,539	4,768
Ramcharger	1,349	2,201	2,821	1,992	1,836	2,301	1,689	2,025	1,979	1,722	1,784	1,968	23,667	23,006
Dakota	6,333	7,966	9,331	9,007	9,498	11,689	8,171	9,531	8,827	5,663	6,198	6,831	99,045	29,045
Pickups	6,464	7,815	11,342	9,006	7,360	9,738	6,487	6,782	8,071	7,616	8,172	8,817	97,670	106,451
Total Chrysler	37,825	49,206	63,283	62,985	63,288	77,133	68,305	58,400	57,451	56,474	54,772	59,003	708,125	596,159
GMC														
Vans	2,584	3,030	3,256	3,849	2,908	3,768	3,628	2,957	2,423	3,499	2,950	3,713	38,565	39,622
Safari	1,911	2,247	2,808	2,916	2,894	3,540	3,062	2,623	1,862	3,008	2,398	2,963	32,232	31,178
S-15	3,102	4,290	4,547	3,953	3,809	4,855	4,528	5,414	4,681	2,617	2,729	4,666	49,191	46,084
S-15 Jimmy	2,524	3,165	3,335	2,747	2,500	3,511	3,140	3,764	4,100	2,654	2,851	4,550	38,841	39,027
Jimmy	579	583	682	801	644	811	627	652	587	915	740	977	8,598	9,390
Caballero	142	120	122	162	121	190	191	227	165	112	95	58	1,705	2,542
Suburban	1,144	1,245	1,640	1,754	1,892	1,884	1,710	1,493	1,103	1,707	1,617	1,921	19,110	19,981
Pickups	5,536	7,831	11,029	11,403	9,405	11,182	10,113	10,866	8,779	8,615	8,911	12,169	115,839	112,799
P-Models	692	385	432	597	281	403	458	393	412	510	602	437	5,602	4,665
Mediums	3,084	2,865	3,656	3,676	3,412	2,760	2,439	2,559	2,619	1,602	3,038	2,781	34,491	31,238
Heavies	659	727	730	991	871	534	552	474	563	395	296	516	7,308	7,229
W-4	114	91	149	95	123	124	148	146	152	112	120	160	1,534	1,292
Total GMC	22,071	26,579	32,386	32,944	28,860	33,562	30,596	31,568	27,446	25,746	26,347	34,911	353,016	345,047
Jeep														
Wrangler/CJ	1,906	2,057	2,355	2,751	2,746	3,318	2,551	2,114	2,040	2,631	2,793	3,451	30,713	35,334
Wagoneer	1,147	922	1,007	1,083	1,021	1,149	958	997	1,075	947	995	938	12,239	12,800
Cherokee	9,092	7,327	8,493	8,955	8,727	10,010	8,757	8,249	9,081	9,659	11,172	12,423	111,945	107,219
Grand Wagoneer	1,282	902	1,057	988	937	1,206	1,090	1,289	1,003	1,343	1,566	1,439	14,102	17,254
Comanche	2,896	3,171	2,889	3,256	3,556	4,427	3,049	2,988	3,034	2,614	2,864	3,348	38,094	33,392
Pickup	166	153	72	111	159	228	108	44	73	103	60	70	1,347	1,515
Total Jeep	16,491	14,532	15,873	17,144	17,146	20,338	16,513	15,681	16,306	17,297	19,450	21,669	208,440	207,514
Imports														
Toyota	18,403	20,437	28,046	29,816	32,886	25,172	30,873	27,115	25,275	22,211	18,546	25,003	303,783	384,150
Nissan	15,894	18,914	21,320	20,483	15,853	23,029	14,862	18,042	18,732	17,984	16,008	15,393	216,514	223,406
Mazda	8,358	8,558	10,915	10,807	10,701	11,184	11,433	20,484	8,261	7,591	6,969	8,438	123,699	157,127
Isuzu	5,848	7,236	8,589	9,714	7,104	7,115	7,756	8,233	7,931	7,055	5,553	4,856	86,990	88,720
Mitsubishi	2,905	4,421	3,800	4,606	4,647	5,109	4,478	4,055	4,433	4,751	4,478	4,179	51,862	34,985
Suzuki	5,662	6,672	8,267	8,341	8,000	8,320	8,000	7,905	6,077	5,916	5,082	5,092	83,334	47,732
Subaru	264	214	219	142	96	62	55	66	85	48	14	9	1,274	4,142
Range Rover	0	0	79	170	220	253	307	272	248	329	327	381	2,586	0
Total Imports	57,334	68,452	81,235	84,079	79,507	80,244	77,764	86,172	71,042	65,885	58,977	63,351	870,042	940,282
Total Industry	284,319	366,161	437,233	436,081	419,977	465,739	433,129	423,332	385,466	378,390	366,460	395,045	4,784,273	4,718,815

SALES/REGISTRATIONS

Canadian truck registrations for 35 years

Year	Regis.
1953	101,252
1954	69,955
1955	73,689
1956	85,692
1957	76,782
1958	66,034
1959	74,824
1960	73,682
1961	74,738
1962	81,495
1963	90,608
1964	104,175
1965	115,660
1966	128,506
1967	130,964
1968	142,201
1969	153,277
1970	129,359
1971	138,876
1972	180,748
1973	234,683
1974	287,619
1975	265,015
1976	305,606
1977	333,551
1978	349,294
1979	382,074
1980	335,827
1981	281,536
1982	204,794
1983	223,917
1984	292,273
1985	393,396
1986	406,905
1987*	450,014

NOTE: *—Quebec figures in 1987 are incomplete.
SOURCE: R.L. Polk & Co.

U.S. new truck registrations rise by 2.87% in 1987

Based on R.L. Polk & Co. Statistical Report

	6,000 & less GVW Group 1	6,001-10,000 GVW Group 2	10,001-14,000 GVW Group 3	14,001-16,000 GVW Group 4	16,001-19,500 GVW Group 5	19,501-26,000 GVW Group 6	26,001-33,000 GVW Group 7	33,001- & over GVW Group 8	Total 1987	Total 1986
Dodge	429,790	130,491							560,281	468,821
Plymouth	137,492								137,492	106,950
Total Chrysler Corp.	**567,282**	**130,491**							**697,773**	**575,571**
Ford	822,622	552,940	476			9,525	29,812	12,499	1,427,874	1,348,988
Freightliner								23,479	23,479	17,393
Mercedes-Benz						1,577	2,397		3,974	3,680
Total Daimler-Benz Corp.						**1,577**	**2,397**	**23,479**	**27,453**	**21,073**
Chevrolet	707,952	410,165	27,355	1,106	309	7,160	8,059	418	1,162,544	1,245,768
GMC	161,458	131,950	3,027	498	5,369	7,428	18,762	6,684	335,376	340,877
Total GM Corp.	**869,410**	**542,115**	**30,382**	**1,604**	**5,678**	**14,588**	**26,821**	**7,302**	**1,497,920**	**1,586,645**
Navistar					388	18,902	22,008	28,659	69,957	68,522
Jeep Truck	188,229	15,396							203,625	195,973
Mack						1,895	2,649	18,121	22,665	21,829
Kenworth							131	14,439	14,570	10,934
Peterbilt							98	12,453	12,551	10,176
Total Paccar Corp.							**229**	**26,892**	**27,121**	**21,110**
Autocar								1,480	1,480	1,736
Volvo							1,611	739	2,350	2,436
White								8,259	8,259	7,747
Total Volvo White Corp.							**1,611**	**10,478**	**12,089**	**11,919**
Western Star								1,423	1,423	1,133
Miscellaneous Domestic		1,895		2,774	323		27	1,847	6,866	5,309
Other Imports	927,419	3,794	6,810	551	2,039	1,280	1,865	113	943,871	942,940
Grand Total	**3,374,962**	**1,246,631**	**37,668**	**4,929**	**8,428**	**47,787**	**87,419**	**138,813**	**4,938,637**	**4,801,821**

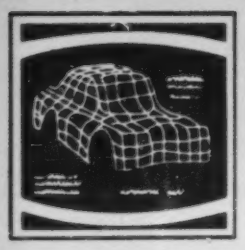
*—Oklahoma registrations compiled from manufacturers' sales records. Compiled from R.L. Polk & Co. data.

Annual new U.S. truck registrations since 1956, by make

	Broadway	Chevrolet	Chrysler Corp.	Daimler-Benz	Diamond Reo	Dodge①	Ford	Freightliner②	GMC	Navistar	Jeep	Kenworth③	Mack	Paccar Corp.	Peterbilt	Volvo-White	White④	Total
1956	884	302,145	—	—	4,037	57,651	263,753	—	82,266	108,014	23,488	1,239	13,190	—	609	—	15,137	894,366
1957	738	290,960	—	—	3,472	49,431	277,301	—	62,165	96,956	22,005	980	13,312	—	486	—	12,491	858,085
1958	959	247,470	—	—	2,929	37,037	206,787	—	55,950	89,745	22,523	813	11,865	—	393	—	12,142	726,704
1959	1,196	306,237	—	—	3,008	52,278	292,931	—	69,509	109,053	30,864	715	13,473	—	595	—	15,497	942,133
1960	1,103	316,962	—	—	2,421	43,606	280,501	—	82,546	110,349	31,385	1,400	10,876	—	810	—	14,179	943,485
1961	979	306,175	—	—	1,795	40,147	284,214	—	69,596	116,538	32,644	1,135	8,618	—	714	—	13,199	918,608
1962	1,074	366,506	—	—	1,820	55,593	332,328	—	80,590	130,959	30,426	1,316	10,353	—	1,158	—	15,151	1,068,725
1963	1,206	425,406	—	—	2,072	75,025	382,099	—	87,814	145,105	44,339	1,997	12,099	—	1,482	—	16,438	1,244,224
1964	1,100	483,853	—	—	1,992	98,030	404,999	—	99,148	148,008	44,385	2,347	12,064	—	1,812	—	16,609	1,361,772
1965	1,047	567,473	—	—	2,486	116,639	477,068	—	118,273	148,195	42,415	2,876	13,127	—	2,023	—	18,954	1,528,859
1966	1,288	585,561	—	—	2,874	120,082	522,307	—	115,122	155,566	42,860	3,472	15,014	—	2,374	—	20,683	1,610,450
1967	1,248	551,923	—	—	3,913	101,458	494,921	—	113,982	150,946	39,757	2,912	13,434	—	2,230	—	17,456	1,518,426
1968	1,298	626,858	—	—	3,539	138,205	624,894	—	133,308	140,948	38,486	4,008	14,932	—	3,023	—	19,905	1,775,601
1969	1,507	670,890	—	—	4,151	130,446	679,237	—	139,449	137,888	36,017	5,592	15,655	—	3,630	—	21,321	1,888,812
1970	1,655	557,997	—	—	3,964	137,509	666,613	5,867	125,657	143,195	33,984	5,320	17,740	—	3,457	—	12,139	1,790,177
1971	1,685	647,258	—	—	4,107	159,778	700,635	6,495	144,112	158,194	36,354	6,739	15,582	—	4,296	—	10,622	1,993,186
1972	2,061	802,755	—	—	4,332	269,333	858,630	9,244	174,794	189,210	50,926	9,232	20,005	—	5,698	—	11,312	2,513,952
1973	2,267	991,099	—	—	4,757	325,051	995,156	12,483	213,797	199,875	68,227	11,601	24,075	—	6,869	—	13,906	3,029,074
1974	2,508	860,358	—	—	4,032	292,213	865,000	11,713	183,755	161,375	96,835	10,489	22,710	—	8,428	—	13,582	2,656,918
1975	1,451	815,595	—	—	1,589	282,271	747,807	6,237	170,186	111,352	85,111	5,633	13,718	—	4,801	—	7,137	2,397,417
1976	1,264	1,052,438	—	—	387	399,644	950,933	7,075	255,360	100,657	107,487	8,024	14,696	—	5,839	—	7,348	3,058,009
1977	802	1,133,201	—	—	5	460,623	1,139,224	9,928	280,776	108,753	124,843	12,330	22,994	—	9,453	—	10,844	3,509,328
1978	37	1,275,787	—	—	—	464,470	1,314,251	11,725	329,185	116,574	163,548	14,345	27,390	—	9,454	—	13,292	3,963,340
1979	2	1,085,855	—	—	—	371,970	1,123,605	14,308	283,329	116,739	145,583	14,893	29,265	—	8,693	—	12,512	3,472,209
1980	—	737,788	—	—	95	256,829	784,132	11,473	181,252	74,484	81,923	11,163	21,743	—	7,008	—	7,664	2,476,777
1981	—	650,460	—	—	—	166,363	697,213	9,095	160,703	61,792	58,257	10,379	19,698	—	6,654	—	2,857	2,185,489
1982	—	758,107	—	—	—	218,078	733,120	7,292	212,908	45,902	62,097	7,344	15,590	—	5,781	—	2,669	2,430,471
1983	—	904,672	263,687	13,999	—	253,500	942,568	11,111	247,970	50,526	76,453	7,972	15,038	15,998	8,026	6,197	3,242	2,976,556
1984	—	1,090,178	504,081	18,889	—	—	1,162,834	—	305,206	66,713	148,292	—	25,617	26,732	—	10,084	—	4,048,996
1985	—	1,256,964	600,951	23,310	—	—	1,245,805	—	347,577	73,463	182,210	—	29,514	24,286	—	13,580	—	4,675,192
1986	—	1,245,768	575,571	21,073	—	—	1,348,988	—	340,877	68,522	195,973	—	21,829	21,110	—	11,919	—	4,801,021
1987	—	1,162,544	697,773	27,453	—	—	1,427,874	—	335,376	69,957	203,625	—	22,665	27,121	—	12,089	—	4,938,637

① Dodge included in Chrysler Corp. totals beginning in 1983.
② Freightliner included in White totals until 1970, included in Daimler-Benz beginning in 1983.
③ Kenworth, Peterbilt included in Paccar totals beginning in 1983.
④ White totals include Autocar and Western Star; White included in Volvo-White beginning in 1983.

SOURCE: R.L. Polk & Co.



PRODUCTS/SPECIFICATIONS

1988-model U.S. passenger car specifications

Make and Model	Dimensions									Engines							Capacities			Miscellaneous			
	Wheelbase (in.)	Overall Length (in.)	Overall Width (in.)	Overall Height (in.)	Curb Weight (lbs.)	Front-seat Headroom (in.)	Front-seat Legroom (in.)	Front Tread (in.)	Rear Tread (in.)	Type	Bore and Stroke (in.)	Displacement (liters/cu. in.)	Carburetion	Compression Ratio	Net HP at RPM	Net Torque (ft. lbs.) at RPM	Fuel Tank (U.S. gals.)	Cooling System with Heater (qts.)	Crankcase w/filter (qts.)	Axle Ratio (standard)	Drive System	Wheel Diameter (in.)	Curb-to-Curb Turning Circle (dia. in ft.)
BUICK—Reatta 2-dr.	98.5	182.8	73.0	51.2	3,350	36.9	43.1	60.3	60.3	V-6	3.80 x 3.40	3.8/231	EFI	8.5:1	165 @ 4,800	210 @ 2,000	18.2	11.0	4.0	2.97	F	15.0	38.0
Skyhawk 2-dr.	101.2	179.3	65.0	54.0	2,349	37.7	42.2	55.6	55.2	L-4	3.39 x 3.39	2.0/121	EFI	8.8:1	96 @ 4,800	118 @ 3,600	13.6	7.8	4.7	3.45	F	14.8	34.5
Skyhawk 4-dr.	101.2	181.7	65.0	54.0	2,409	38.6	42.2	55.6	55.2	L-4	3.39 x 3.39	2.0/121	EFI	8.8:1	96 @ 4,800	118 @ 3,600	13.6	7.8	4.7	3.45	F	14.8	34.5
Skyhawk Wagon	101.2	181.7	65.0	54.4	2,476	38.3	42.2	55.4	55.2	L-4	3.39 x 3.39	2.0/121	EFI	8.8:1	96 @ 4,800	118 @ 3,600	13.6	7.8	4.7	3.45	F	14.8	34.5
Skylark 2-dr.	103.4	180.0	66.6	52.1	2,583	37.7	49.2	55.6	55.2	L-4	4.0 x 3.0	2.5/151	EFI	9.0:1	98 @ 4,800	135 @ 3,200	13.6	7.8	5.0	2.84	F	14.8	35.4
Skylark 4-dr.	103.4	180.0	66.6	52.1	2,638	37.7	49.2	55.6	55.2	L-4	4.0 x 3.0	2.5/151	EFI	9.0:1	98 @ 4,800	135 @ 3,200	13.6	7.8	5.0	2.84	F	14.8	35.4
Century 2-dr.	104.9	189.1	69.4	53.7	2,714	38.6	42.1	58.7	56.7	L-4	4.0 x 3.0	2.5/151	EFI	9.0:1	98 @ 4,800	135 @ 3,200	15.7	5.0	3.0	2.84	F	14	38.5
Century 4-dr.	104.9	189.1	69.4	53.7	2,762	38.6	42.1	58.7	56.7	L-4	4.0 x 3.0	2.5/151	EFI	9.0:1	98 @ 4,800	135 @ 3,200	15.7	4.0	4.0	2.84	F	14	38.5
Century Wagon	104.9	191.0	69.4	53.7	2,911	38.6	42.1	58.7	56.7	L-4	4.0 x 3.0	2.5/151	EFI	9.0:1	98 @ 4,800	135 @ 3,200	15.7	4.0	4.0	2.84	F	14	38.5
Regal 2-dr.	107.5	192.2	71.8	53.0	2,953	37.8	42.3	59.3	58.0	V-6	3.50 x 2.99	2.8/173	MFI	8.9:1	125 @ 4,500	160 @ 3,600	16.6	11.3	5.0	3.33	F	14	39.2
Riviera 2-dr.	108.0	187.2	71.7	53.5	3,360	37.8	42.7	59.9	59.9	V-6	3.80 x 3.40	3.8/231	SFI	8.5:1	165 @ 5,200	210 @ 2,000	18.8	11.3	5.0	2.84	F	14	35.8
LeSabre 2-dr.	110.8	196.5	72.4	54.7	3,216	38.1	42.4	60.3	59.6	V-6	3.80 x 3.40	3.8/231	SFI	8.5:1	150 @ 4,400	200 @ 2,000	18.0	15.6	5.0	2.73	F	14.8	39.5
LeSabre 4-dr.	110.8	196.5	72.4	55.4	3,256	38.9	42.4	60.3	59.8	V-6	3.80 x 3.40	3.8/231	SFI	8.5:1	150 @ 4,400	200 @ 2,000	18.0	15.6	5.0	2.73	F	14.8	39.5
Electra 4-dr.	110.8	197.0	72.4	54.3	3,296	39.3	42.4	60.3	59.8	V-6	3.80 x 3.40	3.8/231	SFI	8.5:1	165 @ 5,200	210 @ 2,000	18.0	12.4	5.0	2.73	F	14.3	39.4
Electra Estate Wagon	115.9	220.5	79.3	59.3	4,160	39.6	42.2	62.2	64.0	V-8	3.8 x 3.39	5.0/307	4V	8.0:1	140 @ 3,200	255 @ 2,000	22.0	15.6	9.0	2.93	R	15	40.5
OPTIONAL ENGINES: Skylark										V-6	3.8 x 2.66	3.0/181	MFI	9.0:1	125 @ 4,900	150 @ 2,400							
Skylark										L-4	3.62 x 3.35	2.3/138	MFI	9.5:1	150 @ 5,200	160 @ 4,000							
Century										V-6	3.8 x 3.4	2.8/173	MFI	8.9:1	125 @ 4,500	160 @ 3,600							
Century										V-6	3.5 x 2.99	3.8/231	SFI	8.5:1	150 @ 4,400	200 @ 2,000							
LeSabre T-Type, Century										V-6	3.80 x 3.40	3.8/231	SFI	8.5:1	165 @ 5,200	210 @ 2,000							
CADILLAC—Allante	99.4	178.6	73.4	52.2	3,488	37.2	43.1	60.5	60.5	V-8	3.46 x 3.31	4.1/250	MFI	8.5:1	170 @ 4,300	235 @ 3,200	22.0	12.0	7.0	2.95	R	15	36.5
Cimarron	101.2	177.8	65.0	52.1	2,756	38.2	42.2	55.4	55.2	V-6	3.50 x 2.99	2.8/173	MFI	8.9:1	125 @ 4,500	160 @ 3,600	13.6	11.1	5.0	3.61	F	14	35.3
Eldorado	108.0	191.2	71.3	53.7	3,397	37.8	42.4	59.9	59.9	V-8	3.62 x 3.31	4.5/273	MFI	9.0:1	155 @ 4,000	240 @ 2,800	18.8	13.0	6.0	2.97	F	14	42.0
Seville	108.0	190.8	70.9	53.7	3,449	37.9	42.4	59.9	59.9	V-8	3.62 x 3.31	4.5/273	MFI	9.0:1	155 @ 4,000	240 @ 2,800	18.8	13.0	6.0	2.97	F	14	41.7
Coupe DeVille	110.8	196.5	71.7	55.0	3,397	39.3	42.4	60.3	59.8	V-8	3.62 x 3.31	4.5/273	MFI	9.0:1	155 @ 4,000	240 @ 2,800	18.0	13.0	6.0	2.97	F	14	39.3
Sedan DeVille	110.8	196.5	71.7	55.0	3,437	39.3	42.4	60.3	59.8	V-8	3.62 x 3.31	4.5/273	MFI	9.0:1	155 @ 4,000	240 @ 2,800	18.0	13.0	6.0	2.97	F	14	39.3
Fleetwood d'Elegance	110.8	196.5	71.7	55.0	3,463	39.3	42.4	60.3	59.8	V-8	3.62 x 3.31	4.5/273	MFI	9.0:1	155 @ 4,000	240 @ 2,800	18.0	13.0	6.0	2.97	F	14	39.3
Fleetwood Sixty Special	116.0	201.7	71.7	55.0	3,547	39.3	42.4	60.3	59.8	V-8	3.62 x 3.31	4.5/273	MFI	9.0:1	155 @ 4,000	240 @ 2,800	18.0	13.0	6.0	2.97	F	14	39.3
Brougham	121.5	221.0	75.3	56.7	4,156	39.0	42.0	61.7	60.7	V-8	3.80 x 3.39	5.0/307	4V	8.0:1	140 @ 3,200	255 @ 2,000	25.0	16.2	5.0	2.93	R	15	40.5
CHEVROLET—Corvette	96.2	176.5	71.0	46.7	3,229	36.4	42.6	59.6	60.4	V-8	4.0 x 3.4	5.7/350	TPI	9.5:1	240 @ 4,000	345 @ 3,200	20.0	14.6	5.0	3.07	R	16	40.4
Camaro Sport Coupe	101.0	192.0	72.8	50.3	3,054	37.0	42.9	60.0	60.9	V-6	3.5 x 2.99	2.8/173	MFI	8.9:1	135 @ 4,900	160 @ 3,900	15.5	12.9	5.0	3.42	R	15	37.6
Camaro IROC-Z	101.0	192.0	72.8	50.3	3,229	37.0	42.9	60.0	60.9	V-8	3.74 x 3.48	5.0/305	EFI	9.3:1	170 @ 4,000	255 @ 2,400	16.2	15.2	5.0	3.23	R	15	37.6
Cavalier Wagon	101.2	177.9	66.0	54.2	2,413	38.3	42.2	55.6	55.2	L-4	3.5 x 3.15	2.0/121	EFI	9.0:1	90 @ 5,600	108 @ 3,200	13.6	7.8	5.0	3.45	F	13	34.3
Cavalier Convertible	101.2	178.7	66.0	52.7	2,665	39.1	42.9	55.6	55.2	L-4	3.5 x 3.15	2.0/121	EFI	9.0:1	90 @ 5,600	108 @ 3,200	13.6	7.8	5.0	3.45	F	13	34.3
Cavalier 2-dr.	101.2	172.4	66.0	52.0	2,359	37.8	42.9	55.6	55.2	L-4	3.50 x 3.15	2.0/121	EFI	9.0:1	90 @ 5,600	108 @ 3,200	13.6	7.8	5.0	3.45	F	13	37.2
Cavalier 4-dr.	101.2	174.3	66.3	53.6	2,363	38.6	42.2	55.6	55.2	L-4	3.5 x 3.15	2.0/121	EFI	9.0:1	90 @ 5,600	108 @ 3,200	13.6	7.8	5.0	3.45	F	13	34.3
Corsica 4-dr.	103.4	183.4	68.0	52.7	2,800	38.9	43.4	55.6	55.1	L-4	3.50 x 3.15	2.0/121	EFI	9.0:1	90 @ 5,600	108 @ 3,200	13.6	8.6	5.0	3.83	F	13	34.6
Beretta 2-dr.	103.4	187.2	68.0	52.6	3,000	38.0	43.4	55.6	56.5	L-4	3.50 x 3.15	2.0/121	EFI	9.0:1	90 @ 5,600	108 @ 3,200	13.6	8.6	5.0	3.83	F	13	34.6
Celebrity 2-dr.	104.9	188.3	69.3	54.1	2,727	38.6	42.1	58.7	57.0	L-4	4.0 x 3.0	2.5/151	EFI	8.3:1	98 @ 4,800	135 @ 3,200	15.7	9.8	4.0	2.84	F	14	36.9
Celebrity 4-dr.	104.9	188.3	69.3	54.1	2,765	38.6	42.1	58.7	57.0	L-4	4.0 x 3.0	2.5/151	EFI	9.0:1	98 @ 4,800	135 @ 3,200	15.7	9.8	4.0	2.84	F	14	36.9
Celebrity Wagon	104.9	190.8	69.3	54.1	2,903	38.6	42.1	58.7	57.0	L-4	4.0 x 3.0	2.5/151	EFI	8.3:1	98 @ 4,800	135 @ 3,200	15.7	9.8	4.0	2.84	F	14	36.9
Monte Carlo	108.0	200.4	71.8	54.4	3,211	37.9	42.8	58.5	57.8	V-6	4.0 x 3.4	4.3/262	EFI	9.3:1	140 @ 4,000	225 @ 2,000	17.6	13.0	5.0	2.29	R	15	37.1
Caprice 4-dr.	116.0	212.2	75.4	56.4	3,654	38.5	42.2	61.7	60.7	V-6	4.0 x 3.43	4.3/262	EFI	9.3:1	140 @ 4,200	225 @ 2,000	24.5	12.2	5.0	2.56	R	15	38.7
Caprice Wagon	116.0	215.7	75.4	56.4	3,718	38.5	42.2	61.7	60.7	V-8	3.74 x 3.48	5.0/307	4V	9.3:1	140 @ 3,200	255 @ 2,000	25.0	12.2	5.0	2.93	R	15	38.7
OPTIONAL ENGINES: Camaro Sport Coupe										V-8	3.74 x 3.48	5.0/305	EFI	9.3:1	170 @ 4,000	255 @ 2,400							
Camaro IROC-Z										V-8	4.0 x 3.4	5.7/350	TPI	9.3:1	230 @ 4,400	330 @ 3,200							
Camaro IROC-Z										V-8	3.7 x 3.4	5.0/305	TPI	9.3:1	220 @ 4,400	290 @ 3,200							
Cavalier Station Wagon, Z-24 Notchback Coupe, Z-24 Convertible, Camaro Sport Coupe										V-6	3.5 x 2.99	2.8/173	MFI	8.9:1	125 @ 4,500	160 @ 3,600							
Corsica, Beretta										V-6	3.50 x 2.99	2.8/173	MFI	8.9:1	125 @ 4,500	160 @ 3,600							
Celebrity										V-6	3.50 x 2.99	2.8/173	MFI	8.9:1	125 @ 4,500	160 @ 3,600							
Caprice										V-8	3.74 x 3.48	5.0/305	4V	9.3:1	170 @ 4,400	250 @ 2,800		-					
Monte Carlo										V-8	3.74 x 3.48	5.0/305	4V	9.3:1	150 @ 4,000	240 @ 2,000							
Monte Carlo (HO)										V-8	3.74 x 3.48	5.0/305	4V	9.3:1	180 @ 4,800	225 @ 3,200							
CHRYSLER—LeBaron Coupe	100.3	184.9	68.4	51.0	2,769	37.6	42.4	57.6	57.6	L-4	3.44 x 4.09	2.5/153	EFI	9.0:1	100 @ 4,800	133 @ 2,800	14.0	9.0	5.0	2.51	F	14	35.2
LeBaron Convertible	100.3	184.9	68.4	52.2	2,860	38.3	42.2	57.6	57.6	L-4	3.44 x 4.09	2.5/153	EFI	9.0:1	100 @ 4,800	133 @ 2,800	14.0	9.0	5.0	2.51	F	14	35.2
LeBaron 4-dr.	100.3	179.1	68.0	52.9	2,592	38.6	42.2	57.6	57.2	L-4	3.44 x 3.62	2.2/135	EFI	9.5:1	93 @ 4,800	122 @ 3,200	14.0	9.0	5.0	3.02	F	14	36.2
Town & Country Wagon	100.4	179.1	68.0	53.2	2,748	38.5	42.2	57.6	57.2	L-4	3.44 x 4.09	2.5/153	EFI	8.9:1	96 @ 4,400	133 @ 2,800	14.0	9.0	5.0	3.02	F	14	36.2
LeBaron GTS	103.1	180.3	68.3	53.0	2,659	38.3	41.1	57.6	57.2	L-4	3.44 x 3.62	2.2/135	EFI	9.5:1	100 @ 5,200	133 @ 3,200	14.0	9.0	5.0	2.51	F	14	36.2
New Yorker Turbo	103.3	187.2	68.0	53.1	2,826	38.6	38.0	57.6	57.2	L-4	3.44 x 3.62	2.2/135	MFI	8.0:1	146 @ 5,200	170 @ 2,400	14.0	9.0	5.0	3.02	F	14	36.2

PRODUCTS/SPECIFICATIONS

Make and Model	Dimensions									Engines							Capacities			Miscellaneous			
	Wheelbase (in.)	Overall Length (in.)	Overall Width (in.)	Overall Height (in.)	Curb Weight (lbs.)	Front seat Headroom (in.)	Front seat Legroom (in.)	Front Tread (in.)	Rear Tread (in.)	Type	Bore and Stroke (in.)	Displacement (liters/cu. in.)	Carburetion	Compression Ratio	Net H.P. at RPM	Net Torque (ft. lbs.) at RPM	Fuel Tank (U.S. gals.)	Cooling System with Heater (qts.)	Crankcase w/filter (qts.)	Axle Ratio (standard)	Drive System	Wheel Diameter (in.)	Outside Turning Circle (ft. or in.)
New Yorker/New Yorker Landau	104.3	193.6	68.5	53.5	3,214	38.3	41.9	57.8	57.6	V-6	3.59 x 2.99	3.0/181	MFI	8.9:1	136 @ 4,800	168 @ 2,800	16.0	9.5	5.0	2.78	F	14	40.5
Fifth Avenue	112.7	208.6	74.2	55.1	3,759	39.3	42.5	60.0	59.5	V-8	3.91 x 3.31	5.2/318	2V	9.1:1	140 @ 3,600	265 @ 2,000	18.0	15.5	5.0	2.26	R	15	38.2
OPTIONAL ENGINES: LeBaron 4-dr., LeBaron GTS, Town & Country Wagon										L-4	3.44 x 3.62	2.2/135	ER	8.9:1	96 @ 4,400	133 @ 2,800							
LeBaron Coupe, Convertible (turbos)										L-4	3.44 x 3.62	2.5/153	MFI	8.1:1	146 @ 5,200	170 @ 3,600							
LeBaron 4-dr.										L-4	3.44 x 3.62	2.5/153	ER	8.9:1	96 @ 4,400	133 @ 2,800							
DODGE—Shadow 2-dr. Hatchback	97.0	171.0	67.3	52.7	2,513	38.3	41.5	57.6	57.2	L-4	3.44 x 3.62	2.2/135	ER	9.5:1	100 @ 5,200	133 @ 3,200	14.0	9.0	5.0	2.51	F	13	33.9
Shadow 4-dr. Hatchback	97.0	171.0	67.3	52.7	2,540	38.3	41.5	57.6	57.2	L-4	3.44 x 3.62	2.2/135	ER	9.5:1	100 @ 5,200	133 @ 3,200	14.0	9.0	5.0	2.51	F	13	33.9
Daytona	97.0	175.0	69.3	50.3	2,698	37.1	42.4	57.6	57.6	L-4	3.44 x 4.09	2.5/153	ER	8.9:1	96 @ 4,400	133 @ 2,800	14.0	9.0	5.0	2.51	F	14	34.3
Daytona Pacifica (turbo)	97.0	175.9	69.8	50.8	2,841	37.1	42.4	57.6	57.6	L-4	3.44 x 3.62	2.2/135	ER	8.0:1	146 @ 5,200	170 @ 2,400	14.0	9.0	5.0	2.51	F	14	34.3
Daytona Shelby Z (intercooled turbo)	97.0	175.9	69.8	50.8	2,830	37.1	42.4	57.6	57.6	L-4	3.44 x 3.62	2.2/135	ER	8.0:1	174 @ 5,200	200 @ 2,400	14.0	9.0	5.0	2.74	F	14	34.3
Omni America 4-dr.	99.1	163.2	66.8	53.0	2,259	38.1	42.1	56.1	55.7	L-4	3.44 x 3.62	2.2/135	ER	9.5:1	93 @ 4,300	122 @ 3,200	14.0	9.0	5.0	2.55	F	13	39.1
Aries America 2-dr.	100.3	178.6	68.0	52.5	2,401	38.2	42.2	57.6	57.2	L-4	3.44 x 3.62	2.2/135	ER	9.5:1	93 @ 4,800	122 @ 3,200	14.0	9.0	5.0	2.51	F	13	35.2
Aries America 4-dr.	100.3	178.6	68.0	52.9	2,427	38.6	42.2	57.6	57.2	L-4	3.44 x 3.62	2.2/135	ER	9.5:1	93 @ 4,800	122 @ 3,200	14.0	9.0	5.0	2.51	F	13	35.2
Aries America Wagon	100.4	178.5	68.0	53.2	2,500	38.5	42.2	57.6	57.2	L-4	3.44 x 3.62	2.2/135	ER	9.5:1	93 @ 4,800	122 @ 3,200	14.0	9.0	5.0	2.51	F	14	35.2
Lancer 4-dr. Hatchback	103.1	180.4	68.3	53.0	2,659	38.3	41.1	57.6	57.2	L-4	3.44 x 3.62	2.2/135	ER	9.5:1	100 @ 5,200	133 @ 3,200	14.0	9.0	5.0	2.51	F	14	36.2
Lancer Shelby (intercooled turbo)	103.1	180.4	68.3	52.4	2,659	38.3	41.1	57.6	57.2	L-4	3.44 x 3.62	2.2/135	MFI	8.0:1	174 @ 5,200	200 @ 2,400	14.0	9.0	5.0	2.74	F	14	36.2
Dodge 600	103.3	185.1	68.8	50.8	2,604	38.6	42.2	57.6	57.2	L-4	3.44 x 3.62	2.2/135	ER	9.5:1	93 @ 4,800	165 @ 3,200	14.0	9.0	5.0	3.02	F	14	36.2
Dynasty	104.3	192.0	68.5	53.5	3,000	38.3	37.8	57.6	57.6	V-6	3.59 x 2.99	3.0/181	MFI	8.9:1	136 @ 4,800	168 @ 2,800	16.0	9.5	5.0	2.78	F	14	40.5
Diplomat	112.7	204.6	74.2	55.1	3,494	39.3	42.5	60.0	59.5	V-8	3.91 x 3.31	5.2/318	2V	9.1:1	140 @ 3,600	265 @ 2,000	18.0	15.5	5.0	2.26	R	15	40.7
OPTIONAL ENGINES: Aries, Shadow										L4	3.44 x 4.09	2.5/153	ER	8.9:1	96 @ 4,400	133 @ 2,800							
Lancer, Shadow (turbos)										L4	3.44 x 3.62	2.2/135	MFI	8.0:1	146 @ 5,200	170 @ 2,400							
EAGLE—Premier LX, ES	105.5	192.7	69.8	55.9	2,862	38.5	43.7	58.2	57.1	I-4	3.86 x 3.19	2.5/150	SPI	9.2:1	111 @ 4,750	142 @ 2,500	17.0	8.6	5.0	3.44	F	14	36.9
Eagle	109.3	180.9	72.3	54.6	3,416	38.1	40.8	59.6	57.6	I-6	3.75 x 3.90	4.2/258	2V	9.2:1	112 @ 3,000	210 @ 2,000	22.0	14.0	5.0	2.73	4	15	35.5
OPTIONAL ENGINES: Premier V-6										V-6	3.86 x 2.87	3.0/182	MFI	9.3:1	150 @ 5,000	171 @ 3,750							
FORD—EXP Luxury Coupe	94.2	168.4	65.9	51.0	2,340	36.5	41.9	54.7	56.0	L-4	3.23 x 3.46	1.9/113.5	ER	9.0:1	90 @ 4,600	106 @ 3,400	13.0	7.9	4.0	3.52	F	14	35.7
Escort 2-dr.	94.2	166.9	65.9	53.7	2,258	38.1	41.5	54.7	56.0	L-4	3.23 x 3.46	1.9/113.5	ER	9.0:1	90 @ 4,600	106 @ 3,400	13.0	7.9	4.0	2.85	F	13	35.7
Escort 4-dr.	94.2	166.9	65.9	53.5	2,295	38.1	41.5	54.7	56.0	L-4	3.23 x 3.46	1.9/113.5	ER	9.0:1	90 @ 4,600	106 @ 3,400	13.0	7.9	4.0	3.52	F	13	35.7
Escort Wagon	94.2	166.0	65.9	53.4	2,307	38.1	41.5	54.7	56.0	L-4	3.23 x 3.46	1.9/113.5	ER	9.0:1	90 @ 4,600	106 @ 3,400	13.0	7.9	4.0	3.52	F	13	35.7
Probe GT 2-dr.	99.0	177.0	68.5	51.8	2,870	37.3	42.5	57.3	57.7	L-4	3.39 x 3.70	2.2/133	ER	7.8:1	145 @ 4,300	190 @ 3,500	15.1	6.6	4.9	4.10	F	14.0	34.1
Tempo 2-dr.	99.9	176.5	68.3	52.7	2,536	37.5	41.5	54.9	57.6	L-4	3.7 x 3.3	2.3/141	MFI	9.0:1	98 @ 4,400	124 @ 2,200	15.4	8.1	5.0	3.16	F	14	36.5
Tempo 4-dr.	99.9	177.0	66.8	52.8	2,585	37.5	41.5	54.9	57.6	L-4	3.7 x 3.3	2.3/141	MFI	9.0:1	98 @ 4,400	124 @ 2,200	15.4	8.1	5.0	3.16	F	14	36.5
Mustang 2-dr.	100.5	179.6	69.1	52.1	2,751	37.0	41.7	56.6	57.0	L-4	3.78 x 3.12	2.3/140	MFI	9.5:1	90 @ 3,800	130 @ 2,800	15.4	8.6	5.0	3.45	R	14	37.4
Mustang 2-dr. Hatchback	100.5	179.6	69.1	52.1	2,818	37.0	41.7	56.6	57.0	L-4	3.78 x 3.12	2.3/140	MFI	9.5:1	90 @ 3,800	130 @ 2,800	15.4	8.6	5.0	3.45	R	14	37.4
Mustang Convertible	100.5	179.6	69.1	51.9	2,953	37.6	41.7	56.6	57.0	L-4	3.78 x 3.12	2.3/140	MFI	9.5:1	90 @ 3,800	130 @ 2,800	15.4	8.6	5.0	3.45	R	14	37.4
Thunderbird	104.2	202.1	71.1	53.4	3,215	37.7	42.0	58.1	58.5	V-6	3.8 x 3.4	3.8/232	MFI	9.0:1	140 @ 3,800	215 @ 2,400	22.1	10.7	5.0	3.08	R	14	41.2
Taurus 4-dr.	106.0	188.4	70.8	54.3	2,987	38.3	41.7	61.6	60.5	L-4	3.7 x 3.6	2.5/153	EFI	9.0:1	90 @ 4,400	130 @ 2,600	16.0	8.5	4.5	3.26	F	14	38.1
Taurus Wagon	106.0	191.9	70.8	55.1	3,182	38.6	41.7	61.6	59.9	V-6	3.5 x 3.1	3.0/182	MFI	9.3:1	140 @ 4,800	160 @ 3,000	16.0	10.0	4.5	3.37	F	14	38.1
LTD Crown Victoria 4-dr.	114.3	211.0	77.5	55.5	3,779	37.9	43.5	62.2	62.0	V-8	4.0 x 3.0	5.0/302	SFI	8.9:1	150 @ 3,200	270 @ 2,000	18.0	14.4	5.0	2.73	R	15	39.1
Crown Victoria Wagon	114.3	216.0	79.3	57.0	3,991	38.8	43.5	62.2	62.0	V-8	4.0 x 3.0	5.0/302	SFI	8.9:1	150 @ 3,200	270 @ 2,000	18.0	14.4	5.0	2.73	R	15	39.1
OPTIONAL ENGINES: Escort GT										L-4	3.23 x 3.46	1.9/113.5	MFI	9.0:1	110 @ 5,400	115 @ 4,200							
Mustang GT (HO)										V-8	4.0 x 3.0	5.0/302	SFI	9.5:1	225 @ 4,200	300 @ 3,200							
Tempo (HSO) all-wheel-drive										L-4	3.7 x 3.3	2.3/141	MFI	9.0:1	100 @ 4,400	130 @ 2,600							
Taurus										V-6	3.8 x 3.4	3.8/232	SFI	9.0:1	140 @ 3,800	215 @ 2,200							
Thunderbird Sport										V-8	4.0 x 3.0	5.0/302	SFI	8.9:1	155 @ 3,400	265 @ 2,200							
Thunderbird Turbo Coupe										L-4	3.78 x 3.12	2.3/140	MFI	8.0:1	190 @ 4,800	240 @ 3,400							
HONDA—Civic 4-dr.	98.4	166.5	65.9	53.5	2,138	38.5	43.1	57.1	57.3	I-4	2.95 x 3.33	1.5/91	ER	9.2:1	92 @ 6,000	89 @ 3,500	11.9	5.4	3.7	4.25	F	13	31.5
Accord 4-dr.	102.4	179.7	67.4	53.4	2,579	38.7	42.8	58.3	58.1	I-4	3.25 x 3.58	2.0/119	2V	9.1:1	98 @ 5,500	109 @ 3,500	15.9	6.6	4.2	3.87	F	13	34.8
Accord LXi 4-dr.	102.4	179.7	67.4	53.4	2,668	37.3	42.8	58.3	58.1	I-4	3.25 x 3.58	2.0/119	ER	9.3:1	120 @ 5,800	122 @ 4,800	15.9	6.8	4.2	4.07	F	14	34.8
LINCOLN—Mark VII LSC	108.5	202.8	70.9	54.2	3,772	37.8	42.0	58.4	59.0	V-8	4.0 x 3.0	5.0/302	SFI	9.2:1	225 @ 4,000	300 @ 3,200	22.1	14.1	5.0	3.27	R	16	40.1
Continental	109.0	205.1	72.7	55.6	3,628	38.7	41.7	62.3	61.1	V-6	3.8 x 3.4	3.8/232	EFI	9.0:1	140 @ 3,800	215 @ 2,200	18.6	12.1	4.5	3.19	F	15	38.0
Town Car	117.3	219.0	78.1	55.9	4,093	39.0	43.5	62.2	62.0	V-8	4.0 x 3.0	5.0/302	SFI	8.9:1	150 @ 3,200	270 @ 2,000	18.0	13.3	5.0	3.08	R	15	40.0
MAZDA—MX-6	99.0	177.0	66.5	53.5	2,535	38.4	43.6	57.3	57.7	I-4	3.4 x 3.7	2.2/133.2	EFI	8.6:1	110 @ 4,700	130 @ 3,000	15.9	8.0	4.8	4.11	F	14	35.3
OPTIONAL ENGINES: MX-6 GT (turbo)										I-4	3.4 x 3.7	2.2/133.2	EFI	7.8:1	145 @ 4,300	190 @ 3,500							
MERCURY—Topaz 2-dr.	99.9	176.7	68.3	52.7	2,503	37.5	41.5	54.9	57.6	L-4	3.7 x 3.3	2.3/141	MFI	9.0:1	98 @ 4,400	124 @ 2,200	15.4	8.1	5.0	3.16	F	14	36.5
Topaz 4-dr.	99.9	177.0	66.8	52.8	2,557	37.5	41.5	54.9	57.6	L-4	3.7 x 3.3	2.3/141	MFI	9.0:1	98 @ 4,400	124 @ 2,200	15.4	8.1	5.0	3.16	F	14	36.5
Cougar	104.2	200.8	71.1	53.8	3,237	37.7	42.0	58.1	58.5	V-6	3.8 x 3.4	3.8/232	MFI	9.0:1	140 @ 3,800	215 @ 2,400	22.1	10.7	5.0	3.08	R	14	41.2
Sable 4-dr.	106.0	190.9	70.8	54.3	3,097	38.3	41.7	61.6	60.5	V-6	3.5 x 3.1	3.0/182	MFI	9.3:1	140 @ 4,800	160 @ 3,000	16.0	10.0	4.5	3.37	F	14	38.1
Sable Wagon	106.0	191.9	70.8	55.1	3,208	38.6	41.7	61.6	59.9	V-6	3.5 x 3.1	3.0/182	MFI	9.3:1	140 @ 4,800	160 @ 3,000	16.0	10.0	4.5	3.37	F	14	38.1
Grand Marquis	114.3	213.5	77.5	55.4	3,628	37.9	43.5	62.2	62.0	V-8	4.0 x 3.0	5.0/302	SFI	8.9:1	150 @ 3,200	270 @ 2,000	18.0	14.4	5.0	2.73	R	15	39.1
Grand Marquis Wagon	114.3	218.3	79.3	57.0	4,019	38.8	43.5	62.2	62.0	V-8	4.0 x 3.0	5.0/302	SFI	8.9:1	150 @ 3,200	270 @ 2,000	18.0	14.4	5.0	2.73	R	15	39.1
OPTIONAL ENGINES: Topaz (HSO)										L-4	3.7 x 3.3	2.3/141	MFI	9.0:1	100 @ 4,400	130 @ 2,600							
Sable										V-6	3.8 x 3.4	3.8/232	SFI	9.0:1	140 @ 3,800	215 @ 2,200							
Cougar										V-8	4.0 x 3.0	5.0/302	SFI	8.9:1	155 @ 3,400	265 @ 2,200							
NISSAN—Sentra 2-dr.	95.7	168.7	64.6	54.3	2,156	38.2	41.8	56.3	56.3	I-4	3.0 x 3.5	1.6/97.5	EFI	9.4:1	69 @ 5,000	94 @ 2,800	13.2	6.3	4.2	3.90	F	13	30.2
Sentra 4-dr.	95.7	168.7	64.6	54.3	2,208	38.2	41.8	56.3	56.3	I-4	3.0 x 3.5	1.6/97.5	EFI	9.4:1	69 @ 5,000	94 @ 2,800	13.2	6.3	4.2	3.90	F	13	30.2
NUMMI—Corolla FX	95.7	160.0	65.2	52.8	2,141	38.3	42.4	56.5	55.7	L-4	3.19 x 3.03	1.6/98	2V	9.0:1	72 @ 5,200	86 @ 2,800	13.2	6.3	4.0	4.31	F	13	30.8
Nova	95.7	166.3	64.4	52.8	2,211	37.9	42.4	56.1	55.3	L-4	3.19 x 3.03	1.6/98	2V	9.0:1	72 @ 5,200	86 @ 2,800	13.2	6.3	4.0	3.72	F	13	30.8

PRODUCTS/SPECIFICATIONS

Make and Model	Dimensions									Engines							Capacities			Miscellaneous			
	Wheelbase (in.)	Overall Length (in.)	Overall Width (in.)	Overall Height (in.)	Curb Weight (lbs.)	Front-seat Headroom (in.)	Front-seat Legroom (in.)	Front Tread (in.)	Rear Tread (in.)	Type	Bore and Stroke (in.)	Displacement (liters/cu. in.)	Carburetion	Compression Ratio	Net HP at RPM	Net Torque (ft.lbs.) at RPM	Fuel Tank (U.S. gals.)	Cooling System with Heater (qts.)	Crankcase w/filter (qts.)	Axle Ratio (standard)	Drive System	Wheel Diameter (in.)	Curb-to-Curb Turning Circle (ft. w. lt.)
OPTIONAL ENGINES—Corolla FX-16										L-4	3.19 x 3.03	1.6/98	ER	9.4:1	110 @ 6,600	98 @ 4,800							
Nova Twin Cam										L-4	3.19 x 3.03	1.6/98	ER	9.4:1	110 @ 6,600	98 @ 4,800							
OLDSMOBILE—Firenza 2-dr.	101.2	174.3	65.0	51.7	2,327	37.7	42.2	55.4	55.2	L-4	3.50 x 3.15	2.0/122	ER	9.0:1	90 @ 5,600	108 @ 3,200	13.6	7.8	5.0	3.45	F	13	34.4
Firenza 4-dr.	101.2	176.2	65.0	53.7	2,381	37.7	42.2	55.4	55.2	L-4	3.50 x 3.15	2.0/122	ER	9.0:1	90 @ 5,600	108 @ 3,200	13.6	7.8	5.0	3.45	F	13	34.4
Firenza Cruiser	101.2	175.7	65.0	55.2	2,438	38.1	42.2	55.4	55.2	L-4	3.50 x 3.15	2.0/122	ER	9.0:1	90 @ 5,600	108 @ 3,200	13.6	7.8	5.0	3.45	F	13	34.4
Cutlass Calais 2-dr.	103.4	178.6	66.9	52.3	2,470	37.7	42.9	55.5	55.2	L-4	4.0 x 3.0	2.5/151	ER	9.0:1	98 @ 4,800	135 @ 3,200	13.6	7.8	5.0	3.35	F	13	35.4
Cutlass Calais 4-dr.	103.4	178.8	66.9	52.3	2,539	37.7	42.9	55.5	55.2	L-4	4.0 x 3.0	2.5/151	ER	9.0:1	98 @ 4,800	135 @ 3,200	13.6	7.8	5.0	3.35	F	13	35.4
Cutlass Ciera 2-dr.	104.9	190.3	69.5	54.1	2,769	38.6	42.1	58.7	57.0	L-4	4.0 x 3.0	2.5/151	ER	9.0:1	98 @ 4,800	135 @ 3,200	15.7	9.9	5.0	2.84	F	14	38.1
Cutlass Ciera 4-dr.	104.9	190.3	69.5	54.1	2,733	38.6	42.1	58.7	57.0	L-4	4.0 x 3.0	2.5/151	ER	9.0:1	98 @ 4,800	135 @ 3,200	15.7	9.9	5.0	2.84	F	14	38.1
Cutlass Cruiser Wagon	104.9	194.4	69.5	54.5	2,899	38.6	42.1	58.7	57.0	L-4	4.0 x 3.0	2.5/151	ER	9.0:1	98 @ 4,800	135 @ 3,200	15.7	9.9	5.0	2.84	F	14	38.1
Cutlass Supreme	107.5	192.1	71.0	52.8	2,958	37.8	42.3	59.5	58.0	V-6	3.5 x 3.0	2.8/173	MFI	8.9:1	125 @ 4,500	160 @ 3,600	16.6	11.3	5.0	3.33	F	14	38.9
Toronado	108.0	187.5	70.8	53.0	3,364	37.8	42.7	60.0	60.0	V-6	3.8 x 3.4	3.8/231	SFI	8.5:1	165 @ 5,200	210 @ 2,000	18.0	12.0	5.0	2.73	F	14	39.0
Cutlass Supreme Classic	108.1	200.0	71.6	54.9	3,180	38.1	42.8	58.5	57.7	V-8	3.8 x 3.3	5.0/307	4V	7.9:1	140 @ 3,200	255 @ 2,000	18.0	16.4	6.0	2.14	R	14	38.2
Delta 88 2-dr.	110.8	196.3	72.4	54.7	3,194	38.1	42.4	60.3	59.8	V-6	3.8 x 3.4	3.8/231	SFI	8.5:1	150 @ 4,400	200 @ 2,000	18.0	12.6	5.0	2.73	F	14	39.4
Delta 88 4-dr.	110.8	196.3	72.4	55.5	3,243	38.9	42.4	60.3	59.8	V-6	3.8 x 3.4	3.8/231	SFI	8.5:1	150 @ 4,400	200 @ 2,000	18.0	12.6	5.0	2.73	F	14	39.4
98 Regency Brougham 4-dr.	110.8	196.3	72.4	55.1	3,334	39.3	42.4	60.3	59.8	V-6	3.8 x 4.4	3.8/231	SFI	8.5:1	165 @ 5,200	215 @ 2,000	18.0	11.7	5.0	2.73	F	14	39.4
Custom Cruiser Wagon	116.0	220.3	79.8	58.5	4,136	39.6	42.2	62.1	64.1	V-8	3.8 x 3.4	5.0/307	4V	7.9:1	140 @ 3,200	255 @ 2,000	22.0	14.9	5.0	2.73	R	15	39.2
OPTIONAL ENGINES: Firenza										L-4	3.38 x 3.38	2.0/122	ER	8.8:1	96 @ 4,800	118 @ 3,600							
Cutlass Calais										L-4	3.62 x 3.35	2.3/138	MFI	9.5:1	150 @ 5,200	160 @ 4,000							
Cutlass Calais										V-6	3.80 x 2.66	3.0/181	MFI	9.0:1	125 @ 4,900	150 @ 2,400							
Cutlass Ciera, Cutlass Cruiser Wagon										V-6	3.8 x 3.4	3.8/231	SFI	8.5:1	150 @ 4,400	200 @ 2,000							
Cutlass Ciera, Cutlass Cruiser Wagon										V-6	3.5 x 2.9	2.8/173	MFI	8.9:1	125 @ 4,500	160 @ 3,800							
Delta 88										V-6	3.8 x 3.4	3.8/231	SFI	8.5:1	165 @ 5,200	215 @ 2,000							
PLYMOUTH—Sundance	97.0	171.7	67.3	52.7	2,513	38.3	41.6	57.6	57.2	L-4	3.44 x 3.62	2.2/135	ER	9.5:1	100 @ 5,200	133 @ 3,200	14.0	9.0	5.0	2.51	F	13	33.9
Horizon America 4-dr.	99.1	163.2	66.8	53.0	2,259	38.1	42.1	56.1	55.7	L-4	3.44 x 3.62	2.2/135	ER	9.5:1	93 @ 4,800	122 @ 3,200	14.0	9.0	5.0	2.55	F	13	38.1
Reliant America 2-dr.	100.3	178.6	66.0	52.5	2,404	38.2	42.2	57.6	57.2	L-4	3.44 x 3.62	2.2/135	ER	9.5:1	93 @ 4,800	122 @ 3,200	14.0	9.0	5.0	2.51	F	13	35.2
Reliant America 4-dr.	100.3	178.6	66.0	52.9	2,408	38.6	42.2	57.6	57.2	L-4	3.44 x 3.62	2.2/135	ER	9.5:1	93 @ 4,800	122 @ 3,200	14.0	9.0	5.0	2.51	F	13	35.2
Reliant America Wagon	100.4	178.5	66.0	53.2	2,508	38.6	42.2	57.6	57.2	L-4	3.44 x 3.62	2.2/135	ER	9.5:1	93 @ 4,800	122 @ 3,200	14.0	9.0	5.0	2.51	F	14	35.2
Caravelle	103.3	185.1	68.0	53.1	2,533	38.6	42.2	57.6	57.2	L-4	3.44 x 3.62	2.2/135	ER	9.5:1	93 @ 4,800	122 @ 3,200	14.0	9.0	5.0	3.02	F	14	36.2
Gran Fury	112.7	204.6	74.2	56.1	3,588	39.3	42.5	60.0	59.5	V-8	3.91 x 3.31	5.2/318	2V	9.1:1	140 @ 3,600	265 @ 2,000	18.0	15.5	4.0	2.26	R	15	40.7
OPTIONAL ENGINES: Sundance, Reliant										L-4	3.44 x 4.09	2.5/153	ER	8.9:1	96 @ 4,400	133 @ 2,800							
Sundance, Caravelle (turbos)										L-4	3.44 x 3.62	2.2/135	MFI	8.0:1	146 @ 5,200	170 @ 2,400							
PONTIAC—Fiero Coupe	93.4	163.1	69.0	46.9	2,602	37.0	43.5	59.3	59.4	L-4	4.00 x 3.00	2.5/151	ER	8.3:1	98 @ 4,800	135 @ 3,200	11.9	13.8	4.0	3.35	R	14	33.5
Fiero GT	93.4	165.1	69.0	46.9	2,790	37.0	43.5	59.7	60.1	V-6	3.50 x 2.99	2.8/173	MFI	8.9:1	135 @ 4,500	105 @ 3,600	11.9	13.8	5.0	3.61	R	14	33.5
Firebird	101.0	188.1	72.4	50.0	3,097	37.0	43.0	60.7	61.6	V-6	3.50 x 2.99	2.8/173	MFI	8.5:1	135 @ 4,900	160 @ 3,900	15.5	13.0	5.0	3.42	R	15	32.6
Firebird Formula	101.0	188.1	72.4	50.0	3,296	37.0	43.0	60.7	61.6	V-8	3.74 x 3.48	5.0/305	TBI	9.3:1	170 @ 4,000	255 @ 2,400	15.5	17.7	6.0	3.08	R	16	32.6
Firebird Trans Am	101.0	191.6	72.4	50.0	3,309	37.0	43.0	60.7	61.6	V-8	3.74 x 3.48	5.0/305	TBI	9.3:1	170 @ 4,000	255 @ 2,400	15.5	17.7	6.0	3.08	R	15	32.6
Firebird Trans Am GTA	101.0	191.6	72.4	50.0	3,406	37.0	43.0	60.7	61.6	V-8	4.00 x 3.48	5.7/350	TPI	9.3:1	225 @ 4,400	330 @ 3,200	15.5	17.7	6.0	3.08	R	16	32.6
Sunbird Coupe	101.2	178.2	65.0	50.4	2,394	37.7	42.2	55.6	55.2	L-4	3.39 x 3.39	2.0/121	ER	8.8:1	96 @ 4,800	118 @ 3,600	13.6	7.8	4.7	3.45	F	13	34.3
Sunbird Sedan	101.2	181.7	65.0	50.4	2,367	37.7	42.2	55.6	55.2	L-4	3.39 x 3.39	2.0/121	ER	8.8:1	96 @ 4,800	118 @ 3,600	13.6	7.8	4.7	3.45	F	13	34.3
Sunbird Wagon	101.2	175.9	66.3	54.1	2,394	38.3	42.2	55.6	55.2	L-4	3.39 x 3.39	2.0/121	ER	8.8:1	96 @ 4,800	118 @ 3,600	13.6	7.8	4.7	3.45	F	13	34.3
Sunbird Convertible (turbo)	101.2	178.2	65.0	52.6	2,577	37.4	31.1	55.6	55.2	L-4	3.39 x 3.39	2.0/121	MFI	8.0:1	165 @ 5,600	175 @ 4,000	13.6	7.8	4.7	3.61	F	13	34.3
Grand Am 2-dr.	103.4	177.5	66.5	52.5	2,493	37.7	42.9	55.6	55.2	L-4	4.00 x 3.00	2.5/151	ER	9.0:1	98 @ 4,800	135 @ 3,200	13.6	7.8	4.0	3.35	F	13	37.8
Grand Am 4-dr.	103.4	177.5	66.5	52.5	2,565	37.7	42.9	55.6	55.2	L-4	4.00 x 3.00	2.5/151	ER	9.0:1	98 @ 4,800	135 @ 3,200	13.6	7.8	4.0	3.35	F	13	37.8
Grand Am SE (turbo)	103.4	177.5	66.5	52.5	2,565	37.7	42.9	55.6	55.2	L-4	3.39 x 3.39	2.0/121	MFI	8.0:1	165 @ 5,600	175 @ 4,000	13.6	7.8	4.7	3.61	F	14	37.8
6000 4-dr.	104.9	188.8	72.0	53.7	2,755	38.6	42.1	58.7	57.0	L-4	4.00 x 3.00	2.5/151	ER	9.0:1	98 @ 4,800	135 @ 3,200	15.7	9.8	4.0	2.84	F	14	37.0
6000 LE 4-dr.	104.9	188.8	72.0	53.7	2,824	38.6	42.1	58.7	57.0	L-4	4.00 x 3.00	2.5/151	ER	9.0:1	98 @ 4,800	135 @ 3,200	15.7	9.8	4.0	2.84	F	14	37.0
6000 STE 4-dr.	104.9	188.8	72.0	53.7	3,101	38.6	42.1	58.7	57.0	V-6	3.50 x 2.99	2.8/173	MFI	8.8:1	125 @ 4,500	160 @ 3,600	15.7	9.8	5.0	3.33	F	15	37.0
6000 STE AWD	104.9	188.8	72.0	53.7	3,367	38.6	42.1	58.7	57.0	V-6	3.50 x 1.32	3.1/232	MFI	3:1.0	138 @ 4,800	183 @ 3,600	15.7	9.8	5.0	3.33	4	15	37.0
6000 Wagon	104.9	193.2	72.0	54.1	3,162	38.6	42.1	58.7	57.0	L-4	4.00 x 3.00	2.5/151	ER	9.0:1	98 @ 4,800	135 @ 3,200	15.7	9.8	4.0	3.33	F	14	37.0
Grand Prix	107.6	194.1	71.0	53.3	3,038	37.8	42.3	59.5	58.0	V-6	3.50 x 2.99	2.8/173	MFI	8.8:1	130 @ 4,800	160 @ 3,600	16.6	15.0	5.0	3.33	F	14	39.2
Bonneville LE 4-dr.	110.8	198.7	72.4	55.5	3,275	38.9	42.4	60.3	59.8	V-6	3.80 x 3.40	3.8/231	MFI	8.5:1	150 @ 4,400	200 @ 2,000	18.0	12.6	5.0	2.73	F	14	41.0
Bonneville SE 4-dr.	110.8	198.7	72.4	55.5	3,341	38.9	42.4	60.3	59.8	V-8	3.80 x 3.40	3.8/231	MFI	8.5:1	165 @ 5,200	210 @ 2,000	18.0	11.7	5.0	2.97	F	15	41.0
Bonneville SSE 4-dr.	110.8	198.7	72.4	54.7	3,327	38.9	42.4	60.3	59.8	V-6	3.80 x 3.40	3.8/231	MFI	8.5:1	165 @ 5,200	210 @ 2,000	18.0	11.7	5.0	2.73	F	16	41.0
Safari Wagon	116.0	215.1	79.3	57.4	4,182	39.6	42.2	62.0	64.1	V-8	3.80 x 3.39	5.0/305	4V	8.0:1	140 @ 3,200	255 @ 2,000	22.0	15.6	6.0	2.93	R	15	39.7
OPTIONAL ENGINES: Fiero Formula										V-6	3.50 x 2.99	2.8/173	MFI	8.9:1	135 @ 4,500	105 @ 3,600							
Sunbird SE 2-dr., 4-dr. (turbos); Grand Am LE (turbo)										L-4	3.39 x 3.39	2.0/121	MFI	8.0:1	165 @ 5,600	175 @ 4,000							
Grand Am, Grand Am LE, Grand Am SE										L-4	3.62 x 3.35	2.3/138	MFI	9.5:1	150 @ 5,200	160 @ 4,400							
6000, 6000 LE										V-6	3.50 x 2.99	2.8/173	MFI	8.8:1	125 @ 4,500	160 @ 3,600							
Firebird										V-8	3.74 x 3.48	5.0/305	TBI	9.3:1	170 @ 4,000	255 @ 2,400							
Firebird Formula, Firebird Trans Am, Firebird Trans Am GTA										V-8	3.74 x 3.48	5.0/305	TPI	9.3:1	190 @ 4,000	295 @ 2,800							
Firebird Formula, Firebird Trans Am										V-8	4.00 x 3.48	5.7/350	TPI	9.3:1	225 @ 4,400	330 @ 3,200							
VOLKSWAGEN—Golf 2-dr.	97.3	158.0	66.1	55.7	2,194	38.1	N.A.	56.3	56.0	L-4	3.19 x 3.40	1.8/109	ER	10.0:1	100 @ 5,400	107 @ 3,400	14.5	7.3	4.3	3.67	F	13	34.4
Golf GT 2-dr.	97.3	158.0	66.1	55.7	2,212	38.1	N.A.	56.3	56.0	L-4	3.19 x 3.40	1.8/109	ER	10.0:1	105 @ 5,400	110 @ 3,400	14.5	7.3	4.3	3.67	F	13	34.4
Golf GTI 16V (2-dr. only)	97.3	158.0	66.1	55.7	2,267	38.1	N.A.	56.3	56.0	L-4	3.19 x 3.40	1.8/109	ER	10.0:1	123 @ 5,400	120 @ 3,400	14.5	7.3	4.3	3.67	F	14	34.4
Jetta 2-dr.	97.3	171.7	65.5	55.7	2,305	39.5	N.A.	56.3	56.0	L-4	3.19 x 3.40	1.8/109	ER	10.0:1	100 @ 5,400	107 @ 3,400	14.5	7.3	4.3	3.67	F	13	34.4

NOTE: This table has been compiled from information supplied by factories, distributors and other direct sources. Every reasonable precaution has been taken to ensure accuracy, but Automotive News cannot assume any liability by reason of inaccuracies or omissions. Specifications are subject to change without notice.

List of Abbreviations:
HSO—High Specific Output.
FI—Fuel Injection.
HO—High Output.
N.A.—Not Available.

PRODUCTS/SPECIFICATIONS

1988-model domestic car body family designations

There are significant additions and revisions to the body-family — or "platform" — designations of General Motors, Ford Motor Co. and Chrysler Motors Corp. passenger car lines in the 1988 model year (see charts).

GM added a new W-body designation which includes the corporation's new front-wheel-drive intermediate-size cars — Pontiac Grand Prix, Cutlass Supreme and Buick Regal.

The subcompact-sized Pontiac LeMans, built in South Korea by GM affiliate Daewoo Motor Co. Ltd., adopted the T-body designation that formerly was associated with the Chevrolet Chevette and Pontiac 1000, which have been discontinued.

Buick Motor Division's new sporty Buick Reatta two-seater coupe, which is built on the same platform as the Buick Riviera, joined the ranks of GM E-body cars, whose other members include the front-wheel-drive personal luxury Oldsmobile Toronado and Cadillac Eldorado.

Ford Motor Co. has been moving away from labeling its platforms, and is instead referring to its passenger-car programs by specific code designations.

For example: While they share the same platform, Lincoln Continental is known as the FN9 while Ford Taurus/Mercury Sable is codenamed the DN5.

Also, although the imported Mercury Tracer shares the same platform as the Mazda 323, produced by Ford's Japanese affiliate, Mazda Motor Corp., the Tracer has its own CT18 designation.

Another newcomer for the '88 model season is the BT17 designation of the Ford Festiva.

Chrysler Motors introduced a new C-body platform in the '88 model year, comprised of Dodge Dynasty, Chrysler New Yorker and Chrysler New Yorker Landau, and added the L58 Eagle Premier platform as a result of its acquisition of American Motors.

In all, the domestic Big Three automakers have a combined total of 42 platform designations in the '88 model year — 20 at General Motors, 12 at Chrysler Motors and 10 at Ford Motor Co. ■

Buick Regal

Mercury Sable

Chrysler New Yorker Landau

Ford Festiva

Pontiac LeMans

CHRYSLER MOTORS CORP.

	Plymouth	Dodge	Chrysler	Eagle
C	—	Dynasty	New Yorker, New Yorker Landau	—
CV	—	—	LeBaron 4-dr., Town & Country Wagon	—
E	Caravelle	600	New Yorker Turbo*	—
G	—	Daytona, Daytona Pacifica, Daytona Shelby Z	—	—
H	—	Lancer	LeBaron GTS	—
J	—	—	LeBaron Coupe & Convertible	—
K	Reliant America	Aries America	—	—
L	Horizon America	Omni America	—	—
L58	—	—	—	Premier
M	Gran Fury	Diplomat	Fifth Avenue	—
P	Sundance	Shadow	—	—
S	Voyager, Grand Voyager	Caravan, Grand Caravan	—	—

Note: *—Ceased production on Sept. 11, 1987.

FORD MOTOR CO.

	Ford	Mercury	Lincoln
BT17	Festiva	—	—
CT18	—	Tracer	—
DN5	Taurus	Sable	—
Erika	Escort, Escort EXP	—	—
FN9	—	—	Continental
Fox	Mustang	—	—
LS	—	—	Mark VII
Panther	LTD Crown Victoria, Country Squire Wagon	Grand Marquis, Colony Park Wagon	Town Car
S	Thunderbird	Cougar	—
Topaz	Tempo	Topaz	—

GENERAL MOTORS CORP.

	Chevrolet	Pontiac	Oldsmobile	Buick	Cadillac
A	Celebrity	6000	Cutlass Ciera	Century	—
B	Caprice, Caprice Wagon	Parisienne Wagon, Safari Wagon	Custom Cruiser Wagon	Electra Estate Wagon, LeSabre Estate Wagon	—
C	—	—	Ninety-Eight Regency, Touring Sedan	Electra	DeVille, Fleetwood d'Elegance, Fleetwood Sixty Special
D	—	—	—	—	Brougham
E	—	—	Toronado, Trofeo	Riviera, Reatta	Eldorado
F	Camaro	Firebird	—	—	—
G	Monte Carlo	—	Cutlass Supreme Classic	—	—
H	—	Bonneville	Delta 88 Royale	LeSabre	—
J	Cavalier	Sunbird	Firenza	Skyhawk	Cimarron
K	—	—	—	—	Seville
L	Corsica, Beretta	—	—	—	—
M	Sprint	—	—	—	—
N	—	Grand Am	Cutlass Calais	Skylark	—
P	—	Fiero	—	—	—
R	Spectrum	—	—	—	—
S	Nova	—	—	—	—
T	—	LeMans	—	—	—
V	—	—	—	—	Allante
W	—	Grand Prix	Cutlass Supreme	Regal	—
Y	Corvette	—	—	—	—

PRODUCTS/SPECIFICATIONS

1988-model import-car specifications

Make and Model	Dimensions									Engines								Capacities			Miscellaneous			
	Wheelbase (in.)	Overall Length (in.)	Overall Width (in.)	Overall Height (in.)	Curb Weight (lbs.)	Front-seat Headroom (in.)	Front-seat Legroom (in.)	Front Tread (in.)	Rear Tread (in.)	Type	Bore and Stroke (in.)	Displacement (liters/cu. in.)	Carburetion	Compression Ratio	Net HP at RPM	Net Torque (ft. lbs.) at RPM	Fuel Tank (U.S. gals.)	Cooling System with Heater (qts.)	Crankcase w/filter (qts.)	Axle Ratio (standard)	Drive System	Wheel Diameter (in.)	Curb-to-Curb Turning Circle (dia. in ft.)
ACURA Integra 3-dr.	96.5	168.7	65.6	50.8	2,313	38.0	41.3	55.9	56.5	L-4	2.95 x 3.54	1.8/97	FI	9.5	118@6,500	103@5,500	13.2	5.9	4.5	4.21	F	14	33.5
Integra 5-dr.	99.2	171.5	65.6	50.8	2,390	38.0	41.3	55.9	56.5	L-4	2.95 x 3.54	1.8/97	FI	9.5	118@6,500	103@5,500	13.2	5.9	4.5	4.21	F	14	34.1
Legend Coupe	106.5	188.0	68.7	53.9	3,100	37.2	42.9	59.1	59.1	V-6	3.42 x 2.95	2.7/163.2	SFI	9.0	161@5,900	162@4,500	18.0	9.3	6.0	4.20	F	15	36.5
Legend Sedan	106.7	189.4	68.3	54.7	3,100	38.7	42.7	59.1	57.5	V-6	3.42 x 2.95	2.7/163.2	SFI	9.0	161@5,900	162@4,500	18.0	9.3	6.0	4.27	F	15	36.5
ALFA ROMEO Spider	88.6	168.8	64.1	48.8	2,548	33.9	29.5	52.1	50.1	4	3.36 x 3.34	2.0/119.6	FI	9.0	115@5,500	119@2,750	12.2	8.0	7.0	4.11	R	14	34.5
Milano Gold & Platinum	98.8	170.5	64.2	53.1	2,707	38.2	37.2	54.3	54.1	V-6	3.52 x 2.73	2.5/152.0	FI	9.0	154@5,500	152@3,200	17.6	10.6	7.6	4.11	R	15	32.8
Milano Verde	98.8	170.5	64.2	53.1	2,907	38.2	37.2	54.3	54.1	V-6	3.72 x 2.90	3.0/182.4	FI	9.0	183@5,800	181@3,000	17.6	10.6	7.6	3.55	R	15	33.1
ASTON MARTIN Vantage	102.0	189.5	72.0	52.3	4,009	N.A.	N.A.	59.0	59.0	V-8	N.A.	5.3/326	4x2V	8.3	N.A.	N.A.	27.5	19.2	12.0	3.54	R	16	38.0
V-8 Coupe	102.8	189.5	72.0	52.3	4,009	N.A.	N.A.	59.0	59.0	V-8	N.A.	5.3/326	FI	N.A.	N.A.	N.A.	27.5	19.2	12.0	3.54	R	15	38.0
Volante	102.8	189.5	72.0	52.3	4,009	N.A.	N.A.	59.0	59.0	V-8	N.A.	5.3/326	FI	N.A.	N.A.	N.A.	25.8	19.2	12.0	3.54	R	15	38.0
Lagonda	115.0	207.9	70.5	51.2	4,622	N.A.	N.A.	N.A.	N.A.	V-8	N.A.	5.3/326	FI	N.A.	N.A.	N.A.	27.6	N.A.	N.A.	3.05	R	15	38.0
AUDI 80 Quattro	99.9	176.3	66.7	54.8	2,904	37.8	42.2	55.6	56.3	L-5	3.25 x 3.40	2.3/141	EFI	10.0	130@5,700	140@4,500	18.5	8.5	3.7	4.11	4	14	33.8
90 Quattro	99.9	176.3	66.7	54.8	2,948	37.8	42.2	55.6	56.3	L-5	3.25 x 3.40	2.3/141	EFI	10.0	130@5,700	140@4,500	18.5	7.4	3.7	4.11	4	14	33.8
80	100.2	176.3	66.7	55.0	2,568	37.8	42.2	55.6	56.3	L-4	3.25 x 3.65	2.0/121	EFI	10.5	108@5,300	121@3,200	18.0	7.4	3.2	4.11	F	14	33.8
90	100.2	176.3	66.7	54.8	2,732	37.8	42.2	55.6	56.3	L-5	3.25 x 3.40	2.3/141	EFI	10.0	130@5,700	140@4,500	18.0	8.5	3.7	3.70	F	14	33-8
5000S	105.8	192.7	71.4	55.5	2,844	37.9	41.1	57.8	57.8	L-5	3.25 x 3.40	2.3/141	EFI	10.0	130@5,600	140@4,000	21.1	8.5	5.3	3.89	F	14	34.2
5000S Wagon	105.8	192.7	71.4	55.7	2,954	37.9	41.1	57.8	57.8	L-5	3.25 x 3.40	2.3/141	EFI	10.0	130@5,600	140@4,000	21.1	8.5	5.3	3.89	F	14	34.2
5000S Quattro	105.8	192.7	71.4	55.9	3,307	37.6	41.1	57.8	58.7	L-5	3.25 x 3.40	2.3/141	EFI	10.0	130@5,600	140@4,000	21.1	8.5	5.3	4.11	4	15	34.2
5000CS Turbo	105.8	192.7	71.4	55.9	3,086	37.9	41.1	57.8	57.8	L-5	3.19 x 3.40	2.2/136	EFI	7.8	162@5,500	177@3,000	21.1	8.5	5.3	3.89	F	15	34.2
5000CS Turbo Quattro	105.8	192.7	71.4	55.9	3,439	37.6	41.1	57.8	58.7	L-5	3.19 x 3.40	2.2/136	EFI	7.8	162@5,500	177@3,000	21.1	8.5	5.3	3.89	4	15	34.2
5000CS Turbo Quattro Wagon	105.8	192.7	71.4	55.9	3,351	37.6	41.1	57.8	58.7	L-5	3.19 x 3.40	2.2/136	EFI	7.8	162@5,500	177@3,000	21.1	8.5	5.3	3.89	4	15	34.2
AUSTIN ROVER Sterling 825S	106.6	188.8	68.1	54.8	3,164	37.8	41.2	58.8	57.1	V-6	3.31 x 2.95	2.5/152.2	FI	9.0	151@5,800	154@4,500	18.0	10.6	4.8	4.20	F	15	36.5
827	108.6	188.8	68.1	54.8	3,250	37.8	41.2	58.8	57.1	V-6	3.43 x 2.95	2.7/163	FI	9.0	160@5,900	162@4,500	18.0	10.6	4.8	4.20	F	15	36.5
BERTONE X1/9	86.7	156.3	61.8	46.8	2,210	N.A.	N.A.	53.3	53.6	4	3.45 x 2.56	1.5/91.4	FI	8.5	75@5,500	79@3,000	12.2	11.6	4.50	4.07	R	13	32.2
BMW 325	101.2	172.2	64.8	54.3	2,765	37.7	39.6	55.4	55.7	I-6	3.31 x 3.19	2.7/164	FI	8.5	127@4,800	170@3,200	16.4	12.7	4.6	2.93	R	14	34.4
325ix (4wd)	101.2	175.2	65.4	55.1	3,010	37.7	39.6	55.9	55.7	I-6	3.31 x 2.95	2.5/152	FI	8.8	168@5,800	164@4,300	16.4	11.6	4.6	3.91	4	15	36.4
325i/325is	101.2	175.2	64.8	54.3	2,895	37.7	39.6	55.4	55.7	I-6	3.31 x 2.95	2.5/152	FI	8.8	168@5,800	164@4,300	16.4	11.6	4.6	3.73	R	14	34.4
325i Convertible	101.2	175.6	64.8	53.9	3,055	37.7	39.6	55.4	55.7	I-6	3.31 x 2.95	2.5/152	FI	8.8	168@5,800	164@4,300	16.4	11.6	4.6	3.73	R	14	34.4
M-3	101.3	171.1	66.1	53.9	2,735	37.7	39.6	55.6	56.1	I-4	3.68 x 3.31	2.3/140	FI	10.5	192@6,750	170@4,750	14.5	11.6	4.6	3.91	R	15	34.4
528e	103.3	189.0	66.9	55.7	3,100	38.2	41.7	56.3	57.5	I-6	3.31 x 3.19	2.7/164	FI	8.5	127@4,800	170@3,200	16.6	11.6	4.2	3.25	R	14	36.4
535i/535is	103.3	189.0	66.9	55.7	3,270	38.2	41.7	56.3	57.5	I-6	3.62 x 3.39	3.4/209	FI	8.0	182@5,400	214@4,000	16.6	12.7	5.3	3.15	R	15	39.4
M-5	103.3	189.0	66.9	55.7	3,420	38.2	41.7	56.3	57.1	I-6	3.68 x 3.31	3.4/211	FI	9.8	256@6,500	243@4,500	16.6	12.7	5.3	3.91	R	16	37.4
635CSi	103.3	193.8	67.9	53.7	3,530	37.7	41.7	56.3	57.5	I-6	3.62 x 3.39	3.4/209	FI	9.0	208@5,700	225@4,000	16.6	12.7	5.3	3.64	R	14	37.4
M-6	103.3	193.8	67.9	53.3	3,570	37.7	41.7	55.9	55.7	I-6	3.68 x 3.31	3.4/211	FI	9.8	256@6,500	243@4,500	16.6	12.7	5.3	3.91	R	16	38.7
735i	111.5	193.3	72.6	55.6	3,835	38.3	43.6	60.1	61.0	I-6	3.62 x 3.39	3.4/209	FI	9.0	208@5,700	225@4,000	21.5	12.7	5.3	3.64	R	15	38.1
750iL	116.0	197.8	72.6	55.1	4,235	38.3	43.6	60.2	61.3	V-12	3.31 x 2.95	5.0/304	FI	8.8	296@5,200	332@4,100	24.0	15.8	6.8	3.15	R	15	39.4
CHEVROLET Sprint 2-dr.	88.4	144.5	60.2	53.1	1,565	37.0	42.0	52.6	51.2	L-3	2.91 x 3.03	1.0/61.0	2V	9.5	48@5,100	77@3,200	8.7	4.5	3.7	4.10	F	12	30.2
Sprint 4-dr.	92.3	148.4	60.2	53.1	1,620	37.0	42.0	52.6	51.2	L-3	2.91 x 3.03	1.0/61.0	2V	9.5	48@5,100	77@3,200	8.7	4.5	3.7	4.10	F	12	31.2
Spectrum Hatchback	94.5	157.4	63.6	52.0	1,962	38.0	41.7	54.7	54.3	4	3.03 x 3.11	1.4/90	2V	9.6	70@5,400	87@3,400	11.1	7.5	4.0	3.58	F	13	32.8
Spectrum Notchback Turbo	94.5	160.2	63.6	52.0	2,185	37.7	41.7	55.4	54.6	4	3.03 x 3.4	1.4/90	FI	8.0	110@5,400	120@3,400	11.1	6.8	4.0	3.80	F	N.A.	32.8
OPTIONAL ENGINES: Sprint Turbo										L-3	2.91 x 3.03	1.0/61.0	EFI	8.3	70@5,500	107@3,500							
CHRYSLER Conquest TSi	95.9	173.2	68.3	50.2	2,925	36.6	40.7	57.7	57.3	L-4	3.59 x 3.86	2.6/156	FI	7.0	188@5,000	223@2,500	19.8	9.0	4.3	3.55	R	16	31.5
COLT 2-dr.	93.7	157.3	63.7	50.8	1,984	38.7	40.6	55.5	53.5	4	3.0 x 3.2	1.5/90	2V	9.4	68@5,500	85@3,500	11.9	4.5	4.0	3.45	F	13	36.2
Colt 4-dr.	93.7	169.0	63.7	50.8	2,095	38.7	40.6	55.5	53.0	4	3.0 x 3.2	1.5/90	2V	9.4	68@5,500	105@5,300	11.9	4.5	4.0	4.02	F	13	36.2
Colt Premier (Turbo)	93.7	157.3	63.7	50.8	2,018	38.7	40.6	55.5	53.5	4	3.0 x 3.4	1.6/98	FI	7.6	105@5,500	122@3,500	11.9	5.2	4.5	4.02	F	13	36.2
Colt DL Wagon	93.7	157.3	63.7	50.8	2,062	38.7	40.6	55.5	53.5	4	3.0 x 3.2	1.5/90	FI	9.4	68@5,500	85@3,500	11.9	4.5	4.0	3.45	F	13	36.2
Vista Wagon	103.3	174.6	64.8	57.3	2,590	38.3	38.8	55.5	54.1	4	3.3 x 3.5	2.0/122	FI	8.5	96@5,000	113@3,500	13.2	7.4	4.1	4.02	F	13	34.8
Vista Wagon (4wd)	103.5	174.6	64.8	59.4	2,921	38.3	38.8	55.3	54.5	4	3.3 x 3.5	2.0/122	FI	8.5	96@5,000	113@3,500	14.5	7.4	4.1	3.70	4	14	34.8
DAIHATSU Charade	92.1	144.9	63.6	54.5	1,775	37.5	41.1	54.5	53.7	I-3	2.99 x 2.87	1.0/61	FI	9.5	53@5,200	58@3,600	10.6	4.1	3.3	4.64	F	13	31.5
EAGLE Medallion 4-dr.	102.3	183.2	67.5	55.7	2,588	37.8	42.2	57.2	55.3	I-4	3.46 x 3.50	2.2/132	MFI	9.2	103@5,000	124@2,500	17.4	7.2	5.3	3.10	F	14	N.A.
Medallion Station Wagon	108.2	189.7	67.5	56.3	2,736	37.8	42.2	57.2	55.3	I-4	3.46 x 3.50	2.2/132	MFI	9.2	103@5,000	124@2,500	17.4	7.2	5.3	3.10	F	14	N.A.
FERRARI 328 GTB/S	92.5	168.7	68.1	44.4	3,140	34.5	N.A.	58.0	57.8	V-8	3.27 x 2.90	3.2/194.4	FI	9.2	260@7,000	213@5,500	18.5	23.2	10.5	3.71	R	16	39.4
Testarossa	100.4	176.6	77.8	44.5	3,660	36.0	N.A.	59.8	65.4	12	3.23 x 3.07	4.9/302	FI	8.8	380@5,750	354@4,500	26.5	21.0	16.4	3.21	R	16	39.3
Mondial Cabriolet	104.3	182.7	70.5	49.6	3,500	38.5	33.5	59.6	60.4	V-8	3.27 x 2.90	3.2/194	FI	9.2	260@7,000	213@5,500	18.5	19.0	9.6	4.06	R	16	41.0
FORD Festiva	90.2	140.5	63.2	55.3	1,713	38.8	40.6	55.1	54.5	L-4	2.79 x 3.29	1.3/81	2V	9.0	58@5,000	75@3,500	10.0	5.23	4.1	3.78	F	12	14.1
HONDA CRX HF	90.6	147.8	65.7	50.0	1,819	37.0	43.9	57.1	57.1	L-4	2.95 x 3.32	1.5/91.1	SFI	9.6	62@4,500	90@2,000	10.6	5.5	4.2	2.95	F	13	29.5
CRX	90.6	147.8	65.7	50.0	1,922	37.0	43.9	57.1	57.1	L-4	2.95 x 3.32	1.5/91.1	MFI	9.2	92@6,000	89@4,500	11.9	5.4	4.2	3.72	F	13	29.5
CRX Si	90.6	147.8	65.7	50.0	2,017	37.0	43.9	57.1	57.1	L-4	2.95 x 3.54	1.6/97.0	SFI	9.1	105@6,000	98@5,000	11.9	5.7	4.2	4.25	F	14	29.5
Civic STD Hatchback	98.4	156.1	65.6	52.4	1,933	38.2	43.3	57.1	57.1	L-4	2.95 x 3.32	1.5/91.1	MFI	9.2	70@5,500	81@3,000	11.9	5.3	4.2	3.89	F	13	31.5
Civic DX Hatchback	98.4	156.1	65.6	52.4	1,993	38.2	43.3	57.1	57.1	L-4	2.95 x 3.32	1.5/91.1	MFI	9.2	92@6,000	89@4,500	11.9	5.3	4.2	3.72	F	13	31.5
Civic 4-dr. DX & LX	98.4	166.5	65.9	53.5	2,039	38.5	43.1	57.1	57.1	L-4	2.95 x 3.32	1.5/91.1	MFI	9.2	92@6,000	89@4,500	11.9	5.3	4.2	4.06	F	13	31.5
Civic 2wd Wagon	98.4	161.6	66.1	57.9	2,130	39.4	41.2	57.1	57.1	L-4	2.95 x 3.32	1.5/91.1	MFI	9.2	92@6,000	89@4,500	11.9	5.3	4.2	4.06	F	13	31.5
Civic 4wd Wagon	98.4	161.6	66.1	58.9	2,366	39.4	41.2	57.1	57.1	L-4	2.95 x 3.54	1.6/97	SFI	9.1	105@6,000	98@5,000	11.9	5.3	4.2	4.43	4	13	31.5
Prelude S	101.0	175.6	67.3	49.2	2,522	36.9	43.1	58.3	57.9	L-4	3.19 x 3.74	2.0/119.5	2x2V	9.1	104@5,800	111@4,000	15.9	7.2	5.1	4.07	F	13	34.8
Prelude Si	101.0	175.6	67.3	49.2	2,665	36.9	43.1	58.3	57.9	L-4	3.19 x 3.74	2.0/119.5	SFI	9.0	135@6,200	127@4,500	15.9	8.2	5.1	4.06	F	14	34.8
Prelude Si (4ws)	101.0	175.6	67.3	49.3	2,685	36.9	43.1	58.3	57.9	L-4	3.19 x 3.74	2.0/119.5	SFI	9.0	135@6,200	127@4,500	15.9	8.2	5.1	4.06	F	14	31.4
Accord Hatchback DX	102.4	174.8	66.7	52.6	2,513	38.0	42.8	58.3	58.1	L-4	3.25 x 3.58	2.0/119.3	2V	9.1	98@5,500	109@2,500	15.9	6.6	3.7	4.07	F	13	34.8
Accord Hatchback LXi	102.4	174.8	66.7	52.6	2,441	38.0	42.8	58.3	58.1	L-4	3.25 x 3.58	2.0/119.3	SFI	9.2	120@5,800	122@4,000	15.9	6.6	3.7	4.07	F	14	34.1
Accord Coupe	102.4	179.1	66.7	52.6	2,493	37.9	42.9	58.3	58.1	L-4	3.25 x 3.58	2.01/119.3	SFI	9.2	120@5,800	122@4,000	15.9	6.6	3.7	4.07	F	14	34.1
Accord DX & LX Sedan	102.4	179.1	67.4	53.4	2,500	38.7	42.8	58.3	58.1	L-4	3.25 x 3.58	2.0/119.3	2V	9.1	98@5,500	109@3,500	15.9	6.6	3.7	4.07	F	13	34.1

PRODUCTS/SPECIFICATIONS

Make and Model	Dimensions									Engines							Capacities			Miscellaneous			
	Wheelbase (in.)	Overall Length (in.)	Overall Width (in.)	Overall Height (in.)	Curb Weight (lbs.)	Front-seat Headroom (in.)	Front-seat Legroom (in.)	Front Tread (in.)	Rear Tread (in.)	Type	Bore and Stroke (in.)	Displacement (liters/cu. in.)	Carburetion	Compression Ratio	Net HP at RPM	Net Torque (ft. lbs.) at RPM	Fuel Tank (U.S. gals.)	Cooling System with heater (qts.)	Crankcase w/filter (qts.)	Axle Ratio (standard)	Drive System	Wheel Diameter (in.)	Curb-to-Curb Turning Circle (dia. in. ft.)
Accord LXi Sedan	102.4	179.1	67.4	53.4	2,668	37.3	42.8	58.3	58.1	L-4	3.25 x 3.58	2.0/119.3	SFI	9.4	120@5,800	122@4,000	15.9	6.6	3.7	4.07	F	14	34.1
HYUNDAI Excel	93.7	161.0	63.1	54.1	2,156	37.5	36.9	54.1	52.8	I-4	3.0 x 3.2	1.5/58	2V	9.4	68@5,500	82@3,500	10.6	6.0	3.7	3.59	F	13	33.8
ISUZU Impulse	96.1	172.6	65.2	51.4	2,890	36.9	41.9	53.3	54.3	I-4	3.5 x 3.5	2.3/137.5	MFI	8.6	110@5,000	127@3,000	15.1	9.3	3.4	3.91	R	14	31.5
I-Mark 4-dr.	94.5	160.2	63.5	54.1	2,024	37.7	41.7	54.7	54.3	I-4	3.0 x 3.1	1.5/89.8	2V	9.6	70@5,400	87@3,400	11.1	6.8	3.0	3.58	F	13	32.8
I-Mark 3-dr.	94.5	157.4	63.5	54.1	2,015	38.0	41.7	54.7	54.3	I-4	3.0 x 3.1	1.5/89.8	2V	9.6	70@5,400	87@3,400	11.1	6.8	3.0	3.58	F	13	32.8
OPTIONAL ENGINES: I-Mark Turbo										I-4	3.0 x 3.1	1.5/89.8	MFI	8.0	110@5,400	120@3,500							
Impulse Turbo										I-4	3.4 x 3.23	2.0/122	MFI	7.9	140@5,400	166@3,000							
JAGUAR XJ-S	102.0	191.7	70.6	47.8	4,040	36.1	41.3	58.8	59.2	V-12	N.A.	5.3/326	FI	11.5	262@5,000	290@5,000	24.0	21.5	11.5	2.88	R	15	39.4
XJ-6	113.0	196.4	78.9	54.3	3,903	36.6	41.7	59.1	59.0	6	3.58 x 3.62	3.6/219	FI	8.1	181@4,750	221@3,750	23.2	9.2	8.5	2.88	R	15	40.8
LAMBORGHINI Jalpa	100.0	170.5	74.0	44.9	3,300	N.A.	N.A.	61.2	63.4	V-8	3.4 x 3.0	3.5/214	4x2V	9.2	255@7,000	229@3,500	21.1	N.A.	N.A.	N.A.	R	16	36.1
Countach	102.0	163.0	78.7	42.1	3,280	N.A.	N.A.	62.7	65.6	V-12	3.37 x 2.95	5.2/315	FI	9.5	455@7,000	369@5,200	31.8	N.A.	N.A.	4.09	R	15	N.A.
LOTUS Esprit Turbo	97.8	170.2	73.2	45.7	2,946	37.0	31.0	60.0	61.2	4	3.75 x 3.0	2.2/132.6	FI	8.0	215@6,250	192@5,000	20.8	12.1	6.8	4.36	R	15	36.0
MASERATI 228	102.4	175.6	73.4	52.4	3,019	37.0	25.0	60.6	61.0	V-6	3.70 x 2.64	2.8/170	FI	7.1	225@5,500	246@3,500	17.4	9.0	6.3	2.88	R	15	34.5
430	102.4	173.2	68.1	53.5	2,915	N.A.	N.A.	56.8	57.2	V-6	3.70 x 2.64	2.8/170	FI	7.1	225@5,600	246@3,500	20.0	N.A.	6.0	N.A.	R	N.A.	34.9
MAZDA 323 Hatchback	94.5	161.8	64.8	54.7	2,100	38.3	41.5	54.7	55.7	I-4	3.1 x 3.1	1.6/97.5	MFI	9.3	82@5,000	92@2,500	12.7	5.2	3.6	4.11	F	13	30.8
323 GTX Turbo	94.5	161.8	64.8	54.9	2,600	38.3	41.5	55.1	56.1	I-4	3.07 x 3.09	1.6/97.5	MFI	7.9	132@6,000	136@3,000	13.2	6.2	3.8	4.11	4	14	31.6
323 Sedan	94.5	169.7	64.8	54.7	2,150	38.3	41.5	54.7	55.7	I-4	3.1 x 3.1	1.6/97.5	MFI	9.3	82@5,000	92@2,500	12.7	5.2	3.6	4.11	F	13	30.8
323 Wagon	94.5	169.7	64.8	56.3	2,230	38.2	41.5	54.7	55.7	I-4	3.1 x 3.1	1.6/97.5	MFI	9.3	82@5,000	92@2,500	12.7	5.2	3.6	4.11	F	13	30.8
RX-7	95.7	168.9	66.5	49.8	2,625	37.2	36.8	57.1	56.7	Rotary	—	1.3/80.0	MFI	9.4	146@6,500	138@3,500	16.6	9.2	6.1	4.10	R	14	32.2
626 Sedan	101.4	179.3	66.5	55.5	2,590	39.0	43.7	57.3	57.7	I-4	3.4 x 3.7	2.2/133.2	MFI	8.6	110@4,700	130@3,000	15.9	8.0	4.8	4.11	F	14	36.0
929 Sedan	106.7	193.1	66.9	54.5	3,282	38.8	43.3	56.9	57.5	V-6	3.5 x 3.0	3.0/180.3	MFI	8.5	158@5,500	170@4,000	18.5	9.6	5.6	3.73	R	15	35.4
OPTIONAL ENGINES: RX-7 Turbo										Rotary	—	1.3/80.0	MFI	8.5	182@6,500	183@3,500							
626 Turbo										I-4	3.4 x 3.7	2.2/133.2	MFI	7.8	145@4,300	190@3,500							
MERCEDES-BENZ 560SL	96.7	180.3	70.5	51.1	3,705	36.7	42.2	57.7	57.7	V-8	3.80 x 3.73	5.6/338.5	FI	9.0	227@4,750	279@3,250	22.5	13.7	8.5	2.47	R	15	35.2
190E 2.3	104.9	175.0	66.1	54.7	2,790	36.9	41.9	56.6	55.8	I-4	3.7 x 3.16	2.3/140.3	FI	9.0	130@5,100	146@3,500	14.5	9.0	5.3	3.27	R	15	35.0
190E 2.6	104.9	175.1	66.1	54.7	2,880	36.9	41.9	56.6	55.8	I-6	3.26 x 3.16	2.6/158.6	FI	9.2	158@5,800	146@3,500	14.5	10.6	6.3	3.27	R	15	35.0
190D (diesel)	104.9	175.0	66.1	54.7	2,845	36.9	41.9	56.6	55.8	I-5	3.43 x 3.31	2.5/152.4	FI	22.0	93@4,600	122@2,800	14.5	8.3	7.4	3.07	R	15	35.0
300CE	106.9	183.9	68.5	59.8	3,310	36.0	41.9	58.9	58.6	I-6	3.48 x 3.16	3.0/180.8	FI	9.2	177@5,700	188@4,400	18.5	10.6	6.3	3.07	R	15	35.8
260E	110.2	187.2	68.5	56.9	3,175	36.9	41.7	58.9	58.6	I-6	3.26 x 3.16	2.6/158.6	FI	9.2	158@5,800	162@4,600	14.5	10.6	6.3	3.27	R	15	36.7
300E	110.2	187.2	68.5	56.9	3,195	36.9	41.7	58.9	58.6	I-6	3.48 x 3.16	3.0/180.8	FI	9.2	177@5,700	188@4,400	18.5	10.6	6.3	3.07	R	15	36.7
300TE	110.2	188.2	68.5	59.8	3,475	37.4	41.7	58.9	58.6	I-6	3.48 x 3.16	3.0/180.8	FI	9.2	177@5,700	188@4,400	19.0	10.6	6.3	3.27	R	15	36.7
560SEC	112.2	199.2	72.0	55.0	3,915	36.8	41.9	61.2	60.1	V-8	3.80 x 3.73	5.6/338.5	FI	9.0	238@4,800	287@3,500	23.8	13.7	8.5	2.47	R	15	38.1
300SE	115.6	202.6	71.7	56.7	3,730	37.3	41.9	61.2	60.1	I-6	3.48 x 3.16	3.0/180.8	FI	9.2	177@5,700	188@4,400	23.8	10.6	6.3	3.46	R	15	39.0
300SEL	121.1	208.1	71.7	56.7	3,770	37.3	41.9	61.2	60.1	I-6	3.48 x 3.16	3.0/180.8	FI	9.2	177@5,700	188@4,400	23.8	10.6	6.3	3.46	R	15	40.6
420SEL	121.1	208.1	71.7	56.7	3,885	37.3	41.9	61.2	60.1	V-8	3.62 x 3.10	4.2/256.0	FI	9.0	201@5,200	228@3,600	23.8	13.7	8.5	2.47	R	15	40.6
560SEL	121.1	208.1	71.7	56.3	4,080	37.3	41.9	61.2	60.1	V-8	3.80 x 3.73	5.6/338.5	FI	9.0	238@4,800	287@3,500	23.8	13.7	8.5	2.47	R	15	40.6
MERKUR XR4Ti (manual)	102.7	178.4	68.0	53.8	2,920	36.5	41.0	57.2	57.8	L-4	3.78 x 3.12	2.3/140	MFI	8.0	175@5,000	200@3,000	15.0	10.5	5.0	3.64	R	15	35.4
Scorpio	108.7	186.4	69.5	54.6	3,241	38.0	41.3	58.1	58.1	V-6	3.66 x 2.83	2.9/179	MFI	9.0	144@5,500	162@3,000	16.9	9.0	4.5	3.64	R	15	34.1
DRIVETRAIN OPTION: XR4Ti (automatic)										L-4	3.78 x 3.12	2.3/140	MFI	8.0	145@4,400	180@3,000							
MITSUBISHI Precis 3-dr. Hatchback	93.7	160.9	63.1	54.1	2,161	37.5	40.9	54.1	52.8	I-4	3.0 x 3.2	1.5/89.6	2V	9.4	65@5,500	82@3,500	10.6	5.5	3.5	3.47	F	13	33.8
Precis 5-dr. Hatchback	93.7	160.9	63.1	54.1	N.A.	37.5	40.9	54.1	52.8	I-4	3.0 x 3.2	1.5/89.6	2V	9.4	68@5,500	82@3,500	10.6	5.5	3.5	3.47	F	13	N.A.
Mirage 2-dr. Hatchback (1989)	93.9	158.7	65.7	52.0	2,238	38.3	41.9	56.3	56.3	I-4	2.97 x 3.23	1.5/89.6	MFI	9.4	81@5,500	91@3,000	13.2	N.A.	N.A.	4.02	F	13	N.A.
Starion ESI/ESI-R	95.9	173.2	68.3	50.2	2,970	36.6	40.8	57.7	57.3	I-4	3.6 x 3.7	2.6/155.9	EFI	7.0	188@5,000	234@2,500	19.8	9.0	4.0	3.55	R	16	31.5
Cordia L	96.3	173.0	65.4	49.4	2,381	36.8	41.3	55.5	54.1	I-4	3.1 x 3.5	2.0/122.0	2V	8.5	88@5,000	108@3,500	12.8	7.4	3.7	3.19	F	14	32.2
Mirage 4-dr. Sedan (1989)	96.7	170.1	65.7	52.8	2,271	39.1	41.9	56.3	56.3	I-4	3.0 x 3.2	1.5/89.5	MFI	9.4	81@5,500	91@3,000	13.2	N.A.	N.A.	4.02	F	13	N.A.
Sigma	102.4	185.8	66.7	51.6	3,042	37.5	40.3	56.9	55.7	V-6	3.6 x 3.0	3.0/181.4	MFI	8.9	142@5,000	168@2,500	15.9	9.2	4.1	4.07	F	15	34.8
Galant 4-dr. Sedan	102.4	183.9	66.7	53.5	2,601	38.6	41.9	57.5	57.1	I-4	3.3 x 3.4	2.0/121.9	MFI	8.5	102@5,000	116@4,500	15.9	7.4	3.7	3.66	F	14	34.8
OPTIONAL ENGINES: Mirage Turbo (1989)										I-4	3.2 x 3.0	1.6/97.3	MFI	8.1	135@6,000	141@3,000							
Cordia L Turbo										I-4	3.2 x 3.5	1.8/109.5	EFI	7.5	116@5,500	129@3,000							
Galant 4-dr. Sedan (1989)										I-4	3.3 x 3.5	2.0 x 121.9	MFI	8.5	135@6,000	125@5,000							
NISSAN 300ZX	91.3	173.7	67.9	49.7	3,164	36.6	43.6	57.3	58.1	V-6	3.4 x 3.3	3.0/180.6	MFI	9.0	165@5,200	173@4,000	19.0	11.1	4.3	3.90	R	15	32.2
200SX Notchback	95.5	175.6	65.7	50.4	2,590	37.8	44.4	54.3	55.7	I-4	3.3 x 3.5	2.0/120.5	MFI	8.5	99@5,200	116@2,800	14.0	7.8	4.1	4.11	R	15	32.6
Sentra Hatchback	95.7	162.4	64.6	55.3	2,192	38.7	41.8	56.3	56.3	I-4	2.99 x 3.46	1.6/97.5	EFI	9.4	69@5,000	94@2,800	13.2	4.9	3.4	3.90	F	13	30.2
Sentra Sports Coupe	95.7	166.5	65.6	52.2	2,304	37.0	41.6	56.3	56.3	I-4	2.99 x 3.46	1.6/97.5	EFI	9.4	69@5,000	94@2,800	13.2	4.9	3.4	3.90	F	13	30.2
Sentra 4-dr.	95.7	168.7	64.6	55.3	2,208	38.2	41.8	56.3	56.3	I-4	2.99 x 3.46	1.6/97.5	EFI	9.4	69@5,000	94@2,800	13.2	4.9	3.4	3.90	F	13	30.2
Sentra 2-dr. Notchback	95.7	168.7	64.6	55.3	2,156	38.2	41.8	56.3	56.3	I-4	2.99 x 3.46	1.6/97.5	EFI	9.4	69@5,000	94@2,800	13.2	4.9	3.4	3.90	F	13	30.2
Sentra 4wd Wagon	95.7	172.2	64.6	54.9	2,635	38.2	41.8	56.3	56.3	I-4	2.99 x 3.46	1.6/97.5	EFI	9.4	69@5,000	94@2,800	13.2	4.9	3.4	3.90	F	13	30.2
Sentra Wagon	95.7	172.2	64.6	54.3	2,317	38.2	41.8	56.3	56.3	I-4	2.99 x 3.46	1.6/97.5	EFI	9.4	69@5,000	94@2,800	13.2	4.9	3.4	3.90	F	13	30.2
Pulsar NX	95.7	166.5	66.1	51.0	2,388	38.0	42.0	56.9	56.9	I-4	3.0 x 3.5	1.6/97.5	EFI	9.4	69@5,000	94@2,800	13.2	6.3	4.2	3.73	F	13	31.5
Stanza Wagon	99.0	170.3	65.6	62.0	2,805	38.6	39.2	56.3	54.7	I-4	3.3 x 3.5	2.0/120.5	MFI	8.5	97@5,200	114@3,200	15.9	7.8	4.1	4.11	F	14	35.4
300ZX 2+2	99.2	181.3	67.9	49.7	3,265	37.2	43.6	57.3	58.1	V-6	3.4 x 3.3	3.0/180.6	MFI	9.0	165@5,200	173@4,000	19.0	11.1	4.3	3.90	R	15	34.8
Stanza Sedan	100.4	177.8	66.5	54.7	2,770	38.9	42.0	57.5	57.5	I-4	3.3 x 3.5	2.0/120.5	MFI	8.5	94@5,200	114@2,800	15.9	7.8	4.1	4.11	F	14	32.8
Maxima Sedan	100.4	181.4	66.5	54.7	3,120	37.0	42.0	57.5	57.5	V-6	3.4 x 3.3	3.0/180.6	MFI	9.0	157@5,200	168@3,600	17.2	11.6	5.3	3.42	F	15	35.5
Maxima Wagon	100.4	184.8	66.5	55.7	3,330	37.2	42.0	57.3	57.3	V-6	3.4 x 3.3	3.0/180.6	MFI	9.0	157@5,200	168@3,600	17.2	11.6	5.3	3.42	F	15	35.5
OPTIONAL ENGINES: 200SX										V-6	3.4 x 3.3	3.0/180.3	MFI	9.0	165@5,200	168@3,200							
300ZX Turbo										V-6	3.4 x 3.3	3.0/180.6	MFI	8.3	205@5,200	227@3,600							
Pulsar										I-4	3.3 x 3.3	1.8/110.1	MFI	10.0	125@5,000	112@2,800							
PEUGEOT 505 DL, GLS	108.0	186.7	68.4	57.0	2,870	37.5	40.0	58.3	56.9	4	3.61 x 3.21	2.2/134	FI	8.8	120@5,000	131@3,500	18.0	8.9	4.8	4.11	R	14	35.1
505 Sedan Turbo S	108.0	186.7	68.4	57.0	3,140	37.5	40.0	59.1	57.3	4	3.61 x 3.21	2.2/131	FI	7.5	180@5,200	205@2,500	18.0	10.0	5.3	3.46	R	15	35.1
505 STX, GLX	108.0	186.7	68.4	57.0	3,040	37.5	40.0	59.1	57.3	V-6	3.58 x 3.90	2.8/174	FI	9.5	145@5,000	176@2,800	18.0	10.0	6.9	3.70	R	15	35.1
505 Wagon	114.2	198.9	68.4	60.1	3,130	38.1	40.0	58.9	57.2	4	3.46 x 3.5	2.2/132	FI	8.8	120@5,000	131@3,500	18.0	10.0	5.3	3.46	R	14	36.8
OPTIONAL ENGINES: 505 Turbo Wagon										4	3.61 x 3.21	2.2/131	FI	7.5	150@5,000	180@2,750							
PONTIAC LeMans Sedan	99.2	172.4	65.7	53.7	2,121	38.8	42.0	55.1	55.4	L-4	3.11 x 3.21	1.6/98	EFI	8.5	74@5,600	90@2,800	13.2	8.1	4.9	3.43	F	13	33.0

PRODUCTS/SPECIFICATIONS

Make and Model	Dimensions									Engines							Capacities			Miscellaneous			
	Wheelbase (in.)	Overall Length (in.)	Overall Width (in.)	Overall Height (in.)	Curb Weight (lbs.)	Front-seat Headroom (in.)	Front-seat Legroom (in.)	Front Tread (in.)	Rear Tread (in.)	Type	Bore and Stroke (in.)	Displacement (liters/cu. in.)	Carburetion	Compression Ratio	Net HP. at RPM	Net Torque (ft. lbs.) at RPM	Fuel Tank (U.S. gals.)	Cooling System with Heater (qts.)	Crankcase w/filter (qts.)	Axle Ratio (standard)	Drive System	Wheel Diameter (in.)	Curb-to-Curb Turning Circle (ft. in. lt.)
LeMans Aerocoupe	99.2	163.7	65.5	53.5	2,180	38.0	42.0	55.1	55.4	L-4	3.11 x 3.21	1.6/98	EFI	8.6	74@5,600	90@2,800	13.2	8.1	4.9	3.43	F	13	33.0
LeMans GSE	99.2	163.7	65.5	53.5	2,216	38.8	42.0	55.1	55.4	L-4	3.39 x 3.39	2.0/121	FI	8.8	95@4,800	118@3,800	13.2	8.1	4.9	3.72	F	14	33.0
PORSCHE 911 Carrera Coupe	89.5	168.9	65.0	52.0	2,756	38.0	43.5	54.0	54.3	HO6	3.74 x 2.93	3.2/193.1	FI	9.5	214@5,900	195@4,800	22.5	—	13.7	3.44	R	15	33.9
911 Turbo	89.5	168.9	68.9	51.6	2,976	38.0	43.5	56.4	58.7	HO6	3.82 x 2.93	3.3/201.3	FI	7.0	282@5,500	288@4,000	22.5	—	13.7	4.22	R	16	33.9
924S	94.5	168.9	66.3	50.2	2,734	38.0	44.5	55.8	54.8	I-4	3.94 x 3.11	2.5/151.0	FI	10.2	158@5,900	155@4,500	17.4	9.0	6.8	3.89	R	15	33.8
944	94.5	170.0	68.3	50.2	2,844	38.0	44.5	58.2	57.1	I-4	3.94 x 3.11	2.5/151.0	FI	10.2	158@5,900	155@4,500	21.1	9.0	6.8	3.89	R	15	33.8
944S	94.5	170.0	68.3	50.2	2,866	38.0	44.5	58.2	57.1	I-4	3.94 x 3.11	2.5/151.0	FI	10.9	188@6,000	170@4,300	21.1	9.0	6.8	3.89	R	15	33.8
944 Turbo S	94.5	170.0	68.3	50.2	2,866	38.0	44.5	58.2	57.1	I-4	3.94 x 3.11	2.5/151.0	FI	10.9	247@6,000	250@4,000	21.1	9.0	6.8	3.89	R	15	33.8
928S4	98.4	178.1	72.3	50.2	3,505	36.5	43.5	61.1	60.9	V-8	3.94 x 3.11	5.0/302.5	FI	10.0	316@6,000	317@3,000	22.7	16.9	8.0	2.63	R	16	37.7
OPTIONAL ENGINES: 944 Turbo										I-4	3.94 x 3.11	2.5/151.0	FI	8.0	217@5,800	243@3,500							
ROLLS-ROYCE Corniche II	120.5	207.5	72.3	59.8	5,200	36.0	39.0	60.5	60.5	V-8	4.17 x 3.96	6.8/412	FI	8.0	N.A.	N.A.	26.0	19.0	10.4	2.69	R	15	39.5
Silver Spirit	120.5	207.8	74.3	58.5	4,900	36.0	41.0	60.5	60.5	V-8	4.17 x 3.96	6.8/412	FI	8.0	N.A.	N.A.	28.5	19.0	10.4	2.69	R	15	39.5
Bentley 8	120.5	207.8	74.3	58.5	4,900	36.0	41.0	60.5	60.5	V-8	4.17 x 3.96	6.8/412	FI	8.0	N.A.	N.A.	28.5	19.0	10.4	2.69	R	15	39.4
Bentley Mulsanne	120.5	209.2	74.3	58.5	4,900	36.0	41.0	60.5	60.5	V-8	4.17 x 3.96	6.8/412	FI	8.0	N.A.	N.A.	28.5	19.0	10.4	3.07	R	15	39.5
Bentley Continental	120.5	207.5	72.7	59.8	5,200	36.0	37.0	60.5	60.5	V-8	4.17 x 3.96	6.8/412	FI	8.0	N.A.	N.A.	26.0	19.0	10.4	2.69	R	15	39.5
Silver Spur	124.0	211.8	74.0	58.5	5,040	36.0	41.0	60.5	60.5	V-8	4.17 x 3.96	6.8/412	FI	8.0	N.A.	N.A.	28.5	19.0	10.4	2.69	R	15	41.0
SAAB 900	99.1	184.5	66.5	56.1	2,695	37.8	41.7	56.4	56.8	4	3.54 x 3.07	2.0/121.1	FI	9.25	110@5,250	119@3,500	16.6	10.5	4.0	3.67	F	15	33.8
9000	105.2	181.9	69.4	55.9	3,022	38.6	41.7	59.9	58.7	4	3.54 x 3.07	2.0/121.1	FI	10.1	125@5,500	125@3,000	17.9	10.5	4.7	4.45	F	15	35.8
OPTIONAL ENGINES: 900, 9000 Turbo										4	N.A.	2.0/121.1	FI	9.0	160@5,500	188@3,000							
900 Turbo SPG										4	3.54 x 3.07	N.A.	FI	9.0	165@5,500	195@3,000							
900S 16-Valve										4	3.54 x 3.07	2.0/121.1	FI	10.1	125@5,500	125@3,000							
SUBARU Justy	90.0	139.2	60.4	54.7	1,655	37.0	41.5	52.4	50.8	I-3	3.07 x 3.27	1.1/73	2V	9.1	56@5,200	70@3,600	9.2	4.5	3.0	4.44	F	12	29.6
Hatchback GL 4wd	93.7	157.3	63.8	55.7	2,240	38.2	39.3	53.0	53.9	HO4	3.62 x 2.64	1.8/109	2V	8.7	73@4,400	94@2,400	13.2	5.8	4.2	3.70	4	13	30.8
Hatchback GL	93.7	157.9	63.6	53.7	2,120	38.2	39.3	52.8	53.0	HO4	3.62 x 2.64	1.8/109	2V	8.7	73@4,400	94@2,400	13.2	5.8	4.2	3.70	F	13	30.8
GL-10 Turbo Wagon 4wd	96.9	176.8	65.4	54.9	2,770	41.7	55.9	55.9	56.1	HO4	3.62 x 2.64	1.8/109	FI	7.7	115@5,200	134@2,800	15.9	5.8	4.2	3.60	4	13	31.5
Sedan 4wd GL	97.0	174.6	65.4	54.3	2,440	37.6	41.7	55.5	56.1	HO4	3.62 x 2.64	1.8/109	FI	9.5	90@5,200	101@2,800	15.9	5.8	4.2	3.90	F	13	31.5
Wagon DL	97.0	176.8	65.4	53.0	2,350	37.6	41.7	55.9	56.1	HO4	3.62 x 2.64	1.8/109	FI	9.5	90@5,200	101@2,800	15.9	5.8	4.2	3.90	F	13	31.5
XT DL/GL	97.0	177.6	66.5	49.4	2,375	37.4	43.3	56.5	56.1	HO4	3.62 x 2.64	1.8/109	FI	9.5	97@5,200	103@3,200	15.9	5.8	4.2	3.70	F	13	31.8
XT-GL 4wd	97.0	177.6	66.5	52.4	2,625	37.4	43.3	55.9	56.1	HO4	3.62 x 2.64	1.8/109	FI	9.5	97@5,200	103@3,200	15.9	5.8	4.9	3.70	4	13	31.8
XT-6	97.0	177.6	66.5	49.4	2,795	37.4	43.3	56.9	56.2	HO6	3.62 x 2.64	2.7/163	FI	9.5	145@5,200	156@4,000	15.9	7.4	5.3	3.90	F	14	34.1
XT-6 4wd	97.0	177.6	65.5	52.4	2,865	37.4	43.3	56.5	56.7	HO6	3.62 x 2.64	2.7/163	FI	9.5	145@5,200	156@4,000	15.9	7.4	5.3	3.90	4	14	34.1
GL-10 Wagon	97.0	176.8	65.4	53.0	2,585	37.6	41.7	55.9	56.1	HO4	3.62 x 2.64	1.8/109	FI	9.5	90@5,200	101@2,800	15.9	5.8	4.2	3.60	F	13	31.5
Sedan 4wd GL-10 Turbo	97.0	174.6	65.4	55.5	2,690	37.6	41.7	55.9	56.1	HO4	3.62 x 2.64	1.8/109	FI	7.7	115@5,200	134@2,800	15.9	5.8	4.2	3.70	4	13	31.5
3-dr. Coupe RX Turbo 4wd	97.0	174.6	65.4	53.4	2,655	37.6	42.2	55.5	56.1	HO4	3.62 x 2.64	1.8/109	FI	7.7	115@5,200	134@2,800	15.9	5.8	4.2	3.90	4	13	31.5
Sedan DL	97.2	174.6	65.4	52.5	2,220	37.6	41.7	56.1	56.1	HO4	3.62 x 2.64	1.8/109	FI	9.5	90@5,200	101@2,800	15.9	5.8	4.2	3.90	F	13	31.5
3-dr. Coupe DL	97.2	174.6	65.4	51.8	2,260	37.6	42.2	55.1	56.1	HO4	3.62 x 2.64	1.8/109	FI	9.5	90@5,200	101@2,800	15.9	5.8	4.2	3.90	F	13	31.5
TOYOTA MR2	91.3	155.5	65.6	48.6	2,390	37.4	43.0	56.7	56.7	L-4	3.20 x 3.0	1.6/96.8	SFI	9.4	115@6,600	100@4,800	10.8	11.3	3.5	4.31	R	14	31.5
Tercel Lift[illegible]k	93.7	157.3	64.0	52.8	2,075	38.4	40.2	54.5	54.1	L-4	2.88 x 3.43	1.5/91.5	2V	9.3	78@5,000	87@4,000	11.9	4.9	3.4	3.72	F	13	31.2
Tercel Coup[illegible]	93.7	166.7	64.0	51.8	2,000	37.8	41.5	54.5	54.1	L-4	2.88 x 3.43	1.5/91.5	2V	9.3	78@5,000	87@4,000	11.9	4.9	3.4	3.72	F	13	31.2
Tercel Wagon	93.7	169.7	63.6	56.1	2,290	40.2	42.4	54.3	53.1	L-4	3.05 x 3.03	1.5/91.5	2V	9.0	62@4,800	76@2,800	13.2	4.9	3.4	4.10	4	13	31.8
Corolla Sedan	95.7	170.3	65.2	52.2	2,207	38.4	40.9	56.3	55.5	L-4	3.19 x 3.03	1.6/97	2V	9.5	90@6,000	95@3,600	13.2	5.9	3.4	3.72	F	13	34.8
Corolla Sport Coupe	95.7	172.3	65.6	49.6	2,242	37.9	42.9	56.9	56.1	L-4	3.19 x 3.03	1.6/97	SFI	9.4	115@6,600	100@4,800	13.2	5.9	3.4	4.31	F	13	N.A.
Corolla Wagon	95.7	171.5	65.2	54.5	2,282	39.6	40.9	56.3	55.5	L-4	3.19 x 3.03	1.6/97	2V	9.5	90@6,000	95@3,600	13.2	5.9	3.4	3.72	F	13	N.A.
Celica Coupe	99.4	171.9	67.3	49.8	2,600	37.8	44.4	57.9	56.5	L-4	3.39 x 3.33	2.0/121.9	SFI	9.3	115@5,200	124@4,400	15.9	6.7	4.5	3.74	R	13	35.4
Celica Convertible	99.4	173.6	67.3	49.8	2,680	38.4	44.4	57.9	56.5	L-4	3.39 x 3.33	2.0/121.9	SFI	9.3	115@5,200	124@4,400	15.9	6.7	4.5	3.74	R	13	35.4
Celica All-Trac	99.4	171.9	67.3	49.8	3,197	37.8	44.4	57.9	56.9	L-4	3.39 x 3.39	2.0/121.9	SFI	N.A.	190@6,000	190@3,200	15.9	6.8	4.7	4.29	4	14	35.4
Supra	102.2	181.9	68.7	51.6	3,510	37.5	43.6	58.5	58.5	L-6	3.27 x 3.58	3.0/180.3	SFI	9.2	200@6,000	188@3,600	18.5	8.6	4.7	4.30	R	16	35.4
Camry Sedan	102.4	182.1	67.0	54.1	2,811	37.9	42.9	58.3	57.1	L-4	3.30 x 3.80	2.0/121.9	SFI	9.3	115@5,200	124@4,400	15.9	6.8	4.1	2.96	F	14	34.8
Camry Wagon	102.4	183.1	67.0	54.5	2,921	38.2	42.9	58.3	57.1	L-4	3.30 x 3.80	2.0/121.9	SFI	9.3	115@5,200	124@4,400	15.9	6.8	4.1	2.96	F	14	34.8
Cressida Sedan	104.5	187.8	66.5	54.1	3,328	38.8	42.0	56.7	57.3	L-6	3.27 x 3.35	2.8/171	SFI	9.2	156@5,200	165@4,500	18.5	8.6	5.2	3.91	R	15	34.8
OPTIONAL ENGINES: MR2 Supercharged										L-4	3.20 x 3.0	1.6/96.8	SFI	8.0	145@6,400	140@4,000							
Celica GTS Coupe										L-4	3.39 x 3.39	2.0/121.9	SFI	9.2	135@6,000	125@4,800							
Supra Turbo										L-6	3.27 x 3.58	3.0/180.3	SFI	8.4	230@5,600	246@4,000							
Camry V-6										V-6	3.44 x 2.74	2.5/153	EFI	9.0	153@5,600	155@4,400							
VOLKSWAGEN Fox 2-dr.	92.8	163.4	63.0	53.7	2,126	36.6	41.1	53.1	53.9	L-4	3.19 x 3.40	1.8/109	MFI	9.0	81@5,500	93@3,250	12.4	6.4	3.7	3.89	F	13	31.5
Cabriolet	94.5	153.1	64.6	55.6	2,274	37.4	39.4	55.3	54.0	L-4	3.19 x 3.40	1.8/109	MFI	9.0	90@5,500	100@3,000	13.8	5.1	4.3	3.67	F	13	31.2
Scirocco 16V	94.5	165.7	64.8	51.4	2,287	36.6	42.2	55.3	54.0	L-4	3.19 x 3.40	1.8/109	MFI	10.0	123@5,800	120@4,250	13.8	5.1	4.3	3.67	F	14	31.2
Jetta Carat 2-dr./4dr.	97.3	171.7	65.5	55.7	2,433	38.1	39.5	56.3	56.0	L-4	3.19 x 3.40	1.8/109	MFI	10.0	105@5,400	110@3,400	14.5	7.3	4.3	3.67	F	13	34.4
Jetta GLI 16V	97.3	171.7	66.1	55.7	2,416	38.1	39.5	56.3	56.0	L-4	3.19 x 3.40	1.8/109	MFI	10.0	123@5,800	120@4,250	14.5	7.3	4.3	3.67	F	14	34.4
Quantum	100.4	179.5	67.2	54.8	2,646	38.2	42.3	55.7	56.0	L-5	3.19 x 3.40	2.2/136	MFI	8.5	110@5,500	122@2,400	15.8	8.5	4.0	4.90	F	14	31.5
Quantum Wagon	100.4	180.7	66.7	58.0	2,745	38.1	42.3	55.7	56.0	L-5	3.19 x 3.40	2.2/136	MFI	8.5	110@5,500	122@2,400	15.8	8.5	4.0	4.90	F	14	31.5
Quantum Syncro Wagon	100.4	180.7	66.7	58.0	3,034	38.1	42.3	55.6	56.5	L-5	3.19 x 3.40	2.2/136	MFI	8.5	115@5,500	126@3,000	15.8	8.5	4.0	4.10	4	14	31.5
VOLVO 240	104.3	189.9	67.3	56.3	2,928	37.9	40.1	56.3	53.5	4	3.77 x 3.14	2.3/141	FI	9.8	114@5,400	136@2,750	15.8	10.0	4.7	3.31	R	14	32.2
240 Wagon	104.3	190.7	67.7	57.1	3,047	37.9	40.1	56.3	53.5	4	3.77 x 3.14	2.3/141	FI	9.8	114@5,400	136@2,750	15.8	10.0	4.7	3.31	R	14	32.2
740 Sedan	109.1	188.4	69.3	55.5	2,932	38.6	41.0	57.9	57.5	4	3.6 x 3.2	2.3/141	FI	9.8	114@5,400	136@5,400	15.8	10.0	4.7	3.31	R	14	32.5
740 Wagon	109.1	188.4	69.3	56.5	3,177	38.6	41.0	57.9	57.5	4	3.6 x 3.2	2.3/141	FI	9.8	114@5,400	136@5,400	15.8	10.0	4.7	3.31	R	15	32.2
760	109.1	188.4	69.3	56.5	2,932	38.6	41.0	57.9	59.8	V-6	3.64 x 2.92	2.8/173	FI	9.5	145@5,100	173@3,750	21.0	10.6	6.8	3.54	R	15	32.5
760 Wagon	109.1	188.4	69.3	56.5	3,177	38.6	41.0	57.9	57.5	V-6	3.64 x 2.92	2.8/173	FI	9.5	145@5,100	173@3,750	21.0	10.6	6.8	3.31	R	15	32.2
760 Coupe	109.1	188.8	69.3	55.1	3,411	37.2	41.0	57.9	57.5	V-6	3.64 x 2.92	2.8/173	FI	9.5	145@5,100	173@3,750	21.0	10.6	6.8	3.73	R	15	32.5
OPTIONAL ENGINES: 740/760 Turbo										I-4	3.6 x 3.2	2.3/141	FI	8.7	160@5,300	187@2,900							
YUGO GV, GVL, GVS 3-dr.	84.7	139.0	60.7	54.7	1,832	35.8	N.A.	51.5	51.7	4	3.15 x 2.19	1.1/67.1	2V	9.2	52@5,000	52@4,600	8.5	6.9	4.7	3.76	F	13	31.2
GVX	84.6	139.0	60.1	54.1	1,857	37.0	39.0	51.5	51.7	4	3.4 x 2.1	1.3/79.3	2V	9.1	61@5,000	68@4,000	8.4	6.9	4.7	3.76	F	13	31.1

NOTE: This table has been compiled from information supplied by factories, distributors and other direct sources. Every reasonable precaution has been taken to insure accuracy, but Automotive News cannot assume any liability by reason of inaccuracies or omissions. Specifications are subject to change without notice.

List of Abbreviations:
N.A.—Information not available.
F.I.—Fuel Injection.
H.O.—Horizontally Opposed.

PRODUCTS/SPECIFICATIONS

EPA mileage ratings for 1988 models

Est. MPG City	Hwy.	Car Line	CID & Fuel System	Trans.
		TWO-SEAT CARS		
50	56	Honda Civic CRX HF	91-FI	M5
45	53	Honda Civic CRX HF	91-FI	M5
34	39	Honda Civic CRX	91-FI	M5
30	37	Honda Civic CRX	91-FI	L4
29	36	Honda Civic CRX	97-FI	M5
28	37	Ford EXP	113-cFI	M5
26	34	Ford EXP	113-eFI	M5
26	31	Toyota MR2	97-FI	M5
25	32	Subaru XT-DL	108-eFI	M5
25	30	Toyota MR2	97-FI	L4
24	35	Pontiac Fiero	151-FI	M5
24	31	Pontiac Fiero	151-FI	L3
24	30	Ford EXP	113-FI	A3
24	30	Toyota MR2	97-FI	M5
22	27	Toyota MR2	97-FI	L4
21	27	Alfa Romeo Spider	120-FI	M5
19	29	Buick Reatta	231-FI	L4
19	23	Maserati Q Turbo	135-FI	A3
18	26	Nissan 300ZX	181-FI	L4
18	24	Pontiac Fiero	173-FI	L3
17	27	Pontiac Fiero	173-FI	M5
17	25	Nis XZ0000ZX Turbo	181-FI	M5
17	25	Nissan 300ZX	181-FI	M5
17	24	Mazda RX-7	80-FI	M5
17	24	Nissan 300ZX Turbo	181-FI	L4
17	24	Chevrolet Corvette	350-FI	M4
17	24	Chevrolet Corvette Convertible	350-FI	M4
17	23	Mazda RX-7	80-FI	L4
17	23	Mazda RX-7 Turbo	80-FI	M5
16	25	Chevrolet Corvette	350-FI	L4
16	25	Chevrolet Corvette Convertible	350-FI	L4
16	24	Cadillac Allante	249-FI	L4
14	17	Mercedes-Benz 560SL	338-FI	A4
13	18	Ferrari 328 GTS-GTB	194-FI	M5
13	17	Jaguar XJ-SC	326-FI	A3
10	15	Ferrari Testarossa	302-FI	M5
6	10	Lamborghini Countach	315-eFI	M5
		MINICOMPACT CARS		
54	58	Chevrolet Sprint Metro	61-2bc	M5
37	43	Suzuki Forsa Turbo	61-FI	M5
37	43	Pontiac Turbo Firefly	61-eFI	M5
37	43	Chevrolet Turbo Sprint	61-FI	M5
26	32	Toyota Celica Convertible	122-FI	M5
25	32	Toyota Celica Convertible	122-FI	L4
24	27	Volkswagen Cabriolet	109-FI	M5
22	24	Volkswagen Cabriolet	109-FI	A3
20	28	Porsche 924S	151-FI	M5
20	28	Porsche 944	151-FI	M5
20	23	Porsche 924S	151-FI	A3
19	27	Porsche 944 Turbo	151-FI	M5
19	26	Porsche 944S	151-FI	M5
19	22	Porsche 944	151-FI	A3
18	25	Porsche 911 Carrera	193-FI	M5
16	22	Porsche 911 Turbo	201-FI	M4
16	21	Porsche 928 S4	302-FI	A4
15	23	Porsche 928 S4	302-FI	M5
13	18	Ferrari 3.2 Mondial Cabriolet	194-FI	M5
		SUBCOMPACT CARS		
44	49	Pontiac Firefly	61-2bc	M5
44	49	Suzuki Forsa	61-2bc	M5
44	49	Chevrolet Sprint	61-2bc	M5
39	43	Ford Festiva	81-2bc	M5
38	42	Daihatsu Charade	61-FI	M5
38	40	Ford Festiva	81-2bc	M4
38	40	Pontiac Firefly	61-2bc	A3
38	40	Suzuki Forsa	61-2bc	A3
38	40	Chevrolet Sprint	61-2bc	A3
37	41	Isuzu I-Mark	90-2bc	M5
37	41	Chevrolet Spectrum	90-2bc	M5
37	41	Pontiac Sunburst	90-2bc	M5
37	39	Subaru Justy	73-2bc	M5
35	41	Toyota Tercel EZ	89-1bc	M4
35	38	Honda Civic	91-FI	M4
34	38	Dodge Colt	90-2bc	M4
34	38	Plymouth Colt	90-2bc	M4
34	38	Mitsubishi Mirage	90-2bc	M4
33	39	Isuzu I-Mark	90-2bc	M5
33	37	Honda Civic	91-FI	M5
32	37	Dodge Colt	90-2bc	M5
32	37	Plymouth Colt	90-2bc	M5
32	37	Mitsubishi Mirage	90-2bc	M5
31	37	Toyota Tercel	89-1bc	M5
31	35	Toyota Tercel	89-1bc	M4
31	33	Isuzu I-Mark	90-2bc	A3
31	33	Chevrolet Spectrum	90-2bc	A3
31	33	Pontiac Sunburst	90-2bc	A3
30	37	Toyota Corolla FX	97-2bc	M5
30	35	Toyota Corolla	97-2bc	M5
30	34	Mercedes-Benz 190D 2.5 Diesel	152-FI	A4
30	32	Dodge Colt	90-2bc	L3
29	32	Plymouth Colt	90-2bc	L3
29	36	Nissan Sentra Coupe	98-FI	M5
29	35	Honda Civic	91-FI	L4
28	32	Mitsubishi Mirage	90-2bc	L3
28	37	Hyundai Excel	90-2bc	M5
28	37	Mitsubishi Precis	90-2bc	M5
28	36	Isuzu I-Mark Turbo	90-FI	M5
28	36	Chevrolet Spectrum Turbo	90-FI	M5
28	33	Toyota Tercel	89-1bc	L3
28	31	Yugo GV	68-+2bc	M4
27	34	Toyota Corolla	97-2bc	L4
27	33	Hyundai Excel	90-2bc	M4
27	33	Mitsubishi Precis	90-2bc	M4
27	32	Yugo GV	79-+2bc	M5
27	31	Hyundai Excel	90-2bc	L3
27	31	Mitsubishi Precis	90-2bc	L3
27	31	Toyota Corolla FX	97-2bc	L3
27	30	Toyota Corolla	97-2bc	L3
26	34	Nissan Pulsar NX	98-FI	M5
26	32	Toyota Celica	122-FI	M5
26	31	Subaru Hatchback	109-2bc	M5
26	29	Nissan Sentra Coupe	98-FI	L3
25	34	Pontiac Sunbird Convertible	122-FI	M5
25	32	Toyota Celica	122-FI	L4
25	32	Subaru XT	109-+FI	M5
25	31	Dodge Colt Turbo	98-FI	M5
25	31	Plymouth Colt Turbo	98-FI	M5
25	31	Mitsubishi Mirage Turbo	98-FI	M5
25	30	Volkswagen Fox	109-FI	M4
25	30	Ford Mustang	140-FI	M5
25	30	Nissan Pulsar NX	98-FI	L3
25	29	Toyota Corolla	97-FI	M5
25	29	Toyota Corolla FX	97-FI	M5
24	31	Mitsubishi Cordia	122-2bc	M5
24	31	Subaru XT	109-+FI	L4
24	31	Mitsubishi Tredia	122-2bc	M5
24	28	Subaru XT 4wd	109-+FI	M5
24	26	Dodge Colt Turbo	98-FI	L3
24	26	Plymouth Colt Turbo	98-FI	L3
24	26	Mitsubishi Mirage Turbo	98-FI	L3
23	31	Pontiac Sunbird Convertible	122-FI	L3
23	29	Toyota Corolla FX	97-FI	L4
23	29	Nissan Pulsar NX	110-FI	M5
23	28	Dodge Daytona	152-FI	L3
23	28	Chrysler LeBaron Convertible	152-FI	L3
23	28	Nissan 200SX	120-FI	M5
23	27	Honda Prelude 16-valve	119-+FI	M5
23	27	Audi 80-90	121-FI	A3
23	27	Honda Prelude	119-2bc	M5
23	25	Mitsubishi Cordia	122-2bc	L3
23	25	Subaru Hatchback	109-2bc	L3
23	25	Mitsubishi Tredia	122-2bc	L3
22	31	Dodge Daytona	152-2bc	L3
22	31	Chrysler LeBaron Convertible	152-FI	M5
22	30	Audi 80-90	121-FI	M5
22	28	Toyota Celica	122-FI	L4
22	28	Toyota Celica	122-FI	M5
22	28	Mitsubishi Cordia Turbo	110-FI	M5
22	28	Volkswagen Scirocco 16V	109-FI	M5
22	28	Mitsubishi Tredia Turbo	110-FI	M5
22	28	Nissan 200SX	120-FI	L4
21	29	Dodge Daytona Turbo	135-FI	M5
21	29	Chrysler LeBaron Convertible Turbo	135-FI	M5
21	25	Mercedes-Benz 190E 2.3	140-FI	M5
21	28	Nissan Pulsar NX	110-FI	L4
21	27	Ford Mustang	140-FI	L4
21	27	Isuzu Impulse Turbo	121-FI	M5
21	27	Honda Prelude 16-valve	119-+FI	L4
21	27	Saab 900 Convertible Turbo	121-FI	M5
21	24	Mercedes-Benz 190E 2.3	140-FI	A4
20	30	Pontiac Sunbird Convertible Turbo	121-FI	M5
20	29	Chevrolet Cavalier Convertible	173-FI	M5
20	28	Subaru XT	163-FI	L4
20	27	Chevrolet Cavalier Convertible	173-FI	L3
20	27	Pontiac Sunbird Convertible Turbo	121-FI	L3
20	26	Isuzu Impulse Turbo	121-FI	L4
20	26	Isuzu Impulse	138-FI	L4
20	26	Isuzu Impulse	138-FI	M5
20	26	Honda Prelude	119-2bc	L4
20	25	Dodge Daytona Turbo	135-FI	A3
20	25	Chrysler LeBaron Convertible Turbo	135-FI	A3
20	25	Audi 80-90	141-FI	M5
20	23	Mercedes-Benz 190E 2.6	158-FI	A4
20	22	Saab 900 Convertible Turbo	121-FI	A3
19	27	Chevrolet Camaro	173-FI	L4
19	27	Pontiac Firebird Trans Am	173-FI	L4
19	26	Toyota Celica Turbo	122-FI	M5
19	26	Nissan 200SX	181-FI	M5
19	25	Subaru XT 4wd	163-FI	L4
18	27	Ford Mustang	302-FI	L4
18	26	Mercedes-Benz 190E 2.6	158-FI	M5
18	26	Nissan 300ZX 2+2	181-FI	L4
18	25	Subaru XT 4wd	163-FI	M5
18	25	Nissan 200SX	181-FI	L4
18	25	Alfa Romeo Milano	182-FI	M5
18	24	Chrysler Conquest Turbo	156-FI	L4
18	24	Alfa Romeo Milano	152-FI	M5
18	24	Mitsubishi Starion Turbo	156-FI	L4
18	24	Audi 80-90 Quattro	141-FI	M5
18	23	Toyota Supra Turbo	180-FI	L4
18	23	Toyota Supra	180-FI	L4
18	23	Toyota Supra Turbo	180-FI	M5
18	23	Toyota Supra	180-FI	M5
18	22	Chrysler Conquest Turbo	156-FI	M5
18	22	Mitsubishi Starion Turbo	156-FI	M5
18	22	Alfa Romeo Milano	152-FI	A3
17	26	BMW 3-Series	140-eFI	M5
17	27	Chevrolet Camaro	173-FI	M5
17	27	Pontiac Firebird Trans Am	173-FI	M5
17	26	Chevrolet Camaro	305-FI	L4
17	26	Pontiac Firebird Trans Am	305-FI	L4
17	25	Nissan 300ZX 2+2	181-FI	M5
17	25	Chevrolet Camaro	305-FI	L4
17	24	Mercedes-Benz 300CE	181-FI	A4
16	26	Chevrolet Camaro	305-FI	M5
16	26	Pontiac Firebird Trans Am	305-FI	M5
16	25	Chevrolet Camaro	350-FI	L4
16	25	Chevrolet Camaro	305-FI	M5
16	25	Pontiac Firebird Trans Am	350-FI	L4
16	25	Pontiac Firebird Trans Am	305-FI	M5
16	24	Ford Mustang	302-FI	M5
15	20	BMW 6-Series	209-eFI	M5
14	18	BMW 6-Series	209-eFI	L4
13	17	Jaguar XJ-S	326-FI	A3
10	19	BMW 6-Series	211-eFI	M5
9	11	Rolls-Royce Bentley Continental	412-FI	A3
9	11	Rolls-Royce Camarge II	412-FI	A3
		COMPACT CARS		
33	42	Ford Escort	113-cFI	M4
31	40	Pontiac LeMans	98-FI	M5
30	39	Pontiac LeMans	98-FI	M4
30	37	Chevrolet Nova	97-2bc	M5
29	38	Nissan Sentra	98-FI	M5
29	35	Nissan Sentra	98-FI	M4
28	37	Ford Escort	113-cFI	M5
28	35	Mercury Tracer	97-FI	M5
28	33	Mazda 323	98-FI	M5
27	38	Oldsmobile Firenza	122-FI	M5
27	38	Buick Skyhawk	122-FI	M5
27	38	Pontiac Sunbird	122-FI	M5
27	34	Honda Accord	119-2bc	M5
27	32	Pontiac LeMans	98-FI	L3
27	31	Chevrolet Nova	97-2bc	L3
26	34	Ford Escort	113-eFI	M5
26	32	Toyota Camry	122-FI	M5
26	32	Oldsmobile Firenza	122-FI	L3
26	32	Buick Skyhawk	122-FI	L3
26	32	Pontiac Sunbird	122-FI	L3
26	30	Ford Laser	98-FI	M4
26	30	Mazda 323	98-FI	M4
26	29	Nissan Sentra	98-FI	L3
25	36	Chevrolet Cavalier	121-FI	M5
25	36	Oldsmobile Cutlass Calais	138-FI	M5
25	36	Oldsmobile Firenza	121-FI	M5
25	36	Pontiac Grand Am	138-FI	M5
25	36	Buick Skyhawk	121-FI	M5
25	35	Chevrolet Beretta	121-FI	M5
25	35	Chevrolet Corsica	121-FI	M5
25	34	Plymouth Horizon	135-FI	M5
25	34	Dodge Omni	135-FI	M5
25	34	Volkswagen Jetta	109-FI	M5
25	33	Volkswagen Golf	109-FI	M5
25	33	Dodge Shadow	135-FI	M5
25	33	Plymouth Sundance	135-FI	M5
25	32	Toyota Camry	122-FI	L4
25	32	Chevrolet Cavalier	121-FI	L3
25	32	Oldsmobile Firenza	121-FI	L3
25	32	Buick Skyhawk	121-FI	L3
25	32	Subaru 3-dr. Sedan	109-cFI	M5
25	30	Honda Accord	119-FI	M5
25	30	Toyota Camry	122-FI	L4
25	30	Plymouth Horizon	135-FI	L3
24	31	Dodge Omni	135-FI	L3
24	31	Chevrolet Nova	97-FI	M5
24	29	Mercury Tracer	97-FI	A3
24	27	Subaru 3-dr. Sedan	109-cFI	L3
24	34	Oldsmobile Cutlass Calais	138-FI	L3
24	34	Pontiac Grand Am	138-FI	L3
24	34	Buick Skylark	138-FI	L3
24	31	Chevrolet Beretta	121-FI	L3
24	31	Chevrolet Corsica	121-FI	L3
24	30	Ford Escort	113-FI	A3
24	30	Honda Accord	119-2bc	L4
24	30	Ford Laser	98-FI	L4
24	30	Mazda 323	98-FI	L4
24	29	Dodge Shadow	135-FI	L3
24	28	Chevrolet Nova	97-FI	L4
23	33	Oldsmobile Cutlass Calais	151-FI	M5
23	33	Pontiac Grand Am	151-FI	M5
23	33	Buick Skylark	151-FI	M5
23	31	Oldsmobile Cutlass Calais	151-FI	L3
23	31	Pontiac Grand Am	151-FI	L3
23	31	Dodge Shadow	152-FI	M5
23	31	Buick Skylark	151-FI	L3
23	31	Plymouth Sundance	152-FI	M5
23	29	Honda Accord	119-FI	L4
23	28	Volkswagen Golf	109-FI	A3
23	28	Volkswagen Jetta	109-FI	A3
23	28	Chrysler LeBaron	135-FI	L3
23	28	Chrysler LeBaron	152-FI	L3
23	28	Dodge Lancer	152-FI	L3
23	28	Dodge Shadow	152-FI	L3
23	28	Plymouth Sundance	152-FI	L3
23	28	Plymouth Sundance	135-FI	L3
23	31	Chrysler LeBaron	152-FI	M5
22	29	Volkswagen Jetta GLI 16V	109-FI	M5
22	28	Nissan Stanza	120-FI	M5
22	27	Toyota Camry	122-FI	M5
22	27	Mazda 323 Turbo	98-FI	M5
22	27	Saab 900 Turbo	121-FI	M5
22	27	Saab 900	121-FI	M5
22	27	Ford Tempo	140-FI	A3
22	27	Mercury Topaz	140-FI	A3
22	27	Volvo 240 DL, 240 GL	141-FI	M5
22	24	Subaru 3-dr. Sedan Turbo	109-FI	A3
21	31	Pontiac Sunbird Turbo	171-FI	M5
21	29	Chrysler LeBaron Turbo	135-FI	M5
21	29	Dodge Shadow Turbo	135-FI	M5
21	29	Plymouth Sundance Turbo	135-FI	M5
21	27	Mercury Cougar	231-FI	L4
21	27	Saab 900 Turbo	121-FI	M5
21	27	Saab 900	121-FI	M5
21	27	Nissan Stanza	120-FI	L4
21	27	Subaru 3-dr. Sedan 4wd Turbo	109-FI	L4
21	27	Ford Thunderbird	231-FI	L4
21	25	Subaru 3-dr. Sedan 4wd Turbo	109-FI	M5
21	24	Mazda 323 Turbo	98-FI	M5
20	30	Pontiac Grand Am Turbo	121-FI	M5
20	29	Chevrolet Cavalier	173-FI	M5
20	29	Cadillac Cimarron	173-FI	M5
20	27	Chevrolet Cavalier	173-FI	L3
20	27	Cadillac Cimarron	173-FI	L3
20	27	Pontiac Grand Am Turbo	121-FI	L3
20	27	Pontiac Sunbird Turbo	121-FI	L3
20	26	Chevrolet Beretta	173-FI	L3
20	26	Chevrolet Corsica	173-FI	L3
20	25	Chrysler LeBaron Turbo	135-FI	A3
20	25	Dodge Shadow Turbo	135-FI	A3
20	25	Plymouth Sundance Turbo	135-FI	A3
20	25	Merkur XR4Ti Turbo	140-FI	M5
20	24	Volvo 240 DL, 240 GL	141-FI	A4
20	24	Mercedes-Benz 280E	158-FI	A4
20	23	Saab 900 Turbo	121-FI	A3
19	29	Chevrolet Beretta	173-FI	M5
19	29	Chevrolet Beretta	173-FI	M5
19	29	Chevrolet Corsica	173-FI	M5
19	27	Oldsmobile Cutlass Calais	181-FI	L3
19	27	Buick Skylark	181-FI	L3
19	25	BMW 5-Series	164-eFI	M5
19	24	Austin Rover Sterling	152-FI	M5
19	24	Acura Legend	163-FI	M5
19	24	Volkswagen Quantum	136-FI	M5
19	23	BMW 5-Series	164-eFI	L4
19	22	Peugeot 505 Sedan	132-eFI	L4
19	22	Saab 900	121-FI	A3
19	21	Saab 900	121-FI	A3
18	27	Ford Thunderbird	302-FI	L4
18	27	Ford Thunderbird Turbo	140-FI	M5
18	26	Nissan Maxima	181-FI	M5
18	26	Mercedes-Benz 260E	158-FI	M5
18	25	Mercury Cougar	302-FI	L4
18	25	Jaguar XJ-6	219-FI	L4
18	24	Toyota Cressida	168-FI	L4
18	24	Nissan Maxima	181-FI	L4
18	24	Peugeot 505 Sedan Turbo	131-eFI	M5
18	23	Austin Rover Sterling	152-FI	L4
18	23	Acura Legend	163-FI	L4
18	23	Peugeot 505 Sedan	131-eFI	M5
18	22	Mitsubishi Galant Sigma	181-eFI	A4
18	22	Volkswagen Quantum	136-FI	A3
18	22	Peugeot 505 Sedan	174-eFI	L4
18	22	Peugeot 505 Sedan Turbo	174-eFI	L4
18	22	Peugeot 505 Sedan	174-eFI	M5
18	21	Merkur XR4Ti Turbo	140-FI	A3
17	25	Mercedes-Benz 300E	181-FI	M5
17	24	Mitsubishi Galant Sigma	181-eFI	M5
17	24	Jaguar XJ-6	219-FI	L4
17	23	Ford Thunderbird Turbo	140-FI	L4
17	22	Mercedes-Benz 300E	181-FI	A4
17	20	Volvo 780	174-FI	A4
16	21	BMW 5-Series	209-eFI	L4
15	21	BMW 5-Series	209-eFI	M5
13	16	Mercedes-Benz 560SEC	338-FI	A4
10	19	BMW 5-Series	211-eFI	M5
		MID-SIZE CARS		
25	34	Dodge Lancer	135-FI	M5
25	34	Chrysler LeBaron GTS	135-FI	M5
25	33	Dodge Aries	135-FI	M5
25	33	Plymouth Reliant	135-FI	M5
25	33	Eagle Renault Medallion Sedan	132-eFI	M5
25	30	Dodge Aries	135-FI	L3
25	30	Plymouth Reliant	135-FI	L3
24	31	Chevrolet Celebrity	151-FI	L3
24	31	Buick Century	151-FI	L3
24	31	Oldsmobile Cutlass Ciera	151-FI	L3
24	31	Pontiac 6000	151-FI	L3
22	32	Ford Taurus	152-FI	M5
23	28	Plymouth Caravelle	135-FI	L3
23	28	Plymouth Caravelle	152-FI	L3
23	28	Dodge Dynasty	152-FI	L3
23	28	Dodge Lancer	152-FI	L3
23	28	Dodge Lancer	135-FI	L3
23	28	Chrysler LeBaron GTS	135-FI	L3
23	28	Chrysler LeBaron GTS	152-FI	L3
23	28	Dodge 600	152-FI	L3
23	28	Dodge 600	135-FI	L3
23	27	Dodge Aries	152-FI	L3
23	27	Plymouth Reliant	152-FI	L3
22	31	Dodge Lancer	152-FI	M5
22	31	Chrysler LeBaron GTS	152-FI	M5
22	28	Mazda 626, MX-6	133-FI	L4
22	27	Volvo 740, 760	141-FI	M5
21	29	Chevrolet Celebrity	173-FI	L4
21	29	Buick Century	173-FI	L4
21	29	Oldsmobile Cutlass Ciera	173-FI	L4
21	29	Dodge Lancer Turbo	135-FI	M5
21	29	Chrysler LeBaron GTS Turbo	135-FI	M5
21	29	Mercury Sable	182-FI	L4
21	28	Ford Taurus	152-FI	A3
21	28	Mazda 626, MX-6 Turbos	133-FI	M5
21	26	Ford Taurus	152-FI	A3
21	26	Volvo 740, 760	141-FI	L4
20	29	Chevrolet Celebrity	173-FI	M5
20	29	Oldsmobile Cutlass Supreme	173-FI	L4
20	29	Pontiac Grand Prix	173-FI	L4
20	29	Buick Regal	173-FI	L4
20	29	Pontiac 6000	173-FI	L4
20	29	Pontiac 6000	173-FI	M5
20	27	Chevrolet Celebrity	173-FI	L3
20	27	Buick Century	172-FI	L3
20	27	Oldsmobile Cutlass Ciera	173-FI	L3
20	27	Pontiac 6000	173-FI	L3
20	26	Eagle Renault Medallion Sedan	132-eFI	A3
20	25	Plymouth Caravelle Turbo	135-FI	A3
20	25	Dodge Lancer Turbo	135-FI	A3
20	25	Chrysler LeBaron GTS Turbo	135-FI	A3
20	25	Chrysler New Yorker Turbo	135-FI	A3
20	25	Audi 5000S	141-FI	M5
20	25	Dodge 600 Turbo	135-FI	A3
20	25	Volvo 740, 760 Turbos	141-FI	M4
19	29	Buick Century	231-FI	L4
19	29	Oldsmobile Cutlass Ciera	231-FI	L4
19	29	Buick Riviera	231-FI	L4
19	29	Oldsmobile Toronado	231-FI	L4
19	28	Oldsmobile Cutlass Supreme	173-FI	M5
19	28	Pontiac Grand Prix	173-FI	M5
19	27	Chevrolet Monte Carlo	262-FI	L4
19	26	Dodge Dynasty	181-FI	L3
19	26	Chrysler New Yorker, Fifth Avenue	181-FI	L3
19	25	Mazda 626, MX-6 Turbos	133-FI	L4
19	23	Mazda 929	180-FI	L4
19	23	Audi 5000S	141-FI	A3
19	22	Volvo 740, 760 Turbos	141-FI	A4
18	26	Audi 5000CS Turbo	136-FI	M5
18	25	Oldsmobile Cutlass Supreme Classic	307-4bc	L4
18	24	Mazda 929	180-FI	M5
18	24	Audi 5000S Quattro	141-FI	M5
18	22	Audi 5000CS Turbo	136-FI	A3
17	25	Audi 5000CS Quattro Turbo	136-FI	M5
17	24	Lincoln Mark VII	302-FI	L4
17	24	Cadillac Eldorado	275-FI	L4
17	24	Chevrolet Monte Carlo	305-4bc	L4
17	24	Cadillac Seville	275-FI	L4
17	23	Dodge Diplomat	318-2bc	L3
17	23	Plymouth Gran Fury	318-2bc	L3
17	23	Chrysler Newport, Fifth Avenue	318-2bc	L3
17	23	Merkur Scorpio	170-FI	M5
17	23	Merkur Scorpio	179-FI	L4
17	20	Volvo 740, 760	174-FI	A4
17	19	Mercedes-Benz 300SEL	181-FI	A4
15	22	BMW 7-Series	209-eFI	M5
15	18	Mercedes-Benz 420SEL	256-FI	A4
14	19	BMW 7-Series	209-eFI	L4
13	16	Mercedes-Benz 560SEL	338-FI	A4
9	11	Rolls-Royce Bentley Eight, Bentley Mulsanne	412-FI	A3
9	11	Rolls-Royce Silver Spirit, Silver Spur	412-FI	A3
		LARGE CARS		
24	32	Eagle Premier	150-FI	M5
22	31	Eagle Premier	150-FI	L4
21	27	Saab 9000	121-FI	M5
20	28	Saab 9000 Turbo	121-FI	M5
19	29	Pontiac Bonneville	231-FI	L4
19	29	Oldsmobile Delta 88	321-FI	L4
19	29	Buick Electra	231-FI	L4
19	29	Buick LeSabre	231-FI	L4
19	29	Oldsmobile Ninety-Eight, Touring	231-FI	L4
19	27	Chevrolet Caprice	262-FI	L4
19	26	Saab 9000 Turbo	121-FI	L4
18	27	Eagle Premier	182-FI	L4
17	24	Cadillac Brougham	307-4bc	L4
17	24	Mercury Grand Marquis	302-FI	L4
17	24	Ford LTD Crown Victoria	302-FI	L4
17	24	Saab 9000	121-FI	L4
17	24	Lincoln Town Car	302-FI	L4
17	24	Cadillac DeVille	275-FI	L4
17	24	Cadillac Fleetwood	275-FI	L4
16	24	Chevrolet Caprice	305-4bc	L4
9	11	Rolls-Royce Silver Spur Limousine	412-FI	A3
		SMALL STATION WAGONS		
33	42	Ford Escort Wagon	113-cFI	M4
30	35	Toyota Corolla Wagon	97-2bc	M5
28	37	Ford Escort Wagon	113-cFI	M5
28	35	Nissan Sentra Wagon	98-FI	M5
28	33	Mazda 323 Wagon	98-FI	M5
27	36	Oldsmobile Firenza Cruiser	122-FI	M5
27	38	Buick Skyhawk Wagon	122-FI	M5
27	38	Pontiac Sunbird Wagon	122-FI	M5
27	30	Toyota Corolla Wagon	97-2bc	L3
26	32	Toyota Camry Wagon	122-FI	M5
26	32	Oldsmobile Firenza Cruiser	122-FI	L3
26	32	Pontiac Sunbird Wagon	122-FI	L3
26	30	Toyota Tercel Wagon	89-2bc	M5
26

PRODUCTS/SPECIFICATIONS

1988 import-car models offered in the U.S.

(As of Feb. 25, 1988)

	4-Door Models	2-Door Models	Convert-ibles	Wagons	1988 Totals	(Totals, Mar. 1, 1987*)
Acura	5	5	0	0	10	(6)
Alfa Romeo	3	0	3	0	6	(6)
Aston Martin	1	2	2	0	5	(5)
Audi	8	0	0	2	10	(8)
Austin Rover Sterling	2	0	0	0	2	(2)
Bentley	2	0	1	0	3	(2)
Bertone	0	2	0	0	2	(1)
BMW	8	6	1	0	15	(17)
Chevrolet Spectrum	2	2	0	0	4	(2)
Chevrolet Sprint	1	3	0	0	4	(4)
Chrysler Conquest	0	1	0	0	1	(1)
Daihatsu	0	3	0	0	3	(0)
Dodge Colt	3	3	0	3	9	(7)
Eagle Medallion**	0	0	0	0	0	(0)
Ferrari	0	4	1	0	5	(5)
Ford Festiva	0	3	0	0	3	(0)
Honda***	0	10	0	0	10	(10)
Hyundai	5	3	0	0	8	(8)
Isuzu	3	5	0	0	8	(5)
Jaguar	2	2	1	0	5	(5)
Lamborghini	0	2	0	0	2	(2)
Lotus	0	2	0	0	2	(1)
Maserati	1	1	1	0	3	(4)
Mazda***	11	9	1	1	22	(20)
Mercedes-Benz	8	3	0	1	12	(13)
Mercury Merkur	1	1	0	0	2	(1)
Mercury Tracer	1	1	0	0	2	(0)
Mitsubishi	3	8	0	0	11	(15)
Nissan***	5	14	0	6	25	(24)
Peugeot	6	0	0	4	10	(13)
Plymouth Colt	3	3	0	3	9	(7)
Pontiac LeMans	2	3	0	0	5	(0)
Porsche	0	10	2	0	12	(9)
Renault Medallion**	2	0	0	1	3	(3)
Rolls-Royce	3	0	1	0	4	(4)
Saab	4	3	1	0	8	(8)
Subaru	7	15	0	8	30	(32)
Toyota***	9	20	1	5	35	(33)
TVR	0	0	0	0	0	(2)
Volkswagen***	4	2	3	3	12	(12)
Volvo	6	1	0	5	12	(11)
Yugo	0	3	0	0	3	(2)
1988 Totals	121	155	19	42	337	
Totals (March 1, 1987)	116	135	16	43		(310)

NOTES: *—Revised.
**—Renault Medallion will become Eagle Medallion in May 1988.
***—U.S.-built models of Honda, Mazda, Nissan, Toyota and Volkswagen are omitted from the import model count.

Est. City	MPG Hwy	Car Line	CID & Fuel System	Trans.
17	25	Audi 5000CS Quattro Wagon Turbo	136-FI	M5
17	20	Mercedes-Benz 300TE	181-FI	A4
		LARGE STATION WAGONS		
17	24	Chevrolet Caprice Wagon	307-4bc	L4
17	24	Oldsmobile Custom Cruiser	307-4bc	L4
17	24	Mercury Grand Marquis Wagon	302-FI	L4
17	24	Buick LeSabre, Electra Wagon	307-4bc	L4
17	24	Ford LTD Crown Victoria Wagon	302-FI	L4
17	24	Pontiac Safari Wagon	307-4bc	L4
		SMALL PICKUP TRUCKS		
24	30	Chevrolet S10 Pickup 2wd	151-FI	M5
24	30	GMC S15 Pickup 2wd	151-FI	M5
24	28	Ford Ranger Pickup 2wd	140-FI	M5
23	28	Dodge Ram 50 2wd	122-2bc	M5
23	28	Mitsubishi Truck 2wd	122-2bc	M5
23	27	Toyota Truck 2wd	144-2bc	M4
23	27	Toyota Truck 2wd	144-FI	M5
23	26	Dodge Ram 50 2wd	122-2bc	A4
23	26	Mitsubishi Truck 2wd	122-2bc	A4
22	27	Ford Ranger Pickup 2wd	140-FI	L4
22	27	Ford Ranger Pickup 4wd	140-FI	M5
22	26	Ford Ranger Pickup 2wd	122-+2bc	M5
22	26	Nissan Truck 2wd	146-FI	M5
22	23	Toyota Truck 2wd	144-FI	A4
21	28	Chevrolet S10 Pickup 2wd	151-FI	L4
21	28	GMC S15 Pickup 2wd	151-FI	L4
21	26	Ford Courier	133-2bc	M5
21	26	Mazda B2200, B2600	133-2bc	M5
21	26	Mazda B2200, B2600	133-2bc	M4
21	25	Toyota Truck 2wd	144-+2bc	M5
21	25	Toyota Truck 2wd	144-2bc	M5
21	24	Nissan Truck 2wd	146-FI	M4
21	23	Toyota Truck 2wd	144-+2bc	M4
20	26	Nissan Truck 2wd	146-FI	L4
20	25	Ford Courier	133-2bc	L4
20	25	Mazda B2200, B2600	133-2bc	L4
20	25	Dodge Ram 50 2wd	156-2bc	M5
20	25	Mitsubishi Truck 2wd	156-2bc	M5
20	24	Toyota Truck 2wd Turbo	144-FI	M5
20	22	Dodge Ram 50 2wd	156-2bc	A4
20	22	Mitsubishi Truck 2wd	156-2bc	A4
19	26	Chevrolet S10 Pickup 2wd	173-FI	M5
19	26	GMC S15 Pickup 2wd	173-FI	M5
19	25	Chevrolet S10 Pickup 2wd	173-FI	M4
19	25	GMC S15 Pickup 2wd	173-FI	M4
19	24	Ford Ranger Pickup 2wd	179-FI	M5
18	24	Mazda B2200, B2600	156-2bc	M5
18	23	Ford Ranger Pickup 4wd	179-FI	M5
18	22	Ford Ranger Pickup 2wd	179-FI	L4
18	21	Mazda B2200, B2600	156-2bc	L4
18	21	Nissan Truck 2wd	181-FI	L4
17	25	Chevrolet S10 Pickup 2wd	173-FI	L4
17	25	GMC S15 Pickup 2wd	173-FI	L4
17	24	Nissan Truck 2wd	181-FI	M5
17	21	Ford Courier Pickup 4wd	156-2bc	M5
17	21	Mazda B2600 4wd	156-2bc	M5
17	21	Ford Ranger Pickup 4wd	179-FI	L4
17	18	Mazda B2600 4wd	156-2bc	L3
		STANDARD PICKUP TRUCKS		
23	28	Dodge Dakota 2wd	135-2bc	M5
22	25	Jeep Comanche 2wd	150-FI	M4
22	25	Jeep Comanche 4wd	150-FI	M4
22	23	Toyota 1-Ton Truck 2wd	144-FI	A4
21	24	Jeep Comanche 2wd	150-FI	M5
21	24	Toyota Truck 4wd	144-FI	M5
20	27	Chevrolet T10 Pickup 4wd	151-FI	M5
20	27	GMC T15 Pickup 4wd	151-FI	M5
20	26	Chevrolet T10 Pickup 4wd	151-FI	L4
20	26	GMC T15 Pickup 4wd	151-FI	L4
20	23	Jeep Comanche 4wd	150-FI	M5
20	23	Chevrolet C20 Pickup 2wd Diesel	379-+FI	M4
20	23	GMC C25 Pickup 2wd Diesel	379-+FI	M4
20	22	Chevrolet C10 Pickup 2wd Diesel	379-+FI	M4
20	22	GMC C15 Pickup 2wd Diesel	379-+FI	M4
19	25	Chevrolet C10 Pickup 2wd Diesel	379-+FI	L4
19	25	GMC C15 Pickup 2wd Diesel	379-+FI	L4
19	22	Dodge Power Ram 50 4wd	156-2bc	M5
19	22	Mitsubishi Truck 4wd	156-2bc	M5
19	22	Toyota 1-Ton Truck 2wd	144-FI	M5
18	25	Chevrolet C20 Pickup 2wd Diesel	379-+FI	L4
18	25	GMC C25 Pickup 2wd Diesel	379-+FI	L4
18	24	Jeep Comanche 2wd	150-FI	L4
18	24	Jeep Comanche 2wd	242-FI	M5
18	24	Chevrolet T10 Pickup 4wd	173-FI	M5
18	24	GMC T15 Pickup 4wd	173-FI	M5
18	24	GMC T15 Pickup 4wd	173-FI	M4
18	23	GMC C15 Pickup 2wd	262-FI	M5
18	23	Jeep Comanche 4wd	150-FI	L4
18	23	Jeep Comanche 4wd	242-FI	M5
18	23	Chevrolet T10 Pickup 4wd	173-FI	M4
18	23	GMC T15 Pickup 4wd	173-FI	M4
18	21	Toyota Truck 4wd	144-FI	L4
18	19	Dodge Power Ram 50 4wd	156-2bc	A4
18	19	Mitsubishi Truck 4wd	156-2bc	A4
18	18	Chevrolet K10 Pickup 4wd Diesel	379-+FI	M4
18	18	GMC K15 Pickup 4wd Diesel	379-+FI	M4C
18	18	Chevrolet K20 Pickup 4wd Diesel	379-+FI	M4
18	18	GMC K25 Pickup 4wd Diesel	379-+FI	M4
17	24	Chevrolet T10 Pickup 4wd	173-FI	L4
17	24	GMC T15 Pickup 4wd	173-FI	L4
17	23	Chevrolet C10 Pickup 2wd	262-FI	M5
17	23	GMC C15 Pickup 2wd	262-FI	M5
17	23	Chevrolet C20 Pickup 2wd	262-FI	M5
17	23	GMC C25 Pickup 2wd	262-FI	M5
17	23	Dodge Dakota 4wd	239-FI	M5
17	22	Chevrolet C10 Pickup 2wd	262-FI	L4
17	22	Chevrolet C10 Pickup 2wd	262-FI	M4
17	22	GMC C15 Pickup 2wd	262-FI	L4
17	22	GMC C15 Pickup 2wd	262-FI	M4
17	22	Dodge Dakota 2wd	239-FI	M5
17	22	Chevrolet K10 Pickup 4wd Diesel	379-+FI	L4
17	22	GMC K15 Pickup 4wd Diesel	379-+FI	L4
17	22	Chevrolet K20 Pickup 4wd Diesel	379-+FI	L4
17	22	GMC K25 Pickup 4wd Diesel	379-+FI	L4
17	21	Nissan Truck 4wd	146-FI	M5
17	20	Chevrolet C20 Pickup 2wd	262-FI	M4
17	20	GMC C25 Pickup 2wd	262-FI	M4
17	20	Dodge Dakota 4wd	239-FI	L3
17	19	Chevrolet C10 Pickup 2wd	262-FI	A3
17	19	GMC C15 Pickup 2wd	262-FI	A3
17	19	Chevrolet C20 Pickup 2wd	262-FI	A3
17	19	GMC C25 Pickup 2wd	262-FI	A3
16	22	Chevrolet C20 Pickup 2wd	262-FI	L4
16	22	GMC C25 Pickup 2wd	262-FI	L4
16	21	Jeep Comanche 4wd	242-FI	L4
16	21	Jeep Comanche 4wd	242-FI	L4
16	20	Chevrolet K10 Pickup 4wd	262-FI	M5
16	20	GMC K15 Pickup 4wd	262-FI	M5
16	20	Chevrolet K20 Pickup 4wd	262-FI	M5
16	20	GMC K25 Pickup 4wd	262-FI	M5
16	20	Ford F150 Pickup 2wd	300-FI	L4
16	20	Ford F150 Pickup 2wd	300-FI	M5
16	20	Chevrolet K10 Pickup 4wd	262-FI	L4
16	20	GMC K15 Pickup 4wd	262-FI	L4
16	19	Jeep J-10 Std. Pickup 4wd	258-2bc	M4
16	19	Chevrolet K20 Pickup 4wd	262-FI	L4
16	19	GMC K25 Pickup 4wd	262-FI	L4
16	18	F150 Pickup 2wd	300-FI	A3
16	18	Chevrolet K10 Pickup 4wd	262-FI	M4
16	18	GMC K15 Pickup 4wd	262-FI	M4
16	18	Chevrolet K20 Pickup 4wd	262-FI	M4
16	18	GMC K25 Pickup 4wd	262-FI	M4
16	18	GMC Pickup 2wd	262-FI	M4
15	21	Chevrolet C10 Pickup 2wd	305-FI	L4
15	21	Chevrolet C10 Pickup 2wd	305-FI	M5
15	21	GMC C15 Pickup 2wd	305-FI	L4
15	21	GMC C15 Pickup 2wd	305-FI	M5
15	20	Chevrolet C10 Pickup 2wd	350-FI	M5

Est. City	MPG Hwy	Car Line	CID & Fuel System	Trans.
15	20	GMC C15 Pickup 2wd	350-FI	L4
15	19	Dodge Dakota 4wd	239-FI	L3
15	19	Ford F150 Pickup 2wd	300-FI	C5
15	19	Ford F150 Pickup 4wd	300-FI	M5
15	19	Nissan Truck 4wd	181-FI	M5
15	18	Ford F150 Pickup 4wd	300-FI	C5
15	18	Ford F250 Pickup 4wd	300-FI	C5
15	18	Dodge D100, D150 Pickup 2wd	239-FI	L3
15	18	Dodge D250 Pickup 2wd	239-FI	L3
15	18	Ford F250 Pickup 2wd	300-FI	C5
15	17	Chevrolet C10 Pickup 2wd	305-FI	A3
15	17	GMC C15 Pickup 2wd	305-FI	A3
15	17	Dodge D250 Pickup 2wd	239-FI	M4
15	17	Ford F250 Pickup 2wd	300-FI	A3
15	17	Chevrolet K10 Pickup 4wd	262-FI	A3
15	17	GMC K25 Pickup 4wd	262-FI	A3
15	17	Chevrolet K20 Pickup 4wd	262-FI	A3
15	17	GMC K25 Pickup 4wd	262-FI	A3
15	17	Nissan Truck 4wd	181-FI	L4
15	16	Ford F150 Pickup 4wd	300-FI	A3
14	20	Chevrolet C20 Pickup 2wd	305-FI	L4
14	20	Chevrolet C20 Pickup 2wd	305-FI	M5
14	20	GMC C25 Pickup 2wd	305-FI	L4
14	20	GMC C25 Pickup 2wd	305-FI	M5
14	19	Chevrolet C20 Pickup 2wd	350-FI	L4
14	19	GMC C25 Pickup 2wd	350-FI	L4
14	18	Ford F150 Pickup 2wd	302-FI	L4
14	18	Ford F150 Pickup 2wd	302-FI	M5
14	18	Ford F250 Pickup 2wd	302-FI	M5
14	18	Ford F250 Pickup 2wd	302-FI	L4
14	17	Dodge D100, D150 Pickup 2wd	318-FI	L3
14	17	Ford F150 Pickup 4wd	302-FI	L4
14	17	Ford F250 Pickup 2wd	300-FI	M5
14	17	Chevrolet K10 Pickup 4wd	305-FI	L4
14	17	GMC K15 Pickup 4wd	305-FI	L4
14	16	Chevrolet C10 Pickup 2wd	350-FI	M4
14	16	GMC C15 Pickup 2wd	350-FI	M4
14	16	Chevrolet C20 Pickup 2wd	305-FI	A3
14	16	Chevrolet C20 Pickup 2wd	350-FI	M4
14	16	GMC C25 Pickup 2wd	305-FI	A3
14	16	GMC C25 Pickup 2wd	350-FI	M4
14	15	Ford F150 Pickup 2wd	302-FI	A3
13	19	Chevrolet C10 Pickup 2wd	350-FI	M5
13	19	GMC C15 Pickup 2wd	350-FI	M5
13	19	Chevrolet C20 Pickup 2wd	350-FI	M5
13	19	GMC C25 Pickup 2wd	350-FI	M5
13	19	Dodge D100, D150 Pickup 2wd	239-FI	M5
13	18	Chevrolet K20 Pickup 4wd	350-FI	L4
13	18	GMC K25 Pickup 4wd	350-FI	L4
13	17	Ford F150 Pickup 4wd	302-FI	M5
13	17	Ford F250 Pickup 4wd	302-FI	L4
13	17	Chevrolet K10 Pickup 4wd	350-FI	L4
13	17	Chevrolet K10 Pickup 4wd	350-FI	M5
13	17	Chevrolet K10 Pickup 4wd	305-FI	M5
13	17	GMC K15 Pickup 4wd	350-FI	L4
13	17	GMC K15 Pickup 4wd	350-FI	M5
13	17	GMC K15 Pickup 4wd	350-FI	M5
13	17	Chevrolet K20 Pickup 4wd	305-FI	L4
13	17	Chevrolet K20 Pickup 4wd	305-FI	M5
13	17	GMC K25 Pickup 4wd	305-FI	L4
13	17	GMC K25 Pickup 4wd	305-FI	M5
13	16	Ford F250 Pickup 4wd	302-FI	M5
13	16	Chevrolet K10 Pickup 4wd	350-FI	M4
13	15	GMC K15 Pickup 4wd	350-FI	M4
13	15	Chevrolet K20 Pickup 4wd	350-FI	M4
13	15	GMC K25 Pickup 4wd	350-FI	M4
13	14	Dodge D100, D150 Pickup 2wd	318-FI	A3
13	14	Dodge D250 Pickup 2wd	318-FI	A3
13	14	Chevrolet K10 Pickup 4wd	305-FI	A3
13	14	GMC K15 Pickup 4wd	305-FI	A3
13	14	Chevrolet K20 Pickup 4wd	305-FI	A3
13	14	GMC K25 Pickup 4wd	305-FI	A3
13	14	Dodge W100, W150 Pickup 4wd	318-FI	A3
13	13	Ford F150 Pickup 4wd	302-FI	A3
12	16	Dodge D250 Pickup 2wd	318-FI	M4
12	16	Chevrolet K20 Pickup 4wd	350-FI	M5
12	16	GMC K25 Pickup 4wd	350-FI	M5
12	16	Dodge D100, D150 Pickup 2wd	318-FI	M4
12	15	Dodge W100, W150 Pickup 4wd	318-FI	M4
12	15	Dodge W250 Pickup 4wd	318-FI	M4
12	14	Ford F150 Pickup 2wd	351-FI	A3
12	14	Ford F150 Pickup 4wd	351-FI	A3
12	14	Ford F250 Pickup 2wd	351-FI	A3
12	14	Dodge W250 Pickup 4wd	318-FI	A3
11	14	Dodge D100, D150 Pickup 2wd	360-+4bc	M4
11	14	Dodge D250 Pickup 2wd	360-+4bc	M4
11	14	Ford F250 Pickup 4wd	351FI	A3
11	13	Dodge D100, D150 Pickup 2wd	360-+4bc	A3
11	13	Dodge D250 Pickup 2wd	360-+4bc	A3
11	13	Jeep J-10 Std. Pickup 4wd	360-+2bc	A3
11	13	Jeep J-20 Std. Pickup 4wd	360-+2bc	A3
11	12	Dodge W100, W150 Pickup 4wd	360-+4bc	A3
11	12	Dodge W250 Pickup 4wd	360-+4bc	M4
9	11	Dodge W100, W150 Pickup 4wd	360-+4bc	A3
9	11	Dodge W250 Pickup 4wd	360-+4bc	A3
		VANS		
22	28	Chevrolet Astro 2wd (Cargo)	151-FI	M5
22	28	GMC Safari 2wd (Cargo)	151-FI	M5
22	23	Toyota Van 2wd (Cargo)	137-FI	M5
21	23	Toyota Van 2wd (Passenger)	137-FI	M5
21	23	Toyota Van 2wd (Cargo)	137-FI	L4
21	23	Toyota Van 2wd (Passenger)	137-FI	L4
20	25	Chevrolet Astro 2wd (Cargo)	151-FI	L4
20	25	GMC Safari 2wd (Cargo)	151-FI	L4
20	24	Chevrolet G10-20 Van 2wd Diesel	379-+FI	M4
20	24	GMC G15-25 Vandura 2wd Diesel	379-+FI	M4
20	22	Toyota Van 4wd (Cargo)	137-FI	M5
20	22	Toyota Van 4wd (Passenger)	137-FI	M5
19	22	Mitsubishi Van	143-FI	L4
19	21	Toyota Van 4wd (Cargo)	137-FI	L4
19	21	Toyota Van 4wd (Passenger)	137-FI	L4
18	24	Ford Aerostar Van	183-FI	M5
18	23	Chevrolet G10-20 Van 2wd Diesel	379-+FI	L4
18	23	GMC G15-25 Vandura 2wd Diesel	379-+FI	L4
18	22	Nissan Van (Cargo)	146-FI	M5
18	22	Nissan Van (Passenger)	146-FI	M5
18	21	Chevrolet G10-20 Sportvan 2wd Diesel	379-+FI	M4
18	21	GMC G15-25 Rally 2wd Diesel	379-+FI	M4
18	21	Nissan Van (Cargo)	146-FI	L4
18	21	Nissan Van (Passenger)	146-FI	L4
18	21	Mitsubishi Wagon	143-FI	L4
17	23	Chevrolet Astro 2wd (Cargo)	262-FI	M5
17	23	GMC Safari 2wd (Cargo)	262-FI	M5
17	23	Ford Aerostar Van	183-FI	L4
17	23	Chevrolet Astro 2wd (Passenger)	262-FI	M5
17	23	GMC Safari 2wd (Passenger)	262-FI	M5
17	23	Ford Aerostar Wagon	183-FI	L4
17	22	Chevrolet Astro 2wd (Cargo)	262-FI	L4
17	22	Chevrolet Astro 2wd (Passenger)	262-FI	L4
17	22	GMC Safari 2wd (Cargo)	262-FI	L4
17	22	GMC Safari 2wd (Passenger)	262-FI	L4
17	19	Chevrolet G10-20 Van 2wd	262-FI	A3
17	19	GMC G15-25 Vandura 2wd	262-FI	A3
16	23	Ford Aerostar Wagon	183-FI	M5
16	23	Chevrolet G10-20 Sportvan 2wd Diesel	379-+FI	L4
16	23	GMC G15/25 Rally 2wd Diesel	379-+FI	L4
16	21	Chevrolet G10-20 Van 2wd	262-FI	L4
16	21	GMC G15-25 Vandura 2wd	262-FI	L4
16	20	Chevrolet G10-20 Sportvan 2wd	262-FI	L4
16	20	GMC G15-25 Rally 2wd	262-FI	L4
16	20	Chevrolet G30 Van 2wd	262-FI	L4
16	20	GMC G35 Vandura 2wd	262-FI	L4
16	19	Chevrolet G10-25 Van 2wd	262-FI	M4
16	19	GMC G15-25 Vandura 2wd	262-FI	M4
16	18	Volkswagen Vanagon 2wd	129-FI	M4
15	20	Chevrolet G10-20 Van 2wd	305-FI	L4
15	20	GMC G15-25 Vandura 2wd	305-FI	L4
15	20	Chevrolet G10-20 Van 2wd	305-FI	L4
15	20	GMC G15-25 Vandura 2wd	350-FI	L4
15	19	Ford E150 Econoline 2wd	300-FI	L4
15	18	Dodge B150, B250 Van 2wd	239-FI	L3
15	18	Dodge B150, B250 Wagon 2wd	239-FI	L3
15	18	Ford E150 Econoline 2wd	300-FI	M5
15	18	Chevrolet G10-20 Sportvan 2wd	262-FI	M4
15	18	GMC G15-25 Rally 2wd	262-FI	M4
15	17	Chevrolet G10-20 Van 2wd	305-FI	A3
15	17	Volkswagen Vanagon Syncro 4wd	129-FI	C5
14	17	Chevrolet G10-20 Van 2wd	305-FI	M4
14	17	GMC G15-25 Vandura 2wd	305-FI	M4
14	17	Dodge B150, B250 Van 2wd	318-FI	L3
14	17	Dodge B150, B250 Wagon 2wd	318-FI	L3
14	17	Ford E150 Club Wagon	300-FI	L4
14	16	Volkswagen Vanagon 2wd	129-FI	A3
14	15	Ford E150 Club Wagon	300-FI	A3
14	15	Ford E250 Econoline 2wd	300-FI	A3
13	19	Dodge B150, B250 Van 2wd	239-FI	M5
13	18	Dodge B150, B250 Wagon 2wd	239-FI	M5
13	18	Chevrolet G30 Sportvan 2wd	350-FI	L4
13	17	GMC G35 Rally 2wd	350-FI	L4
13	17	Ford E150 Club Wagon	302-FI	L4
13	17	Ford E150 Econoline 2wd	302-FI	L4
13	17	Ford E250 Econoline 2wd	302-FI	L4
13	17	Chevrolet G10-20 Sportvan 2wd	350-FI	L4
13	17	GMC G15-25 Rally 2wd	350-FI	L4
13	16	Chevrolet G10-20 Sportvan 2wd	305-FI	L4
13	16	GMC G15-25 Rally 2wd	305-FI	L4
13	14	Dodge B150, B250 Van 2wd	318-FI	A3
13	14	Dodge B350 Van 2wd	318-FI	A3
13	13	Dodge B150, B250 Wagon 2wd	318-FI	A3
12	13	Dodge B350 Wagon 2wd	318-FI	A3
11	14	Ford E150 Econoline 2wd	351-FI	A3
11	13	Dodge B150, B250 Van 2wd	360-+4bc	A3
11	13	Dodge B350 Van 2wd	360-+4bc	A3
11	13	Ford E150 Club Wagon	351-FI	A3
11	13	Ford E250 Econoline 2wd	351-FI	A3
11	13	Dodge B150, B250 Wagon 2wd	360-+4bc	A3
10	11	Dodge B350 Wagon 2wd	360-+4bc	A3
		SPECIAL PURPOSE VEHICLES		
30	35	Subaru Justy 4wd	73-2bc	M5
28	29	Suzuki Samurai Convertible	81-2bc	M5
28	29	Suzuki Samurai Hardtop	81-2bc	M5
25	29	Subaru Hatchback 4wd	108-2bc	M4
24	29	Subaru 3-dr. Sedan 4wd	109-CFI	M5
24	29	Subaru Wagon 4wd	109-CFI	M5
23	24	Subaru 3-dr. Sedan 4wd	109-CFI	A3
23	29	Subaru Wagon 4wd	109-CFI	A3
22	28	Chevrolet S10 Blazer 2wd	151-FI	M5
22	28	GMC S15 Jimmy 2wd	151-FI	M5
22	25	Jeep Cherokee 2wd	150-FI	M4
22	25	Jeep Cherokee, Wagoneer 4wd	150-FI	M4
21	26	Dodge Caravan, Ram Van 2wd	152-FI	M5
21	26	Plymouth Voyager 2wd	152-FI	M5
21	27	Dodge Colt Vista 4wd	122-FI	M5
21	27	Plymouth Colt Vista 4wd	122-FI	M5
21	24	Jeep Cherokee 2wd	150-FI	M5
20	25	Chevrolet S10 Blazer 2wd	151-FI	L4
20	25	GMC S15 Jimmy 2wd	151-FI	L4
20	23	Dodge Caravan, Ram Van 2wd	152-FI	A3
20	23	Plymouth Voyager 2wd	152-FI	A3
20	23	Jeep Cherokee, Wagoneer 4wd	150-FI	M5
20	23	Nissan Stanza Wagon 4wd	120-FI	M5
19	24	Ford Bronco II 2wd	179-FI	M5
19	22	Toyota 4Runner 4wd	144-FI	M5
19	21	Nissan Stanza Wagon 4wd	120-FI	L4
18	25	Chevrolet S10 Blazer 2wd	173-FI	M5
18	25	GMC S15 Jimmy 2wd	173-FI	M5
18	24	Jeep Cherokee 2wd	150-FI	L4
18	24	Jeep Cherokee 2wd	242-FI	M5
18	23	Ford Bronco II 4wd	179-FI	M5
18	23	Jeep Cherokee, Ram Van 2wd	181-FI	L3
18	23	Jeep Cherokee, Wagoneer 4wd	150-FI	L4
18	23	Jeep Cherokee, Wagoneer 4wd	242-FI	M5
18	23	Chevrolet S10 Blazer 2wd	173-FI	M4
18	23	GMC S15 Jimmy 2wd	173-FI	M4
18	23	Chrysler Town & Country	181-FI	L3
18	23	Plymouth Voyager 2wd	181-FI	L3
18	20	Grumman Allied LLV	151-FI	L3
18	20	Jeep Wrangler 4wd	150-FI	M5
17	24	Chevrolet S10 Blazer 2wd	173-FI	L4
17	24	GMC S15 Jimmy 2wd	173-FI	L4
17	22	Ford Bronco II 2wd	179-FI	L4
17	22	Chevrolet T10 Blazer 4wd	173-FI	M4
17	22	Chevrolet T10 Blazer 4wd	173-FI	M5
17	22	GMC T15 Jimmy 4wd	173-FI	M4
17	22	GMC T15 Jimmy 4wd	173-FI	M5
17	21	Chevrolet V10 Blazer 4wd Diesel	379-+FI	L4
17	21	GMC V15 Jimmy 4wd Diesel	379-+FI	L4
17	21	Ford Bronco II 4wd	179-FI	L4
17	21	Jeep Wrangler 4wd	258-2bc	M5
17	19	Mitsubishi Montero	156-2bc	M5
17	19	Dodge Raider	156-2bc	M5
17

PRODUCTS/SPECIFICATIONS

U.S. 1988-model light-duty truck specifications

Make and Model	Dimensions and Capacities										Standard Engine					
	Wheelbase (in.) Standard	Wheelbase (in.) Maximum	Overall Length (in.) Standard	Overall Length (in.) Maximum	Width (in.)	Height (in.)	Gross Vehicle Weight Range (lbs.)	Payload (lbs.) Range	Wheel diameter (in.)	Fuel Tank (U.S. gals.)	Type	Displacement (liters/cu. in.)	Carburetion	Horsepower	4 WD Availability	Optional Engines
AMC/JEEP—Wrangler*	93.4	—	152.6	—	66.0	72.0	3,710- 3,828	800-	15.0	15.0	I-4	2.5/150	EFI	117	X	4.2/258, 2V, V-6
Comanche Pickup	113.0	119.6	179.2	194.0	71.7	63.7	4,477- 4,719	1,518-1,577	15.0	16.0	I-4	2.5/150	EFI	121	X	4.0/242, MFI, I-6
Cherokee/Wagoneer	101.4	—	165.3	—	70.5	63.3	4,657- 4,797	1,518-1,573	15.0	13.5	I-4	2.5/150	EFI	121	X	4.0/242, MFI, I-6**
Grand Wagoneer*	108.7	—	186.4	—	74.8	66.4	6,200-	1,578-1,695	15.0	20.3	V-8	5.9/360	2V	144	X	none
CHEVROLET/GMC—S-10/15 Pickup	108.3	122.9	178.2	194.2	64.7	61.3	3,570- 5,284	1,000-1,625	14.0	13.2	L-4	2.5/151	EFI	92	X	2.8/173, EFI, V-6
S-10/15 Blazer/Jimmy (2wd & 4wd)	100.5	—	170.3	—	65.4	64.7	3,894- 4,872	1,000-	15.0	13.2	L-4	2.5/151	EFI	92	X	2.8/173, EFI, V-6
C/K 1500 Pickup	117.5	155.5	194.1	236.9	76.7	70.4	5,200- 6,200	1,049-1,926	15.0	25.0	V-6	4.3/262	EFI	160	X	5.0/305, EFI, V-8; 5.7/350, EFI, V-8
C/K 2500 Pickup	131.5	155.5	212.9	236.9	76.7	73.0	7,200-	2,112-3,267	16.0	25.0	V-6	4.3/262	EFI	160	X	5.0/305, EFI, V-8; 5.7/350. EFI, V-8; 6.2/379, diesel, V-8
C/K 3500 Pickup	131.5	155.5	212.9	236.9	76.7	75.4	8,600-10,000	3,157-5,197	16.0	25.0	V-8	5.7/350	EFI	210	X	7.4/454, EFI, V-8; 6.2/379, diesel, V-8
Blazer/Jimmy (4wd)*	106.5	—	184.8	—	79.6	73.8	6,100- 6,250	1,331-1,688	15.0	25.0	V-8	5.7/350	EFI	210	X	6.2/379, diesel, V-8
R/V-10/1500 Suburban	129.5	—	219.1	—	79.6	72.0	6,100- 7,300	1,756-2,478	15.0	25.0	V-8	5.7/350	EFI	210	X	6.2/379, diesel, V-8; 7.4/454, EFI, V-8
G-10/1500 Van	110.0	125.0	178.2	202.2	79.5	79.4	4,900- 6,000	1,101-2,376	15.0	22.0	V-6	4.3/262	EFI	150		5.0/305, EFI, V-8
Astro/Safari Van (cargo & passenger)	111.0	—	176.8	—	77.0	74.5	4,404- 5,410	1,000-1,700	15.0	17.0	L-4	2.5/151	EFI	96		4.3/262, EFI, V-6
DODGE—Dakota	112.0	124.0	185.9	204.4	68.4	64.2	4,110- 5,930	1,250-2,550	14.0	15.0	I-4	2.2/135	2V	91	X	3.9/239, EFI, V-6
D/W 100/150 Pickup	115.0	131.0	190.8	210.8	79.5	69.0	4,950- 6,400	1,424-2,388	15.0	22.0	V-6	3.9/239	EFI	125	X	5.2/318, EFI, V-8; 5.9/360, 4V, V-8
D/W 250 Pickup	131.0	—	210.8	—	79.5	73.0	6,600- 8,510	2,681-4,331	16.0	22.0	V-6	3.9/239	EFI	125	X	5.2/318, EFI, V-8; 5.9/360, 4V, V-8
D/W 350 Pickup	131.0	—	210.8	—	79.5	72.0	8,700-	4,448-	16.0	22.0	V-8	5.9/360	4V	185	X	none
Caravan/Mini Ram V./Plym. Voyager	112.0	119.0	175.9	190.5	72.0	64.4	4,060- 5,020	1,200-2,010	14.0	15.0	I-4	2.5/153	EFI	96		3.0/183, EFI, V-6
Ramcharger	106.0	—	184.6	—	79.5	69.7	5,600- 6,400	1,405-1,790	15.0	34.0	V-8	5.2/318	EFI	170	X	5.9/360, 4V, V-8
B150 Van	109.6	127.6	178.9	196.9	79.8	79.6	5,000- 5,300	1,280-1,670	15.0	22.0	V-6	3.9/239	EFI	125		5.2/318, EFI, V-6
FORD—Ranger Pickup	107.9	125.0	175.6	192.7	66.9	64.0	3,900- 4,900	1,205-1,625	14.0	15.2	I-4	2.3/140	MFI	90	X	2.0/122, 2V, I-4; 2.9/179, MFI, V-6
Bronco II	94.0	—	158.2	—	68.0	68.2	3,770- 3,823	600-	15.0	23.0	V-6	2.9/179	MFI	140	X	none
F-150 Pickup	116.8	155.0	194.1	232.2	79.0	69.9	5,250- 6,250	1,580-2,265	15.0	14.5	I-6	4.9/300	MFI	150	X	5.0/302, MFI, V-8; 5.8/351, MFI, V-8
F-250 Pickup	133.0	155.0	210.2	232.2	79.0	73.0	6,600- 8,800	2,500-4,410	16.0	19.0	I-6	4.9/300	MFI	150	X	5.0/302, MFI, V-8; 5.8/351, MFI, V-8; 7.5/460, MFI, V-8; 7.3/445, Diesel, V-8
F-350 Pickup	133.0	168.4	210.2	245.7	79.0	73.4	8,800-10,000	3,775-5,270	16.0	19.0	V-8	5.8/351	MFI	210	X	7.5/460, MFI, V-8; 7.3/445, Diesel, V-8
E-150 Van	124.0	138.0	186.6	206.8	79.9	79.2	5,500- 6,200	1,305-2,365	15.0	18.2	I-6	4.9/300	MFI	150		5.0/302, MFI, V-8; 5.8/351, MFI, V-8
Aerostar	118.9	—	174.9	—	71.7	72.9	4,120- 5,100	1,615-2,010	14.0	17.0	V-6	3.0/182	MFI	145		none
Bronco*	104.7	—	180.5	—	79.1	74.0	5,688- 6,300	1,100-1,250	15.0	32.0	I-6	4.9/300	MFI	150	X	5.0/302, MFI, V-8; 5.8/351, MFI, V-8
NISSAN—Pickup	104.3	116.1	174.2	190.0	65.0	62.0	4,000- 5,200	1,000-2,000	14.0	15.8	I-4	2.4/146	EFI	106	X	3.0/180, EFI, V-6
King Cab Pickup	116.1	—	190.0	—	65.0	62.0	4,400- 5,100	1,400-	14.0	15.8	I-4	2.4/146	EFI	106	X	3.0/180, EFI, V-6

NOTES: Chassis cab models are not included in pickup truck specifications. In the case of General Motors, certain chassis cab and crew models continue to be built on the older design R/V chassis.
*—4wd only
**—Standard engine in the Jeep Wagoneer and Cherokee Limited is the 4.0-liter in-line 6-cylinder engine with 177 hp

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Import 1988-model light-duty truck specifications

Make and Model	Dimensions and Capacities										Standard Engine					
	Wheelbase (in.) Standard	Wheelbase (in.) Maximum	Overall Length (in.) Standard	Overall Length (in.) Maximum	Width (in.)	Height (in.)	Gross Vehicle Weight Range (lbs.)	Payload (lbs.) Range	Wheel diameter (in.)	Fuel Tank (U.S. gals.)	Type	Displacement (liters/cu. in.)	Carburetion	Horsepower	4 WD Availability	Optional Engines
DODGE Raider	92.5	—	157.3	—	66.1	72.4	4,225-4,269	1,050-	15	15.9	I-4	2.6/156	2V	109	X	None
Ram 50	105.1	116.1	177.2	193.7	65.2	58.3	4,165-4,845	1,430-2,110	14	13.7	I-4	2.0/122	2V	90	X	2.6/156, 2V, I-4
ISUZU Trooper II	104.3	—	176.0	—	65.0	71.7	4,740-	1,111-1,246	15	21.9	I-4	2.6/156	MFI	120	X	None
Pickup	105.6	119.2	177.3	193.8	66.6	62.3	4,300-5,400	1,395-2,550	14	14.0	I-4	2.3/138	2V	96	X	2.6/156, MFI, I-4
LAMBORGHINI LM002	122.4	—	192.9	—	78.3	72.5	5,720-	N.A.	17	60.8	V-12	5.2/317	6x2V	450	X	None
MAZDA B2200/2600	108.7	118.1	177.6	198.8	65.7	61.9	4,460-4,850	1,400-	14	14.8	I-4	2.2/133	2V	85	X	B2600; 2.6/156, 2V, I-4, 102 hp
MITSUBISHI Van/Wagon	88.0	—	171.7	175.2	66.5	71.3	4,861-	1,576-1,951	14	14.2	I-4	2.4/143	MFI	107		None
Montero	92.5	—	157.3	—	66.1	72.4	4,165-4,325	1,050-	15	15.9	I-4	2.6/156	2V	109	X	None
Pickup	105.1	116.1	177.2	193.7	65.2	58.3	4,165-4,845	1,430-2,110	14	13.7	I-4	2.0/122	2V	90	X	2.6/156, 2V, I-4
NISSAN Van	92.5	—	178.0	—	66.5	72.4	4,800-	1,110-1,470	14	17.7	I-4	2.4/146	EFI	106		None
Desert Runner Pickup	104.3	—	180.1	—	66.5	67.1	5,150-	1,400-	15	15.9	V-6	3.0/181	EFI	145	X	None
Pathfinder	104.3	—	171.9	—	66.5	65.7	5,000-	1,150-	15	21.1	V-6	3.0/181	EFI	145	X	None
RANGE ROVER	100.0	—	175.0	—	71.6	70.8	5,997-	1,694-	16	21.0	V-8	3.5/215	MFI	150	X	None
SUZUKI Samurai	79.9	—	135.0	135.4	60.2	65.6	2,932-	805- 838	15	10.6	I-4	1.3/80.8	2V	64	X	None
TOYOTA Van	88.0	—	175.8	--	66.3	70.3	4,500-5,150	1,550-2,020	14	15.9	I-4	2.2/135	MFI	101	X	None
Pickup	103.0	121.5	184.1	195.5	63.8	60.8	4,400-5,500	1,100-2,655	14	17.2	I-4	2.4/144	MFI	116	X	2.4/144, 2V, I-4; 2.4/144, MFI/turbo, I-4; 3.0/181, MFI, V-6
4Runner	103.0	—	174.6	—	66.5	66.1	5,080-5,180	1,445-1,475	15	17.2	I-4	2.4/144	MFI	116	X	3.0/181, MFI, V-6
Land Cruiser	107.5	—	184.0	—	70.9	69.5	5,621-	1,135-	15	23.8	I-6	4.1/244	MFI	155	X	None
VOLKSWAGEN Vanagon	96.9	—	179.9	—	72.6	75.9	5,269-5,511	1,809-2,051	14	15.9	H-4	2.1/129	MFI	90	X	None

NOTE: These tables have been compiled from information supplied by factories, distributors and other direct sources. Every reasonable precaution has been taken to insure accuracy, but Automotive News cannot assume any liability by reason of inaccuracies or omissions. Specifications are subject to change without notice.

PRODUCTS/SPECIFICATIONS

1988 U.S. models by make, body style

	4-Door Models	2-Door Models*	Convertibles	4-Door Wagons	1988 Totals	(Final 1987 Totals)
American Motors/Renault	0	0	0	0	0	(19)
AMC Eagle	0	0	0	0	0	(3)
Renault Alliance	0	0	0	0	0	(16)
Chrysler Motors	25	9	2	3	39	(40)
Chrysler Fifth Avenue	1	0	0	0	1	(1)
LeBaron	1	0	0	1	2	(2)
LeBaron GTS	2	0	0	0	2	(2)
LeBaron J	0	2	2	0	4	(3)
New Yorker C	2	0	0	0	2	(0)
New Yorker E	0	0	0	0	0	(1)
Dodge Diplomat	2	0	0	0	2	(2)
Aries	1	1	0	1	3	(5)
Charger	0	0	0	0	0	(2)
Daytona	0	3	0	0	3	(3)
Dodge 600	2	0	0	0	2	(2)
Dynasty	2	0	0	0	2	(0)
Lancer	2	0	0	0	2	(2)
Omni	1	0	0	0	1	(1)
Shadow	1	1	0	0	2	(2)
Eagle Premier	2	0	0	0	2	(0)
Plymouth Gran Fury	1	0	0	0	1	(1)
Caravelle	2	0	0	0	2	(2)
Horizon	1	0	0	0	1	(1)
Reliant	1	1	0	1	3	(5)
Sundance	1	1	0	0	2	(2)
Turismo	0	0	0	0	0	(1)
Ford Motor Co.	24	22	2	12	60	(69)
Ford LTD Crown Victoria	3	0	0	4	7	(8)
Escort	1	3	0	1	5	(5)
Escort EXP	0	1	0	0	1	(2)
Probe	0	3	0	0	3	(0)
Mustang	0	3	2	0	5	(5)
Taurus	4	0	0	3	7	(8)
Tempo	4	2	0	0	6	(8)
Thunderbird	0	4	0	0	4	(4)
Lincoln	3	0	0	0	3	(3)
Continental	2	0	0	0	2	(2)
Mark VII	0	2	0	0	2	(3)
Mercury Grand Marquis	2	0	0	2	4	(5)
Cougar	0	2	0	0	2	(2)
Lynx	0	0	0	0	0	(5)
Sable	2	0	0	2	4	(4)
Topaz	3	2	0	0	5	(5)
Honda**	5	2	0	0	7	(6)
Accord	3	2	0	0	5	(5)
Civic	2	0	0	0	2	(1)
General Motors	52	51	6	18	127	(151)
Buick LeSabre	2	2	0	1	5	(6)
Electra	3	0	0	1	4	(5)
Century	2	2	0	2	6	(6)
Regal	0	2	0	0	2	(2)
Reatta	0	1	0	0	1	(0)
Riviera	0	1	0	0	1	(1)
Skyhawk	1	1	0	1	3	(7)
Skylark	2	2	0	0	4	(4)
Cadillac DeVille-Fleetwood	3	1	0	0	4	(4)
Allante	0	0	1	0	1	(1)
Brougham	1	0	0	0	1	(1)
Cimarron	1	0	0	0	1	(1)
Eldorado	0	1	0	0	1	(1)
Limousine	0	0	0	0	0	(2)
Seville	1	0	0	0	1	(1)
Chevrolet Caprice	4	0	0	1	5	(7)
Camaro	0	2	2	0	4	(4)
Cavalier	2	4	1	1	8	(13)
Celebrity	1	1	0	2	4	(4)
Chevette	0	0	0	0	0	(2)
Corsica/Beretta	1	1	0	0	2	(2)
Corvette	0	1	1	0	2	(2)
Monte Carlo	0	0	0	0	0	(3)
Nova	3	0	0	0	3	(2)
Oldsmobile Delta 88	2	3	0	1	5	(5)
Oldsmobile 98	3	0	0	0	3	(4)
Cutlass Calais	3	3	0	0	6	(4)
Cutlass Ciera	3	3	0	2	8	(6)
Cutlass Supreme	0	3	0	0	3	(5)
Firenza	1	1	0	1	3	(7)
Toronado	0	2	0	0	2	(2)
Pontiac Bonneville	3	0	0	1	4	(3)
Fiero	0	3	0	0	3	(4)
Firebird	0	4	0	0	4	(2)
Grand Am	3	3	0	0	6	(6)
Grand Prix	0	3	0	0	3	(3)
Pontiac 1000	0	0	0	0	0	(2)
Pontiac 6000	5	0	0	3	8	(8)
Sunbird	2	2	1	1	6	(9)
Mazda**	0	3	0	0	3	(0)
MX-6	0	3	0	0	3	(0)
Nissan**	3	3	0	0	6	(6)
Sentra	3	3	0	0	6	(6)
Toyota**	0	3	0	0	3	(3)
Corolla FX	0	3	0	0	3	(3)
Volkswagen**	4	5	0	0	9	(6)
Golf	2	3	0	0	5	(4)
GTi	0	1	0	0	1	(1)
Jetta	2	1	0	0	3	(1)
1988 Totals	113	98	10	33	254	
1987 Totals (end of model year)	119	127	13	41		(300)

NOTES: *—Two-door models include hatchbacks, which some makers list as three-door models.
**—Totals for Honda, Mazda, Nissan, Toyota and Volkswagen include only U.S.-built models.

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Warranty Coverage Comparison

	BASIC COVERAGE	EXTRA DRIVETRAIN/ MAJOR COMPONENT	CORROSION COVERAGE
DOMESTIC			
FORD*	1/12,000	6/60,000	6/100,000
MERCURY*	1/12,000	6/60,000	6/100,000
LINCOLN/MERKUR	1/12,000	6/60,000	6/100,000
BUICK	1/12,000	6/60,000	6/100,000
CHEVROLET*	1/12,000	6/60,000	6/100,000
OLDSMOBILE	1/12,000	6/60,000	6/100,000
PONTIAC*	1/12,000	6/60,000	6/100,000
CADILLAC	1/12,000	6/60,000	6/100,000
CADILLAC Allante	1/12,000	7/100,000	7/100,000
CHRYSLER MOTORS	1/12,000	7/70,000	7/100,000
CHRYSLER New Yorker/ New Yorker Landau	5/50,000	7/70,000	7/100,000
CHRYSLER Captive Imports	3/36,000	3/50,000	5/Unlimited
EAGLE Premier	1/12,000	7/70,000	7/100,000
EAGLE Medallion	1/12,000	7/70,000	7/100,000
JEEP	1/12,000	3/36,000	3/Unlimited
JAPAN			
ACURA	3/36,000	—	3/Unlimited
HONDA	1/12,000	2/24,000	3/Unlimited
ISUZU	1/12,000	2/24,000	3/Unlimited
MAZDA	3/50,000	—	5/Unlimited
MITSUBISHI	3/36,000	3/50,000	5/Unlimited
MITSUBISHI Precis	1/12,000	3/36,000	3/Unlimited
NISSAN	1/12,500	3/36,000	5/Unlimited
SUBARU	1/Unlimited	3/36,000	3/36,000
SUZUKI	1/12,000	2/24,000	3/Unlimited
TOYOTA	3/36,000	—	5/Unlimited
KOREA			
HYUNDAI	1/12,500	3/36,000	3/Unlimited
FRANCE			
PEUGEOT	3/36,000	5/50,000	6/Unlimited
GERMANY			
AUDI	3/50,000	—	6/Unlimited
BMW	3/35,000	—	6/Unlimited
MERCEDES-BENZ	4/50,000	—	—
PORSCHE	2/Unlimited	—	10/Unlimited
VOLKSWAGEN	2/24,000	—	6/Unlimited
GREAT BRITAIN			
ASTON MARTIN	2/24,000	—	—
AUSTIN ROVER	3/36,000	—	6/Unlimited
JAGUAR	3/36,000	—	6/60,000
LOTUS	2/Unlimited	—	8/Unlimited
RANGE-ROVER	3/36,000	—	6/Unlimited
ROLLS-ROYCE	3/Unlimited	—	—
ITALY			
ALFA ROMEO	1/36,000	3/36,000	6/60,000
FERRARI	2/Unlimited	—	—
MASERATI	3/36,000	—	—
SWEDEN			
SAAB	3/36,000	—	6/Unlimited
VOLVO	1/Unlimited	3/Unlimited	8/Unlimited
YUGOSLAVIA			
YUGO	1/12,000	4/40,000	—

*Includes captive imports.

PRICES

Retail prices, 1988 U.S. and import models

This table shows the prices of 1988 domestic and imported cars as of May 2, 1988. All prices are manufacturers' suggested retail prices. Import prices include ocean freight and U.S. import duty. None of the prices include destination charges, state and local taxes, optional equipment or any charges that may be passed on to the buyer. In the equipment section, "std." means standard equipment; "N.A." means the item is not available on the model mentioned. On some models, the standard-equipment radio is a delete option.

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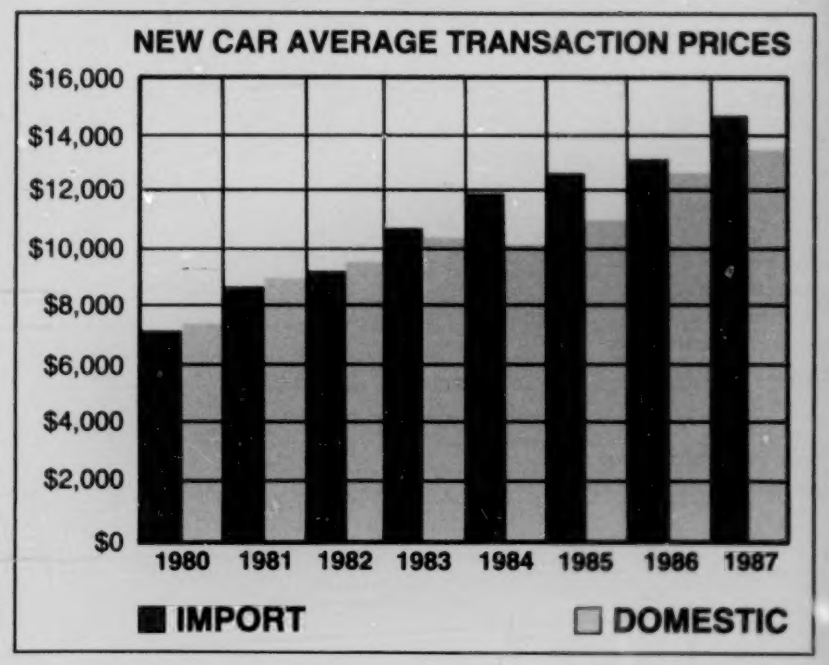
Prices for vans, light trucks and sport-utility vehicles begin on page 204

	4-Door	2-Door	2-Door Hatchback	Convertible	4-Door Wagon	Auto Trans.	Power Steering	AM/FM Stereo	Air Cond.
ACURA Integra RS 4	$11,825		$11,040			$595	std.	*	*
Integra LS 4	13,630		12,810			595	std.	std.	*
Integra LS Special Edition 4			13,810			595			
Legend V-6	21,805	$23,970				780	std.	std.	std.
Legend L V-6	25,945	27,595				780	std.	std.	std.
Legend LS V-6	25,825	29,450				780	std.	std.	std.
*—Dealer installed; Honda's Acura division does not quote a price.									
ALFA ROMEO Graduate 4				$15,950		N.A.	N.A.	$645*	$995
Veloce 4				19,380		N.A.	N.A.	std.	995
Quadrifoglio 4				22,400		N.A.	N.A.	std.	std.
Milano Gold V-6	17,550					700	std.	std.	std.
Milano Platinum V-6	21,450					std.	std.	std.	std.
Milano Verde V-6	21,650					N.A.	std.	std.	std.
*—Radio price includes cassette player.									
ASTON MARTIN V-8		127,000				std.	std.	std.	std.
Vantage V-8		143,000				std.	std.	std.	std.
Volante V-8				$153,000		std.	std.	std.	std.
Vantage Volante V-8				167,500		std.	std.	std.	std.
Lagonda V-8	177,500					std.	std.	std.	std.
05-speed manual transmission is a no-charge choice on all models except Lagonda. East Coast prices are listed. West Coast prices are $2,000 higher.									
AUDI 80 Series 4	18,600					525	std.	495*	std.
80 Quattro 5	22,700					N.A.	std.	495*	std.
90 Series 4	24,330					std.	std.	std.	std.
90 Series 5	24,330					N.A.	std.	std.	std.
90 Series Quattro 5	27,720					N.A.	std.	std.	std.
5000S 5	22,850				$24,330	525	std.	495*	std.
5000S Quattro 5	27,280					N.A.	std.	495*	std.
5000CS Turbo 5	30,910					525	std.	std.	std.
5000CS Turbo Quattro 5	34,810				36,310	N.A.	std.	std.	std.
*—Radio price includes cassette player.									
BENTLEY V-8	99,500					std.	std.	std.	std.
Mulsanne S V-8	107,500					std.	std.	std.	std.
Continental V-8				182,900		std.	std.	std.	std.
BERTONE X 1/9 4		12,290				N.A.	N.A.	*	650
X 1/9 LE 4		12,590				N.A.	N.A.	*	850
*—Radio is dealer installed; no price quoted.									
BMW 325 6	25,150	24,350				645	std.	std.	std.
325is 6		28,950				645	std.	std.	std.
325i 6	28,950			32,995		645	std.	std.	std.
325ix 6		33,290				N.A.	std.	std.	std.
M-3 4		34,800				N.A.	std.	std.	std.
528e 6	31,950					645	std.	std.	std.
535i 6	36,700					795	std.	std.	std.
535is 6	37,800					795	std.	std.	std.
M-5 6	47,500					N.A.	std.	std.	std.
635CSi 6		46,000				std.	std.	std.	std.
M-6 6		55,950				N.A.	std.	std.	std.
735i 6	54,000					std.	std.	std.	std.
750iL 12	69,000					std.	std.	std.	std.
Dealer preparation charge: $130 on 325, 325is, 325i, 528e; $145 on 325ix, 535i, 635CSi, 735i; $190 on M-3 and M-6; $190 on 535is; $215 on 750iL; $225 on M-5. Gas-guzzler tax: $500 automatic transmission and $850 manual on 535i and 535is; $1,050 automatic and $850 manual on 635CSi and 735i; $1,850 on 750iL; $2,250 on M-5 and M-6.									
BUICK Skyhawk	8,884	8,884			9,797	415	std.	std.	675
Skylark Custom 4	10,399	10,684				std.	std.	std.	675
Skylark Limited 4	11,721	11,791				std.	std.	std.	675
Century Custom 4	11,793	11,643			12,345	std.	std.	std.	775
Century Limited 4	12,613	12,410				std.	std.	std.	775
Century Estate Wagon 4					13,077	std.	std.	std.	775
Regal Custom V-6		12,449				std.	std.	std.	775



	4-Door	2-Door	2-Door Hatchback	Convertible	4-Door Wagon	Auto Trans.	Power Steering	AM/FM Stereo	Air Cond.
Regal Limited V-6		12,782				std.	std.	std.	775
LeSabre V-6		14,560				std.	std.	std.	std.
LeSabre Custom V-6	14,405					std.	std.	std.	std.
LeSabre Limited V-6	15,745	16,350				std.	std.	std.	std.
LeSabre Estate Wagon V-8					16,040	std.	std.	std.	std.
Electra V-6	17,479					std.	std.	std.	std.
Electra T-Type V-6	20,229					std.	std.	std.	std.
Electra Park Avenue V-6	19,464					std.	std.	std.	std.
Electra Estate Wagon V-8					18,954	std.	std.	std.	std.
Riviera V-6		21,615				std.	std.	std.	std.
Reatta V-6		25,000				std.	std.	std.	std.
CADILLAC Cimarron V-6	16,071					415	std.	std.	std.
DeVille V-8	23,404	23,049				std.	std.	std.	std.
Fleetwood d'Elegance V-8	28,024					std.	std.	std.	std.
Fleetwood Sixty Special V-8	34,750					std.	std.	std.	std.
Brougham V-8	23,846					std.	std.	std.	std.
Eldorado V-8		24,891				std.	std.	std.	std.
Seville V-8	27,627					std.	std.	std.	std.
Allante V-8				56,533		std.	std.	std.	std.
CHEVROLET Sprint Metro 3			5,495			*	N.A.	*	655
Sprint 3	6,585		6,380			*	N.A.	std.	655
Sprint Turbo 3			8,240			*	N.A.	std.	655
Spectrum Express 4			6,495			*	*	*	660
Spectrum 4	8,160		7,720			*	*	std.	660
Spectrum Turbo 4	10,665					*	*	std.	660
Nova 4	8,795					*	*	std.	*
Nova 4 (twin cam)	11,395					*	*	std.	*
Nova Hatchback 4	9,050					*	*	std.	*
Cavalier VL 4		6,995				415	$225	std.	675
Cavalier 4	8,195	8,120			8,490	415	225	std.	675
Cavalier RS 4	9,385	9,175				415	std.	std.	675
Cavalier Z24 V-6		10,725		15,990		415	std.	std.	675
Corsica 4	9,555					490	std.	std.	750
Beretta 4		10,135				490	std.	std.	750
Camaro V-6		10,995				490	std.	std.	775
Camaro Convertible V-8				16,255		490	std.	std.	775
Camaro IROC-Z V-8		13,490		18,015		490	std.	std.	775
Celebrity 4	11,025	10,585			11,350	std.	std.	std.	775
Celebrity 3-Seat Wagon 4					11,590	std.	std.	std.	775
Monte Carlo LS V-6		12,330				std.	std.	std.	775
Monte Carlo SS V-8		14,320				std.	std.	std.	775
Caprice V-6	12,030					std.	std.	std.	775
Caprice Classic V-6	12,575					std.	std.	std.	775
Caprice Classic 3-Seat Wagon V-8					14,340	std.	std.	std.	std.
Caprice Classic Brougham V-6	13,645					std.	std.	std.	775
Caprice Classic Brougham LS V-6	14,820					std.	std.	std.	775

PRICES

	4-Door	2-Door	2-Door Hatchback	Convertible	4-Door Wagon	Auto. Trans.	Power Steering	AM/FM Stereo	Air Cond.
Corvette V-8			29,480	34,420		std.	std.	std.	std.
*—Part of option package; not priced separately.									
Sprint and Spectrum models are imported from Japan.									
CHRYSLER Conquest TSi 4			18,683			704	std.	std.	928
LeBaron 4	11,286					std.	std.	std.	775
LeBaron J 4		10,995		13,495		536	std.	std.	775
LeBaron J Premium 4		13,995		17,495		std.	std.	std.	std.
LeBaron Town & Country 4					12,889	std.	std.	std.	775
LeBaron GTS 4	10,798					536	std.	std.	775
LeBaron GTS Premium 4	12,971					536	std.	std.	775
New Yorker Turbo 4	17,373					std.	std.	std.	std.
New Yorker V-6	17,416					std.	std.	std.	std.
New Yorker Landau V-6	19,509					std.	std.	std.	std.
Fifth Avenue V-8	17,243					std.	std.	std.	std.
Conquest TSi is imported from Japan.									
DAIHATSU Charade CLS 3			6,397			N.A.	N.A.	295*	695
Charade CLX 3			7,650			N.A.	N.A.	295*	695
Charade CSX 3			9,232			N.A.	N.A.	std.	std.
*—Radio price includes cassette player.									
DODGE Colt 4			5,998			N.A.	N.A.	241	717
Colt E 4	7,872		6,697			489	251	241	717
Colt DL 4	8,316		7,949		8,859	489	251	241	717
Colt Premier 4	9,221					489	251	241	717
Colt Vista 4					11,461	489	251	265	717
Colt Vista 4 (4wd)					12,775	N.A.	std.	265	717
Omni America 4	5,995					*	*	*	694
Shadow 4	8,245		7,995			536	std.	155	694
Anes America 4	6,995	6,995			7,695	*	*	*	775
Daytona 4			8,995			529	std.	std.	*
Daytona Shelby Z 4			12,601			*	std.	std.	*
Daytona Pacifica 4			13,750			529	std.	std.	std.
Dodge 600 4	10,659					std.	std.	std.	775
600-SE 4	11,628					std.	std.	std.	775
Lancer 4	10,482					536	std.	std.	775
Lancer ES 4	12,715					536	std.	std.	775
Dynasty V-6	11,666					std.	std.	std.	775
Dynasty Premium V-6	12,226					std.	std.	std.	775
Diplomat Salon V-8	11,407					std.	std.	std.	830
Diplomat SE V-8	14,221					std.	std.	std.	830
*—Part of option package; not priced separately.									
Colt models are imported from Japan.									
EAGLE Medallion* DL 4	10,405				11,649	490	std.	std.	799
Medallion LX4	10,938					490	std.	std.	799
Premier LX4	12,474					std.	std.	std.	830
Premier ES V-6	14,079					std.	std.	std.	830
*—Medallion models are imported from France.									
FERRARI 328 GTB V-8		71,900				N.A.	N.A.	*	std.
328 GTS Targa V-8		77,900				N.A.	N.A.	*	std.
Mondial V-8		76,490		83,900		N.A.	N.A.	*	std.
Testarossa V-12		134,000				N.A.	N.A.	*	std.
*—Radio is dealer installed; Ferrari does not quote a price.									
Prices include gas-guzzler tax.									
Prices do not include pre-delivery inspection charge of $350 on V-8s and $450 on V-12s and delivery charge of $600.									
FORD Festiva L 4			5,595			N.A.	N.A.	N.A.	793
Festiva L plus 4			6,177			N.A.	N.A.	std.	793
Festiva LX 4			6,906			N.A.	N.A.	std.	688
Escort Pony 4			6,586			490	N.A.	206	N.A.
Escort GL 4	7,279		6,949		7,792	490	235	167	688
Escort GT 4			8,977			N.A.	std.	std.	688
Escort EXP Luxury 4			8,024			415	235	std.	688
Tempo GL 4	8,808	8,658				482	std.	std.	773
Tempo GLS 4	9,400	9,249				482	std.	std.	773
Tempo LX 4	9,737					482	std.	std.	773
Tempo AWD 4 (4wd)	10,413					std.	std.	std.	773
Mustang LX 4		8,835	9,341	13,702		515	std.	std.	788
Mustang GT V-8			12,745	16,610		515	std.	std.	788
Taurus L 4	11,380					std.	std.	std.	788
Taurus L Wagon V-6					12,684	std.	std.	std.	788
Taurus GL 4	11,887					std.	std.	std.	788
Taurus GL Wagon V-6					13,167	std.	std.	std.	788
Taurus LX V-6	14,966				15,698	std.	std.	std.	std.
Taurus MT-5 4	12,500					N.A.	std.	std.	std.
Probe GL 4			10,459			515	std.	std.	907
Probe LX 4			11,443			515	std.	std.	788
Probe GT 4			13,593			N.A.	std.	std.	788

	4-Door	2-Door	2-Door Hatchback	Convertible	4-Door Wagon	Auto. Trans.	Power Steering	AM/FM Stereo	Air Cond.
Thunderbird V-6		13,495				std.	std.	std.	std.
Thunderbird LX V-6		15,782				std.	std.	std.	std.
Thunderbird Sport V-8		15,927				std.	std.	std.	std.
Thunderbird Turbo Coupe 4		17,146				515	std.	std.	std.
LTD Crown Victoria S V-6	14,010					std.	std.	141	std.
LTD Crown Victoria V-8	15,241				15,311	std.	std.	std.	std.
LTD Crown Victoria LX V-8	16,157				16,455	std.	std.	std.	std.
LTD Country Squire V-8					15,744	std.	std.	std.	std.
LTD Country Squire LX V-8					16,773	std.	std.	std.	std.
Festiva models are imported from South Korea.									
HONDA Civic 4			6,285			N.A.	N.A.	*	*
Civic DX 4			8,310			555	N.A.	*	*
Civic DX 4	9,095					895**	**	*	*
Civic LX 4	10,010					595	std.	*	
Civic Wagon 4					9,948	1,000**	**	*	*
Civic Wagon 4 (4wd)					11,998	N.A.	std.	*	*
Civic CRX HF 4			8,755			N.A.	N.A.	*	*
Civic CRX DX 4			9,085			555	N.A.	*	*
Civic CRX Si 4			10,720			N.A.	N.A.	*	*
Accord DX 4	11,570	11,450	11,040			595	std.	*	*
Accord LX 4	13,935					595	std.	std.	std.
Accord LXi 4	15,650	14,440	14,280			595	std.	std.	std.
Prelude S 4		13,640				710	std.	std.	std.
Prelude Si 4		16,795				710	std.	std.	std.
Prelude Si 4 (4-wheel steering)		18,125				710	std.	std.	std.
*—Dealer installed. Honda does not quote a price.									
**—Automatic transmission price on Civic DX 4-door sedan and 2-door wagon includes power steering.									
Civic and Accord 4-door sedans and Accord notchback coupes are U.S.-built.									
HYUNDAI Excel 4	5,995		5,395			N.A.	N.A.	295*	715
Excel GL 4	6,895		6,495			450	240	295*	715
Excel GL 4 (hatchback)	6,745					450	240	295*	715
Excel GLS 4	7,645					450	240	std.	715
Excel GLS 4 (hatchback)	7,495					450	240	std.	715
Excel GS 4			7,595			450	240	std.	715
*—Radio price includes cassette player.									
ISUZU I-Mark S 4	8,009		7,659			430	220	185	680
I-Mark XS 4	9,219		9,029			430	std.	185	680
I-Mark RS Turbo 4			9,829			N.A.	std.	std.	680
I-Mark LS Turbo 4	11,189					N.A.	std.	std.	680
Impulse 4			14,109			530	std.	std.	std.
Impulse Turbo 4			16,079			530	std.	std.	std.
JAGUAR XJ-6 6	43,500					std.	std.	std.	std.
Vanden Plas 6	47,500					std.	std.	std.	std.
XJ-S V-12* (1989 model)		47,000				std.	std.	std.	std.
XJ-SC V-12		50,450				std.	std.	std.	std.
*—XJ-S Coupe is available as a convertible by Hess & Eisenhardt for about $10,000 extra.									
LAMBORGHINI Jalpa V-8		65,000				N.A.	std.	std.	std.
Countach V-12		138,500				N.A.	std.	std.	std.
LINCOLN Town Car V-8	24,373					std.	std.	std.	std.
Town Car Signature V-8	27,374					std.	std.	std.	std.
Town Car Cartier V-8	28,520					std.	std.	std.	std.
Mark VII LSC V-8		26,380				std.	std.	std.	std.
Mark VII Bill Blass V-8		26,380				std.	std.	std.	std.
Continental V-6	26,078					std.	std.	std.	std.
Continental Signature	27,944					std.	std.	std.	std.
LOTUS Esprit Turbo 4		62,500				N.A.	N.A.	std.	std.
Esprit Turbo 4 SE		69,500				N.A.	N.A.	std.	std.
MASERATI Biturbo Si V-6		33,975				N.A.	std.	std.	std.
Biturbo i Spyder V-6				39,975		N.A.	std.	std.	std.
425i V-6	34,975					N.A.	std.	std.	std.
430 V-6	41,000					N.A.	std.	std.	std.
228 V-6		53,000				N.A.	std.	std.	std.
MAZDA 323 4			5,999			670	245	450*	749
323 4	7,299					670	245	450*	749
323 4					7,999	470	245	450*	749
323 SE 4	7,999		7,199			670	245	450*	749
323 LX 4	9,299					670	245	450*	749
323 GT Turbo 4	11,799					N.A.	245	450*	749
323 GTX Turbo 4			12,999			N.A.	std.	450*	749
626 DX 4	10,999					720	std.	450*	799
626 LX 4	12,899					720	std.	std.	799
626 LX 4 (hatchback)	13,099					720	std.	std.	799
626 Turbo 4	14,549					720	std.	std.	799
626 Turbo 4 (hatchback)	14,749					720	std.	std.	799

PRICES

	4-Door	2-Door	2-Door Hatchback	Convertible	4-Door Wagon	Auto. Trans.	Power Steering	AM/FM Stereo	Air Cond.
626 Turbo 4 (4-wheel steering)	17,799					std.	std.	std.	799
MX-6 DX 4		11,099				720	std.	450*	799
MX-6 LX 4		12,999				720	std.	std.	799
MX-6 GT Turbo 4		15,099				720	std.	std.	799
929 V-6	19,850					std.	std.	std.	std.
RX-7 SE			16,150			670	std.	std.	859
RX-7 SE 2+2			16,650			670	std.	std.	859
RX-7 GTU			18,150			N.A.	std.	std.	859
RX-7 GXL			20,050			670	std.	std.	std.
RX-7 GXL 2+2			20,550			670	std.	std.	std.
RX-7 Turbo			22,750			N.A.	500	std.	std.
RX-7 Convertible				21,550		N.A.	std.	std.	859
RX-7 10th Anniversary			24,650			N.A.	std.	std.	std.

*—Radio price includes cassette player.
Mazda MX-6 models are U.S.-built.

MERCEDES-BENZ 190-E 2.3 4	29,190					770	std.	std.	std.
190-D 2.5 5	29,960					std.	std.	std.	std.
190-E 2.6 6	33,500					760	std.	std.	std.
260-E 6	37,845					915	std.	std.	std.
300-E 6	43,365					1,035	std.	std.	std.
300-CE 6		53,340				std.	std.	std.	std.
300-TE 6					47,730	std.	std.	std.	std.
300-SE 6	49,900					std.	std.	std.	std.
300-SEL 6	53,490					std.	std.	std.	std.
420-SEL V-8	59,080					std.	std.	std.	std.
560-SEL V-8	69,760					std.	std.	std.	std.
560-SL V-8		62,110				std.	std.	std.	std.
560-SEC V-8		77,065				std.	std.	std.	std.

Gas guzzler tax is $650 on 300-TE, 300-SE and 300-SEL; $1,050 on 420-SEL; $1,300 on 560-SL; and $1,500 on 560-SEL and 560-SEC.

MERCURY Tracer 4	8,914		8,216		9,399	415	235	std.	688
Topaz GS 4	9,323	9,166				482	std.	std.	773
Topaz XR-5 4		10,058				482	std.	std.	773
Topaz LS 4	10,591					482	std.	std.	773
Topaz LTS 4	11,541					482	std.	std.	773
Sable GS V-6	13,772				14,413	std.	std.	std.	std.
Sable LS V-6	14,765				15,432	std.	std.	std.	std.
Cougar LS V-6		14,026				std.	std.	std.	std.
Cougar XR-7 V-8		16,157				std.	std.	std.	std.
Grand Marquis GS V-8	16,079					std.	std.	std.	std.
Grand Marquis LS V-8	16,591					std.	std.	std.	std.
Colony Park GS V-8					16,428	std.	std.	std.	std.
Colony Park LS V-8					17,012	std.	std.	std.	std.
XR4Ti 4			19,142			427	std.	std.	std.
Scorpio V-6	24,048					550	std.	std.	std.

Tracer models are imported from Mexico.
XR4Ti and Scorpio models are imported from West Germany.

MITSUBISHI Precis 4			5,395			N.A.	N.A.	295	N.A.
Precis RS 4			6,499			N.A.	N.A.	295	715
Precis LS 4			7,249			450	240	std.	715
Precis LS 4	7,499					450	240	std.	N.A.
Mirage 4	8,619					470	255	314	717
Mirage Turbo 4			9,239			N.A.	N.A.	476*	717
Cordia L 4			10,829			460	std.	std.	726
Cordia Turbo 4			12,389			N.A.	std.	std.	726
Galant Sigma V-6	16,129					830	std.	std.	std.
Starion ESi Turbo 4			17,129			N.A.	std.	std.	928
Starion ESi-R Turbo 4			19,789			700	std.	std.	std.

*—Radio price includes cassette player.

NISSAN Sentra 4		6,699				N.A.	N.A.	*	735
Sentra E 4	8,649	7,599	7,699		9,224	825**	**	*	735
Sentra XE 4	9,749	9,149			10,174	850***	std.	***	735
Sentra XE 4wd Wagon 4					10,974	N.A.	std.	***	735
Sentra GXE 4	10,349					495	std.	std.	735
Sentra XE Coupe 4		10,124				850***	std.	***	735
Sentra SE Coupe 4		11,374				495	std.	std.	735
Pulsar NX XE 4			11,749			495	std.	std.	735
Pulsar NX SE 4			12,999			715	std.	std.	735
Pulsar NX Sportbak XE 4			12,299			495	std.	std.	735
Pulsar NX Sportbak SE 4			13,549			715	std.	std.	735
Stanza E 4	11,499					715	std.	std.	795
Stanza GXE 4	13,449					715	std.	std.	795
Stanza XE Wagon 4 (2wd)					12,599	865	std.	std.	795
Stanza XE Wagon 4 (4wd)					13,999	865	std.	std.	N.A.

	4-Door	2-Door	2-Door Hatchback	Convertible	4-Door Wagon	Auto. Trans.	Power Steering	AM/FM Stereo	Air Cond.
200-SX XE 4		12,449	12,749			715	std.	std.	795
200-SX SE 4			15,549			715	std.	std.	795
Maxima GXE 6	17,499				18,699	std.	std.	std.	std.
Maxima SE 6	17,949					750	std.	std.	std.
Maxima Special Edition SE 6	18,999					750	std.	std.	std.
300-ZX GS 6			21,699			715	std.	std.	std.
300-ZX 2+2 GS 6			22,849			715	std.	std.	std.
300-ZX Turbo 6			24,099			715	std.	std.	std.
300-ZX LE Turbo 6			25,099			N.A.	std.	std.	std.

*—Radio is dealer installed on base Sentra and Sentra E. Nissan does not quote a price.
**—Automatic transmission price on Sentra E includes power steering.
***—Automatic transmission price on Sentra XE includes AM/FM Stereo Radio.
Sentra 2-door Sedans and 4-door Sedans are U.S.-built.

OLDSMOBILE Firenza 4	9,295	9,295			9,995	415	std.	std.	675
Cutlass Calais 4	10,320	10,320				490	std.	std.	675
Cutlass Calais SL 4	11,195	11,195				490	std.	std.	675
Cutlass Calais Intl Series 4	13,695	13,695				490	std.	std.	std.
Cutlass Ciera 4	11,656	10,995				std.	std.	std.	775
Cutlass Ciera Cruiser 4					12,320	std.	std.	std.	775
Cutlass Ciera SL 4		11,845				std.	std.	std.	775
Cutlass Ciera Brougham 4	12,625					std.	std.	std.	775
Cutlass Ciera Brougham Cruiser 4					12,995	std.	std.	std.	775
Cutlass Ciera Intl Series 4	15,825	14,995				std.	std.	std.	std.
Cutlass Supreme V-6		12,846				std.	std.	std.	775
Cutlass Supreme SL V-6		13,495				std.	std.	std.	775
Cutlass Supreme Intl. V-6		15,644				std.	std.	std.	std.
Delta 88 V-6	14,498	14,498				std.	std.	std.	std.
Delta 88 Royale Brougham V-6	15,451	15,451				std.	std.	std.	std.
Custom Cruiser V-8					15,655	std.	std.	std.	std.
98 Regency V-6	17,995					std.	std.	std.	std.
98 Regency Brougham V-6	19,371					std.	std.	std.	std.
98 Touring Sedan V-6	24,470					std.	std.	std.	std.
Toronado V-6		20,598				std.	std.	std.	std.
Toronado Trofeo V-6		22,695				std.	std.	std.	std.

PEUGEOT 505-DL 4	15,950				16,975	625	std.	250*	std.
505-GLS 4	18,290				18,475	625	std.	250*	std.
505-SW8 4					19,200	625	std.	std.	std.
505-GLX V-6	20,425					625	std.	std.	std.
[illegible] 4	20,890					std.	std.	std.	std.
[illegible] V-6	24,690					625	std.	std.	std.
505 [illegible] S 4	25,330					625	std.	std.	std.
505 T[illegible]o S 4					24,330	std.	std.	std.	std.

*—Radio price includes cassette player.

PLYMOUTH Colt 4			5,998			N.A.	N.A.	241	717
Colt E 4	7,872		6,697			489	251	241	717
Colt DL 4	8,316		7,949		8,859	489	251	241	717
Colt Premier	9,221					489	251	241	717
Colt Vista 4					11,461	489	251	265	717
Colt Vista 4 (4wd)					12,775	N.A.	std.	265	717
Horizon America 4	5,995					*	*	*	694
Sundance 4	8,245		7,995			536	std.	155	694
Reliant America 4	6,995	6,995			7,695	*	*	*	775
Caravelle 4	10,659					std.	std.	std.	775
Caravelle SE 4	11,628					std.	std.	std.	775
Gran Fury Salon V-8	11,407					std.	std.	std.	830

*—Part of option package; not priced separately.
Colt models are imported from Japan.

PONTIAC LeMans 4			6,399			N.A.	214	301	N.A.
LeMans 4	8,149	7,699				420	214	std.	660
LeMans SE 4	8,999					420	214	std.	660
Sunbird 4	8,499					415	225	std.	675
Sunbird SE 4	8,799	8,599			9,399	415	225	std.	675
Sunbird GT 4		10,899		16,199		415	std.	std.	675
Fiero 4		8,999				490	N.A.	std.	775
Fiero Formula 4		10,999				490	N.A.	std.	775
Fiero GT V-6		13,999				490	N.A.	std.	775
Grand Am 4	10,069	9,869				490	std.	std.	675
Grand Am LE 4	10,769	10,569				490	std.	std.	675
Grand Am SE 4	13,099	12,869				490	std.	std.	675

PRICES

	4-Door	2-Door	2-Door Hatchback	Convertible	4-Door Wagon	Auto. Trans.	Power Steering	AM/FM Stereo	Air Cond.
Firebird V-6		10,999				490	std.	std.	775
Firebird Formula V-8		11,999				490	std.	std.	775
Firebird Trans Am V-8		13,999				490	std.	std.	775
Firebird Trans Am GTA V-8		19,299				std.	std.	std.	std.
Pontiac 6000 4	11,199				11,639	std.	std.	std.	775
Pontiac 6000 LE 4	11,839				12,299	std.	std.	std.	775
Pontiac 6000 S/E V-6	12,739				13,639	440	std.	std.	775
Pontiac 6000 STE V-6	18,874					std.	std.	std.	std.
Pontiac 6000 STE V-6 (AWD)	21,825					std.	std.	std.	std.
Grand Prix V-6		12,539				std.	std.	std.	775
Grand Prix LE V-6		13,239				std.	std.	std.	775
Grand Prix SE V-6		15,249				615	std.	std.	std.
Bonneville LE V-6	14,099					std.	std.	std.	std.
Bonneville SE V-6	16,299					std.	std.	std.	std.
Bonneville SSE V-6	21,879					std.	std.	std.	std.
Safari V-8					14,519	std.	std.	std.	std.

LeMans models are imported from South Korea.

PORSCHE 924-S 4			26,560			1,100	std.	565*	std.
944 4			30,995			1,120	std.	565*	std.
944-S 4			36,830			N.A.	std.	565*	std.
944 Turbo 4			39,765			N.A.	std.	565*	std.
944 Turbo S 4			47,432			N.A.	std.	std.	std.
911 6		45,895		52,895		N.A.	N.A.	std.	std.
911 Targa 6		48,230				N.A.	N.A.	std.	std.
911 Turbo 6		68,670		85,060		N.A.	N.A.	std.	std.
911 Turbo Targa 6		77,065				N.A.	N.A.	std.	std.
928-S4 V-8			69,380			std.	std.	std.	std.

*—Radio price includes cassette player.

ROLLS-ROYCE Silver Spirit V-8	117,500					std.	std.	std.	std.
Silver Spur V-8	129,500					std.	std.	std.	std.
Silver Spur Limo V-8	198,000					std.	std.	std.	std.
Corniche II V-8				183,500		std.	std.	std.	std.
SAAB 900 4	15,935		15,432			472	std.	std.	std.
900 S 16-valve 4	19,783		19,280			472	std.	std.	std.
900 Turbo 16-valve 4			22,655	30,632		472	std.	std.	std.
9000-S 16-valve 4	24,037					609	std.	std.	std.
9000 Turbo 16-valve 4	28,985					609	std.	std.	std.
STERLING 825-S V-6	21,740					625	std.	std.	std.
825 SL V-6	26,980					std.	std.	std.	std.
SUBARU Justy DL 3			5,666			N.A.	N.A.	200	685
Justy GL 3			6,666			N.A.	N.A.	std.	685
Justy GL 3 (4wd)			7,266			N.A.	N.A.	std.	685
Justy RS 3 (4wd)			7,666			N.A.	N.A.	std.	685
GL Hatchback 4			8,146			560	N.A.	std.	640
GL Hatchback 4 (4wd)			8,746			N.A.	N.A.	std.	640
DL 4	9,201		9,501		9,651	560	std.	200	700
DL 4 (4wd)					10,351	N.A.	std.	200	700
GL 4	10,846		11,146		11,296	560	std.	std.	700
GL 4 (4wd)	11,546		11,846		11,996	560	std.	std.	700
GL-10 4	14,381				14,831	std.	std.	std.	std.
GL-10 Turbo 4	15,406				15,856	std.	std.	std.	std.
GL Turbo 4 (4wd)					13,771	N.A.	std.	std.	std.
GL-10 Turbo 4 (4wd)	16,446				16,896	780	std.	std.	std.
RX Turbo 4 (4wd)	15,366		15,366			N.A.	std.	std.	std.
XT DL 4		9,866				N.A.	std.	200	822
XT GL 4		12,368				760	std.	std.	822
XT GL 4 (4wd)		13,068				N.A.	std.	std.	822
XT-6		16,116				std.	std.	std.	std.
XT-6 (4wd)		16,956				760	std.	std.	std.

Prices do not include suggested dealer preparation charge of $129.

TOYOTA Tercel EZ 4		5,998	6,148			N.A.	N.A.	210	N.A.
Tercel 4		7,148				460	245	210	735
Tercel 4			6,988			470	245	210	735
Tercel Deluxe 4	8,328	8,238	8,088			470	245	210	735
Tercel Deluxe 4 (4wd)					10,698	390	245	300	735
Tercel SR-5 4 (4wd)					11,718	N.A.	245	std.	735

	4-Door	2-Door	2-Door Hatchback	Convertible	4-Door Wagon	Auto. Trans.	Power Steering	AM/FM Stereo	Air Cond.
Corolla Deluxe 4	8,998					470	245	210	745
Corolla Deluxe 4					9,548	470	245	210	745
Corolla Deluxe All-Trac Wagon 4					10,948	750	245	210	745
Corolla SR-5 All-Trac Wagon 4					12,418	N.A.	std.	std.	745
Corolla LE 4	10,248					650	245	std.	745
Corolla FX 4			7,948			440	245	300	745
Corolla FX-16 4			9,978			690	std.	300	745
Corolla FX-16 GT-S 4			10,968			690	std.	300	745
Corolla Sport SR-5 4		10,348				650	245	330	745
Corolla Sport GT-S 4		12,478				N.A.	245	std.	745
Camry 4	11,248					650	std.	330	795
Camry Deluxe 4	12,098					730	std.	330	795
Camry Deluxe 4					12,788	730	std.	360	795
Camry Deluxe 4 (All-Trac)	13,828					N.A.	std.	330	795
Camry Deluxe V-6	13,148					730	std.	330	795
Camry Deluxe Wagon V-6					14,568	std.	std.	360	795
Camry LE 4	14,438				15,208	std.	std.	std.	795
Camry LE 4 (All-Trac)	15,448					N.A.	std.	std.	795
Camry LE V-6	15,998				16,788	std.	std.	std.	795
Cressida 6	20,998					std.	std.	std.	std.
MR2 4		13,458				730	N.A.	std.	795
MR2 4 (T-bar roof)		14,808				730	N.A.	std.	795
MR2 4 (supercharged)		17,068				730	N.A.	std.	795
Celica ST 4		11,548				650	std.	std.	795
Celica GT 4		13,288	13,538	18,248		650	std.	std.	795
Celica GT-S 4		15,298				730	std.	std.	960
Celica GT-S 4			15,648			N.A.	std.	std.	960
Celica Turbo 4 (All-Trac)			20,698			N.A.	std.	std.	960
Supra 6			21,740			720	std.	std.	std.
Supra 6 (sport roof)			22,780			720	std.	std.	std.
Supra Turbo 6			24,210			720	std.	std.	std.
Supra Turbo 6 (sport roof)			25,200			720	std.	std.	std.

Corrolla FX and FX-16 models are U.S.-built.

VOLKSWAGEN Fox 4		6,590				N.A.	N.A.	415**	685
Fox GL 4	7,640				7,770*	N.A.	N.A.	415**	685
Golf 4			7,990			485	265	320	775
Golf GL 4	8,905		8,695			485	265	320	775
Golf GT 4	10,385		10,175			485	265	585**	775
GTI 16V 4			12,995			N.A.	std.	585**	775
Jetta 4	9,415	9,195				485	280	320	795
Jetta GL 4	10,590					485	std.	675**	795
Jetta GLI 16V 4	14,080					N.A.	std.	675**	795
Jetta Carat 4	14,570					485	std.	std.	std.
Cabriolet 4				14,750		485	280	std.	795
Cabriolet Bestseller 4				15,425		485	280	std.	795
Cabriolet Boutique 4				16,390		485	std.	std.	795
Scirocco 16V 4			14,440			N.A.	std.	430**	795
Quantum GL 5	17,975				18,375	495	std.	std.	std.
Quantum GL Syncro 5					21,205	N.A.	std.	std.	std.

*—Fox Wagon is a 2-door model.
**—Radio price includes cassette player.
All Golf and GTI models are U.S. built.
Jetta 2-door, base Jetta 4-door and Jetta GL 4-door are U.S. built.

VOLVO 240-DL 4	17,250				17,740	570	std.	466*	std.
240-GL 4	20,035				20,775	std.	std.	440*	std.
740-GLE 4	21,850				23,425	570	std.	std.	std.
740 Turbo 4	24,925				25,605	480	std.	std.	std.
760-GLE V-6	32,155					std.	std.	std.	std.
760-GLE Turbo 4	32,940				32,940	std.	std.	std.	std.
780 V-6		39,880				std.	std.	std.	std.

*—Radio price includes cassette player.
Gas-guzzler tax on 760-GLE V-6 and 780 is $650.

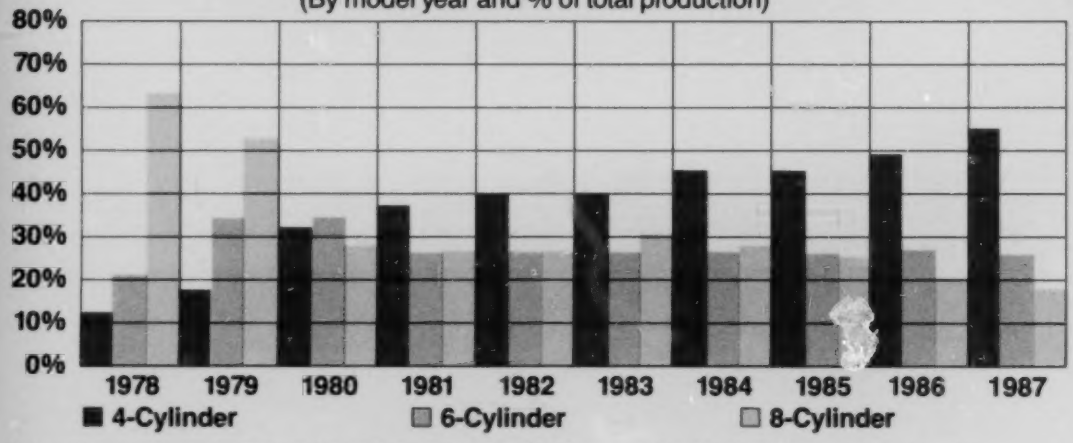
YUGO GV 4			4,349			N.A.	N.A.	239*	999**
GVL 4			4,599			N.A.	N.A.	379*	1,099**
GVS 4			4,699			N.A.	N.A.	379*	1,099*
GVX 4			5,699			N.A.	N.A.	379*	1,099**

*—Radio price includes cassette player.
**—Air conditioning price includes AM/FM/Stereo cassette radio.

OPTIONS/EQUIPMENT

GASOLINE ENGINE INSTALLATIONS, 1978-1987

(By model year and % of total production)



Four-cylinder engines were still the dominant choice for nearly half of the cars produced in 1987. Sixes were down less than a percentage point from 1986 and V-8 installations fell about two points for nearly a fifth of total production. See table on page 67.

Factory-installed convenience and control options continued to be extremely popular in 1987. More than 94 percent of all cars produced in the United States last year were equipped with power brakes and tinted glass, and over 97 percent had power steering. Air conditioning maintained its popularity and was factory-installed in 87.02 percent of all cars produced in the United States and Canada.

Upholstered bucket seats made inroads in seating in model year '87. Nearly 88 percent of the cars produced had cloth seats, and buckets increased to 55.20 percent, up from 51.42 percent in 1986. Leather as a factory option increased to 8.50 percent in 1987 model cars, while vinyl waned.

In the drivetrain category, automatic transmissions were installed in 86.25 percent of all new cars, although five-speed manuals took a larger 12.09-percent share of total output. Four- and six-cylinder engines gained momentum and were installed in over 80 percent of all cars in the 1987 model year. Four-cylinder gasoline engines were installed in 55.03 percent of all cars, up from 49.52 in 1986.

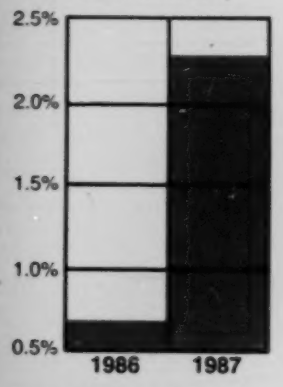
Not unexpectedly, fuel-injection continued to supplant carburetion. It went into 78.57 percent of all 1987 model U.S.-built cars, compared with 65.88 the previous year.

Options that continued to decline in 1987 were AM and AM/FM monaural radios, and diesel engines. Demand for stereo radio/cassette players grew, although interest in graphic equalizers was less substantial.

More interest in turbocharger installations, anti-lock brake system (ABS) installations and the addition of air bags added to the variety and sophistication of factory-installed options available in the 1987 model year. ■

ABS INSTALLATIONS

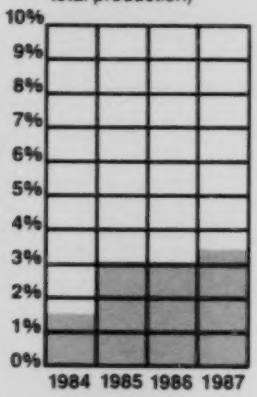
(By Model Year and % of Total Production)



Anti-lock braking system installations garnered a small but growing corner of total production in 1987. See table on page 78.

TURBOCHARGER INSTALLATIONS

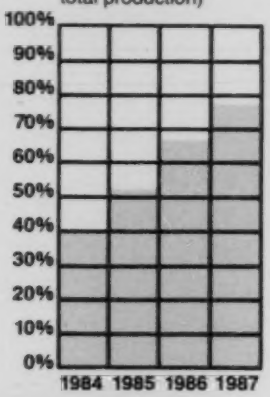
(By model year and % of total production)



Turbocharger installations reached 3.49 percent in 1987. See table on page 67.

FUEL-INJECTION INSTALLATIONS

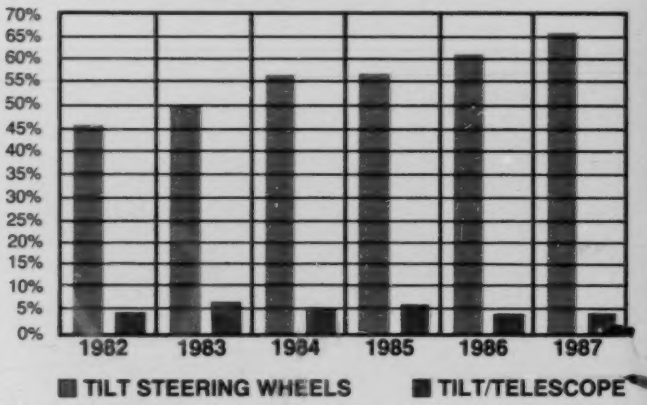
(By model year and % of total production)



Fuel-injection continued to supplant carburetion, taking nearly 79 percent of total production in 1987 for a 13.57 percent gain. See table on page 67.

TILT AND TILT/TELESCOPE STEERING WHEEL INSTALLATIONS

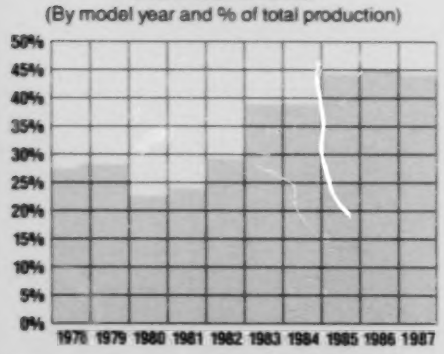
(By Model Year and % of Total Production)



Tilt and tilt/telescope steering wheel installations rose four points for a 66-percent share of total production. Combination tilt/telescope wheel installations stayed static, with a 3.89-percent output level in 1987. See table on page 73.

POWER SIDE WINDOW INSTALLATIONS

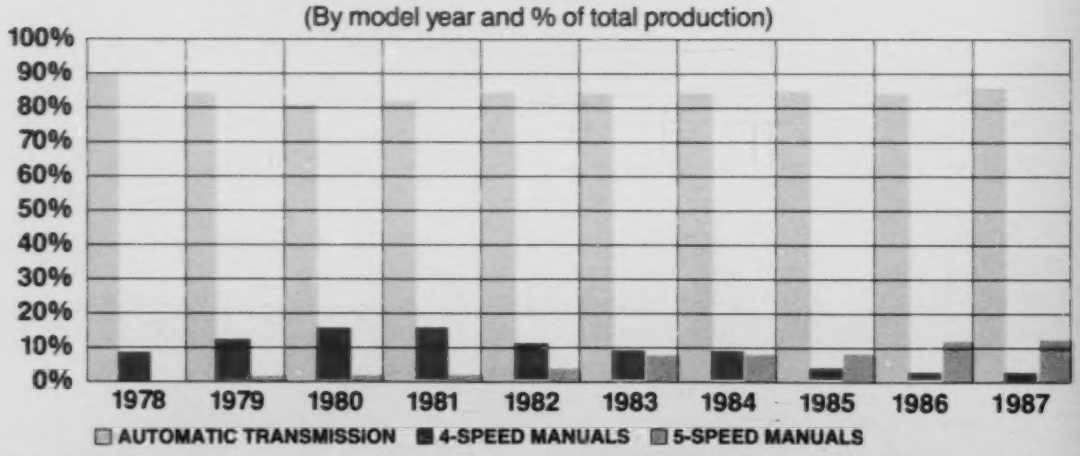
(By model year and % of total production)



Power side window installations fell slightly in 1987. Over 44 percent of new U.S.-built cars were equipped with power windows, however. See table on page 72.

TRANSMISSION INSTALLATIONS, 1978-1987

(By model year and % of total production)



Automatic transmissions were installed in the *majority of cars built in the U.S. in 1987. Four-speed manual installations* continued to drop, while the trend for "sporty" five-speeds was confirmed by a 12.09 percent share of total installations. See table on page 70.

OPTIONS/EQUIPMENT

Engine options on 1987 U.S. models

	V-8 Gasoline	Percent of Output	6-Cylinder Gasoline	Percent of Output	4-Cylinder Gasoline	Percent of Output	4-Cylinder Diesel	Percent of Output	Turbo-charging	Percent of Output	Fuel Injection	Percent of Output
CHRYSLER MOTORS	153,639	11.08	5,203	0.38	1,227,266	88.54	0	0.00	223,108	16.10	835,927	60.31
Eagle Total	0	0.00	5,203	12.53	36,336	87.47	0	0.00	0	0.00	41,539	100.00
Eagle	0	0.00	5,203	100.00	0	0.00	0	0.00	0	0.00	5,203	100.00
Alliance	0	0.00	0	0.00	36,336	100.00	0	0.00	0	0.00	36,336	100.00
Plymouth Total	16,551	3.64	0	0.00	438,715	96.36	0	0.00	25,141	5.52	271,856	59.71
Horizon	0	0.00	0	0.00	166,859	100.00	0	0.00	0	0.00	0	0.00
Sundance	0	0.00	0	0.00	93,696	100.00	0	0.00	18,810	20.08	93,696	100.00
Reliant	0	0.00	0	0.00	130,064	100.00	0	0.00	0	0.00	130,064	100.00
Caravelle	0	0.00	0	0.00	48,096	100.00	0	0.00	6,331	13.16	48,096	100.00
Gran Fury	16,551	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Chrysler Total	104,247	27.60	0	0.00	273,455	72.40	0	0.00	136,078	36.03	273,455	72.40
LeBaron K	0	0.00	0	0.00	63,069	100.00	0	0.00	15,174	24.06	63,069	100.00
LeBaron J	0	0.00	0	0.00	92,538	100.00	0	0.00	44,353	47.93	92,538	100.00
LeBaron GTS	0	0.00	0	0.00	44,013	100.00	0	0.00	21,422	48.67	44,013	100.00
N. Yorker E-Class	0	0.00	0	0.00	73,835	100.00	0	0.00	55,129	74.67	73,835	100.00
Fifth Avenue	104,247	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Dodge Total	32,841	6.42	0	0.00	478,760	93.58	0	0.00	61,889	12.10	249,077	48.69
Daytona	0	0.00	0	0.00	37,272	100.00	0	0.00	18,767	50.35	37,272	100.00
Omni	0	0.00	0	0.00	32,931	100.00	0	0.00	3,300	2.16	0	0.00
Shadow	0	0.00	0	0.00	93,222	100.00	0	0.00	22,675	24.32	93,222	100.00
Aries	0	0.00	0	0.00	121,486	100.00	0	0.00	0	0.00	44,734	36.82
Dodge 600	0	0.00	0	0.00	45,118	100.00	0	0.00	6,221	13.79	45,118	100.00
Lancer	0	0.00	0	0.00	28,731	100.00	0	0.00	10,926	38.03	28,731	100.00
Diplomat	32,841	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
FORD MOTOR CO.	495,292	23.83	526,081	25.31	1,053,595	50.68	3,747	0.18	23,812	1.15	2,074,969	99.82
Ford Division	223,348	15.15	331,626	22.50	916,448	62.17	2,784	0.19	23,812	1.62	1,471,422	99.81
Escort	0	0.00	0	0.00	397,869	99.31	2,784	0.69	0	0.00	397,869	99.31
Mustang	66,008	41.48	0	0.00	93,137	58.52	0	0.00	0	0.00	159,145	100.00
Tempo	0	0.00	0	0.00	282,632	100.00	0	0.00	0	0.00	282,632	100.00
Crown Victoria	128,878	100.00	0	0.00	0	0.00	0	0.00	0	0.00	128,878	100.00
Taurus	0	0.00	255,766	68.25	118,997	31.75	0	0.00	0	0.00	374,763	100.00
Thunderbird	28,463	22.21	75,860	59.20	23,812	18.58	0	0.00	23,812	18.58	128,135	100.00
L-M Division	271,944	44.99	194,455	32.17	137,148	22.69	963	0.16	0	0.00	603,547	99.84
Mercury Total	162,578	32.83	194,455	39.27	137,148	27.70	963	0.19	0	0.00	494,181	99.81
Lynx	0	0.00	0	0.00	39,078	97.59	963	2.41	0	0.00	39,078	97.59
Topaz	0	0.00	0	0.00	98,070	100.00	0	0.00	0	0.00	98,070	100.00
Grand Marquis	131,194	100.00	0	0.00	0	0.00	0	0.00	0	0.00	131,194	100.00
Cougar	31,384	30.02	73,142	69.98	0	0.00	0	0.00	0	0.00	104,526	100.00
Sable	0	0.00	121,313	100.00	0	0.00	0	0.00	0	0.00	121,313	100.00
Lincoln Total	109,366	100.00	0	0.00	0	0.00	0	0.00	0	0.00	109,366	100.00
Continental	17,597	100.00	0	0.00	0	0.00	0	0.00	0	0.00	17,597	100.00
Lincoln	76,483	100.00	0	0.00	0	0.00	0	0.00	0	0.00	76,483	100.00
Mark VII	15,286	100.00	0	0.00	0	0.00	0	0.00	0	0.00	15,286	100.00
GENERAL MOTORS	844,187	21.94	1,584,556	41.18	1,419,168	36.88	0	0.00	33,103	0.86	3,229,774	83.94
Buick Total	30,096	4.64	427,855	65.96	190,738	29.40	0	0.00	25,996	4.01	596,054	91.89
Skyhawk	0	0.00	0	0.00	46,664	100.00	0	0.00	585	1.25	46,664	100.00
Century	0	0.00	98,518	53.49	85,660	46.51	0	0.00	0	0.00	184,178	100.00
Regal	17,337	26.56	47,950	73.44	0	0.00	0	0.00	25,411	38.92	25,411	38.92
Somerset/Skylark	0	0.00	21,792	27.17	58,414	72.83	0	0.00	0	0.00	80,206	100.00
LeSabre (fwd)	0	0.00	154,331	100.00	0	0.00	0	0.00	0	0.00	154,331	100.00
LeSabre (rwd)	12,759	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Electra (fwd)	0	0.00	90,041	100.00	0	0.00	0	0.00	0	0.00	90,041	100.00
Riviera	0	0.00	15,223	100.00	0	0.00	0	0.00	0	0.00	15,223	100.00
Cadillac Total	268,021	94.85	14,561	5.15	0	0.00	0	0.00	0	0.00	217,078	76.82
Cimarron	0	0.00	14,561	100.00	0	0.00	0	0.00	0	0.00	14,561	100.00
Allante	3,366	100.00	0	0.00	0	0.00	0	0.00	0	0.00	3,366	100.00
Brougham (rwd)	65,504	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
DeVille (fwd)	162,798	100.00	0	0.00	0	0.00	0	0.00	0	0.00	162,798	100.00
Eldorado	17,775	100.00	0	0.00	0	0.00	0	0.00	0	0.00	17,775	100.00
Seville	18,578	100.00	0	0.00	0	0.00	0	0.00	0	0.00	18,578	100.00
Chevrolet Total	371,883	29.47	341,556	27.07	548,535	43.47	0	0.00	0	0.00	950,800	75.34
Chevette	0	0.00	0	0.00	46,208	100.00	0	0.00	0	0.00	0	0.00
Camaro	77,321	56.13	60,439	43.87	0	0.00	0	0.00	0	0.00	137,760	100.00
Cavalier	0	0.00	53,230	15.37	293,024	84.63	0	0.00	0	0.00	346,254	100.00
Celebrity	0	0.00	177,407	47.12	199,122	52.88	0	0.00	0	0.00	376,529	100.00
Corsica/Beretta	0	0.00	6,864	40.27	10,181	59.73	0	0.00	0	0.00	17,045	100.00
Monte Carlo	62,813	79.46	16,232	20.54	0	0.00	0	0.00	0	0.00	15,196	19.22
Caprice	201,117	88.02	27,384	11.98	0	0.00	0	0.00	0	0.00	27,384	11.98
Corvette	30,632	100.00	0	0.00	0	0.00	0	0.00	0	0.00	30,632	100.00
Oldsmobile Total	106,213	12.45	489,834	57.41	257,220	30.15	0	0.00	0	0.00	710,359	83.25
Firenza	0	0.00	783	3.03	25,045	96.97	0	0.00	0	0.00	25,828	100.00
Calais	0	0.00	28,664	24.50	88,346	75.50	0	0.00	0	0.00	117,010	100.00
Cutlass Ciera	0	0.00	153,458	51.62	143,829	48.38	0	0.00	0	0.00	297,287	100.00
Cutlass Supreme	88,471	70.68	36,695	29.32	0	0.00	0	0.00	0	0.00	0	0.00
88 (fwd)	0	0.00	170,432	100.00	0	0.00	0	0.00	0	0.00	170,432	100.00
88 (rwd)	17,742	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Olds 98	0	0.00	84,762	100.00	0	0.00	0	0.00	0	0.00	84,762	100.00
Toronado	0	0.00	15,040	100.00	0	0.00	0	0.00	0	0.00	15,040	100.00
Pontiac Total	67,974	8.48	310,750	38.78	422,675	52.74	0	0.00	7,107	0.89	755,483	94.27
Fiero	0	0.00	18,422	39.55	28,159	60.45	0	0.00	0	0.00	46,581	100.00
Pontiac 1000	0	0.00	0	0.00	5,628	100.00	0	0.00	0	0.00	0	0.00
Firebird	54,552	61.55	34,071	38.45	0	0.00	0	0.00	0	0.00	61,757	69.69
Sunbird	0	0.00	0	0.00	106,769	100.00	0	0.00	4,795	4.49	106,769	100.00
Grand Am	0	0.00	61,457	25.11	183,271	74.89	0	0.00	2,312	0.94	244,728	100.00
Pontiac 6000	0	0.00	72,985	42.47	98,848	57.53	0	0.00	0	0.00	171,833	100.00
Bonneville	0	0.00	123,815	100.00	0	0.00	0	0.00	0	0.00	123,815	100.00
Safari/Parisienne	13,422	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
HONDA	0	0.00	0	0.00	309,534	100.00	0	0.00	0	0.00	73,623	23.79
Civic	0	0.00	0	0.00	92,061	100.00	0	0.00	0	0.00	0	0.00
Accord	0	0.00	0	0.00	217,473	100.00	0	0.00	0	0.00	73,623	33.85
NISSAN	0	0.00	0	0.00	137,427	100.00	0	0.00	0	0.00	0	0.00
NUMMI	0	0.00	0	0.00	197,375	100.00	0	0.00	0	0.00	21,101	10.69
Corolla	0	0.00	0	0.00	42,480	100.00	0	0.00	0	0.00	21,101	49.67
Nova	0	0.00	0	0.00	154,895	100.00	0	0.00	0	0.00	0	0.00
VOLKSWAGEN	0	0.00	0	0.00	76,389	99.99	11	0.01	0	0.00	76,400	100.00
Golf/GTI	0	0.00	0	0.00	62,631	99.98	11	0.02	0	0.00	62,642	100.00
Jetta	0	0.00	0	0.00	13,758	100.00	0	0.00	0	0.00	13,758	100.00
Total Cars, U.S.	1,493,118	18.59	2,115,840	26.34	4,420,754	55.03	3,759	0.05	280,023	3.49	6,311,793	78.57

OPTIONS/EQUIPMENT

Transmission options on 1987 U.S. models

	Automatic Transmission	Percent of Output	4-Speed Manual	Percent of Output	5-Speed Manual	Percent of Output	Manual w/Electronic Overdrive	Percent of Output	Four Wheel Drive	Percent of Output	Limited Slip Differential	Percent of Output
CHRYSLER MOTORS	1,206,418	87.04	6,286	0.45	173,404	12.51	0	0.00	5,203	0.38	0	0.00
Eagle Total	23,324	56.15	6,286	15.13	11,929	28.72	0	0.00	5,203	12.53	0	0.00
Eagle	5,120	98.40	0	0.00	83	1.60	0	0.00	5,203	100.00	0	0.00
Alliance	18,204	50.10	6,286	17.30	11,846	32.60	0	0.00	0	0.00	0	0.00
Plymouth Total	391,975	86.10	0	0.00	63,291	13.90	0	0.00	0	0.00	0	0.00
Horizon	120,797	72.39	0	0.00	46,062	27.61	0	0.00	0	0.00	0	0.00
Sundance	76,986	82.17	0	0.00	16,710	17.83	0	0.00	0	0.00	0	0.00
Reliant	129,545	99.60	0	0.00	519	0.40	0	0.00	0	0.00	0	0.00
Caravelle	48,096	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Gran Fury	16,551	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Chrysler Total	367,562	97.32	0	0.00	10,140	2.68	0	0.00	0	0.00	0	0.00
LeBaron K	63,069	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
LeBaron J	85,608	92.51	0	0.00	6,930	7.49	0	0.00	0	0.00	0	0.00
LeBaron GTS	40,803	92.71	0	0.00	3,210	7.29	0	0.00	0	0.00	0	0.00
N. Yorker E-Class	73,835	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Fifth Avenue	104,247	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Dodge Total	423,557	82.79	0	0.00	88,044	17.21	0	0.00	0	0.00	0	0.00
Daytona	21,566	57.86	0	0.00	15,706	42.14	0	0.00	0	0.00	0	0.00
Omni	105,309	68.86	0	0.00	47,622	31.14	0	0.00	0	0.00	0	0.00
Shadow	71,537	76.74	0	0.00	21,685	23.26	0	0.00	0	0.00	0	0.00
Aries	120,995	99.60	0	0.00	491	0.40	0	0.00	0	0.00	0	0.00
Dodge 600	45,118	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Lancer	26,191	91.16	0	0.00	2,540	8.84	0	0.00	0	0.00	0	0.00
Diplomat	32,841	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
FORD MOTOR CO.	1,645,470	79.16	90,169	4.34	343,077	16.50	273,404	13.15	15,388	0.74	163,349	7.86
Ford Division	1,084,720	73.58	80,842	5.48	308,643	20.94	273,404	18.55	12,204	0.83	116,205	7.88
Escort	203,730	50.85	80,842	20.18	116,081	28.97	80,842	20.18	0	0.00	0	00.0
Mustang	71,398	44.86	0	0.00	87,747	55.14	87,747	55.14	0	0.00	65,933	41.43
Tempo	209,533	74.14	0	0.00	73,099	25.86	73,099	25.86	12,204	4.32	0	0.00
Crown Victoria	128,878	100.00	0	0.00	0	0.00	0	0.00	0	0.00	15,365	11.92
Taurus	358,371	95.63	0	0.00	16,392	4.37	16,392	4.37	0	0.00	0	0.00
Thunderbird	112,810	88.04	0	0.00	15,325	11.96	15,325	11.96	0	0.00	34,908	27.24
L-M Division	560,750	92.76	9,326	1.54	34,434	5.70	0	0.00	3,183	0.53	47,143	7.80
Mercury Total	451,384	91.16	9,326	1.88	34,434	6.95	0	0.00	3,183	0.64	30,154	6.09
Lynx	20,506	51.21	9,326	23.29	10,209	25.50	0	0.00	0	0.00	0	0.00
Topaz	73,845	75.30	0	0.00	24,225	24.70	0	0.00	3,183	3.25	0	0.00
Grand Marquis	131,194	100.00	0	0.00	0	0.00	0	0.00	0	0.00	12,673	9.66
Cougar	104,526	100.00	0	0.00	0	0.00	0	0.00	0	0.00	17,480	16.72
Sable	121,313	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Lincoln Total	109,366	100.00	0	0.00	0	0.00	0	0.00	0	0.00	16,990	15.53
Continental	17,597	100.00	0	0.00	0	0.00	0	0.00	0	0.00	2,929	16.65
Lincoln	76,483	100.00	0	0.00	0	0.00	0	0.00	0	0.00	8,209	10.73
Mark VII	15,286	100.00	0	0.00	0	0.00	0	0.00	0	0.00	5,851	38.28
GENERAL MOTORS	3,673,308	95.46	36,500	0.95	138,100	3.59	4,299	0.11	3,366	0.09	166,562	4.33
Buick Total	642,666	99.07	1,022	0.16	5,001	0.77	0	0.00	0	0.00	23,950	3.69
Skyhawk	42,875	91.88	1,022	2.19	2,767	5.93	0	0.00	0	0.00	0	0.00
Century	184,178	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Regal	65,287	100.00	0	0.00	0	0.00	0	0.00	0	0.00	22,634	34.67
Somerset/Skylark	77,972	97.21	0	0.00	2,234	2.79	0	0.00	0	0.00	0	0.00
LeSabre (fwd)	154,331	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
LeSabre (rwd)	12,759	100.00	0	0.00	0	0.00	0	0.00	0	0.00	1,316	10.31
Electra (fwd)	90,041	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Riviera	15,223	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Cadillac Total	282,150	99.85	0	0.00	432	0.15	0	0.00	3,366	1.19	0	0.00
Cimarron	14,129	97.03	0	0.00	432	2.97	0	0.00	0	0.00	0	0.00
Allante	3,366	100.00	0	0.00	0	0.00	0	0.00	3,366	100.00	0	0.00
Brougham (rwd)	65,504	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
DeVille (fwd)	162,798	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Eldorado	17,775	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Seville	18,578	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Chevrolet Total	1,170,122	92.72	34,063	2.70	57,789	4.58	4,299	0.34	0	0.00	104,785	8.30
Chevette	28,171	60.97	15,134	32.75	2,903	6.28	0	0.00	0	0.00	0	0.00
Camaro	115,109	83.56	0	0.00	22,651	16.44	0	0.00	0	0.00	40,823	29.63
Cavalier	300,224	86.71	14,630	4.23	31,400	9.07	0	0.00	0	0.00	0	0.00
Celebrity	376,278	99.93	0	0.00	251	0.07	0	0.00	0	0.00	0	0.00
Corsica/Beretta	16,461	96.57	0	0.00	584	3.43	0	0.00	0	0.00	0	0.00
Monte Carlo	79,045	100.00	0	0.00	0	0.00	0	0.00	0	0.00	16,768	21.21
Caprice	228,501	100.00	0	0.00	0	0.00	0	0.00	0	0.00	16,562	7.25
Corvette	26,333	85.97	4,299	14.03	0	0.00	4,299	14.03	0	0.00	30,632	100.00
Oldsmobile Total	845,500	99.09	552	0.06	7,215	0.85	0	0.00	0	0.00	6,739	0.79
Firenza	24,139	93.46	552	2.14	1,137	4.40	0	0.00	0	0.00	0	0.00
Calais	110,932	94.81	0	0.00	6,078	5.19	0	0.00	0	0.00	0	0.00
Cutlass Ciera	297,287	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Cutlass Supreme	125,166	100.00	0	0.00	0	0.00	0	0.00	0	0.00	5,676	4.53
88 (fwd)	170,432	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
88 (rwd)	17,742	100.00	0	0.00	0	0.00	0	0.00	0	0.00	1,063	5.99
Olds 98	84,762	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Toronado	15,040	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Pontiac Total	732,870	91.45	863	0.11	67,662	8.44	0	0.00	0	0.00	31,088	3.88
Fiero	25,446	54.63	0	0.00	21,135	45.37	0	0.00	0	0.00	0	0.00
Pontiac 1000	3,914	69.55	863	15.33	851	15.12	0	0.00	0	0.00	0	0.00
Firebird	78,066	88.09	0	0.00	10,557	11.91	0	0.00	0	0.00	30,411	34.32
Sunbird	91,293	85.51	0	0.00	15,476	14.49	0	0.00	0	0.00	0	0.00
Grand Am	225,652	92.21	0	0.00	19,076	7.79	0	0.00	0	0.00	0	0.00
Pontiac 6000	171,262	99.67	0	0.00	567	0.33	0	0.00	0	0.00	0	0.00
Bonneville	123,815	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Safari/Paris.	13,422	100.00	0	0.00	0	0.00	0	0.00	0	0.00	677	5.04
HONDA	187,551	60.59	0	0.00	121,983	39.41	0	0.00	0	0.00	309,534	100.00
Civic	52,152	56.65	0	0.00	39,909	43.35	0	0.00	0	0.00	92,061	100.00
Accord	135,399	62.26	0	0.00	82,074	37.74	0	0.00	0	0.00	217,473	100.00
NISSAN	51,564	37.52	0	0.00	85,863	62.48	0	0.00	0	0.00	0	0.00
NUMMI	142,792	72.35	0	0.00	54,583	27.65	0	0.00	0	0.00	0	0.00
Corolla	20,672	48.66	0	0.00	21,808	51.34	0	0.00	0	0.00	0	0.00
Nova	122,121	78.84	0	0.00	32,774	21.16	0	0.00	0	0.00	0	0.00
VOLKSWAGEN	21,997	28.79	0	0.00	54,403	71.21	0	0.00	0	0.00	0	0.00
Golf/GTI	15,282	24.40	0	0.00	47,360	75.60	0	0.00	0	0.00	0	0.00
Jetta	6,715	48.81	0	0.00	7,043	51.19	0	0.00	0	0.00	0	0.00
Total Cars, U.S.	6,929,099	86.25	132,955	1.66	971,414	12.09	277,703	3.46	23,957	0.30	639,445	7.96

OPTIONS/EQUIPMENT

Power equipment, lighting options on 1987 U.S. models

	Power Windows	Percent of Output	Power Locks	Percent of Output	Power Side Mirrors	Percent of Output	Halogen Headlamps	Percent of Output	Light Package	Percent of Output
CHRYSLER MOTORS	397,236	28.66	452,564	32.65	286,646	20.68	1,184,120	85.43	480,966	34.70
Eagle Total	2,376	5.72	4,693	11.30	598	1.44	37,600	90.52	12,290	29.59
Eagle	1,722	33.10	2,404	46.20	598	11.50	1,264	24.30	4,287	82.40
Alliance	654	1.80	2,289	6.30	0	0.00	36,336	100.00	8,003	22.02
Plymouth Total	20,176	4.43	52,633	11.56	22,638	4.97	455,266	100.00	94,326	20.72
Horizon	0	0.00	0	0.00	0	0.00	166,859	100.00	0	0.00
Sundance	4,268	4.55	12,721	13.58	16,516	17.63	93,606	100.00	74,907	79.98
Reliant	0	0.00	21,470	16.51	0	0.00	130,064	100.00	9,321	7.17
Caravelle	12,028	25.01	12,028	25.01	6,122	12.73	48,096	100.00	6,029	12.54
Gran Fury	3,881	23.45	6,413	38.75	0	0.00	16,551	100.00	4,069	24.58
Chrysler Total	365,777	80.96	300,165	79.47	185,259	49.05	377,702	100.00	247,008	65.40
LeBaron K	33,704	53.44	33,706	53.44	19,067	30.23	63,069	100.00	0	0.00
LeBaron J	73,176	79.08	72,437	78.28	72,437	78.28	92,538	100.00	44,547	48.14
LeBaron GTS	20,815	47.29	20,815	47.29	19,920	45.26	44,013	100.00	24,394	55.42
N. Yorker E-Class	73,835	100.00	71,096	96.29	73,835	100.00	73,835	100.00	73,835	100.00
Fifth Avenue	104,247	100.00	102,111	97.95	0	0.00	104,247	100.00	104,232	99.99
Dodge Total	68,906	13.47	95,073	18.58	78,151	15.28	313,552	61.29	127,342	24.89
Daytona	19,879	53.33	17,269	46.39	34,779	93.31	37,272	100.00	18,541	49.75
Omni	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Shadow	5,843	6.27	13,721	14.72	24,825	26.63	93,222	100.00	73,187	78.51
Aries	0	0.00	19,469	16.03	0	0.00	121,486	100.00	9,368	7.71
Dodge 600	15,963	35.38	15,963	35.38	7,871	17.44	0	0.00	1,705	3.78
Lancer	11,005	38.30	11,005	38.30	10,676	37.16	28,731	100.00	16,681	58.06
Diplomat	16,216	49.38	17,627	53.67	0	0.00	32,841	100.00	7,860	23.93
FORD MOTOR CO.	1,022,997	49.21	1,129,901	54.36	1,794,881	86.35	1,950,581	93.84	1,136,281	54.66
Ford Division	552,085	37.45	665,776	45.16	1,202,056	81.54	1,346,071	91.31	687,945	46.67
Escort	0	0.00	0	0.00	314,888	78.59	400,653	100.00	89,815	22.42
Mustang	65,504	41.16	144,199	90.61	68,305	42.92	159,145	100.00	159,145	100.00
Tempo	40,995	14.50	86,779	30.70	260,886	92.31	282,632	100.00	141,648	50.12
Crown Victoria	90,823	70.47	94,691	73.47	90,823	70.47	128,878	100.00	94,805	73.56
Taurus	232,983	62.17	226,576	60.46	343,567	91.68	374,763	100.00	92,373	24.65
Thunderbird	121,780	95.04	113,530	88.60	123,585	96.45	0	0.00	110,160	85.97
L-M Division	470,911	77.90	464,125	76.78	592,826	98.07	604,510	100.00	448,337	74.17
Mercury Total	361,545	73.02	354,759	71.65	483,460	97.64	495,144	100.00	338,971	68.46
Lynx	0	0.00	0	0.00	26,357	70.82	40,041	100.00	0	0.00
Topaz	27,582	28.12	27,582	28.12	98,070	100.00	98,070	100.00	44,558	45.43
Grand Marquis	131,194	100.00	128,533	97.97	131,194	100.00	131,194	100.00	114,689	87.42
Cougar	99,844	95.52	95,860	91.71	104,526	100.00	104,526	100.00	91,855	87.88
Sable	102,925	84.84	102,784	84.73	121,313	100.00	121,313	100.00	87,869	72.43
Lincoln Total	109,366	100.00	109,366	100.00	109,366	100.00	109,366	100.00	109,366	100.00
Continental	17,597	100.00	17,597	100.00	17,597	100.00	17,597	100.00	17,597	100.00
Lincoln	76,483	100.00	76,483	100.00	76,483	100.00	76,483	100.00	76,483	100.00
Mark VII	15,286	100.00	15,286	100.00	15,286	100.00	15,286	100.00	15,286	100.00
GENERAL MOTORS	1,959,046	50.91	2,155,728	56.02	647,917	16.84	2,533,496	65.84	2,397,750	62.31
Buick Total	425,318	65.57	461,097	71.08	185,504	28.60	451,014	69.53	648,689	100.00
Skyhawk	4,761	10.20	5,653	12.11	0	0.00	46,664	100.00	46,664	100.00
Century	99,394	53.97	121,527	65.98	7,162	3.89	184,178	100.00	184,178	100.00
Regal	52,111	79.82	44,758	68.56	19,192	29.40	26,718	40.92	65,287	100.00
Somerset/Skylark	29,796	37.15	33,801	42.14	2,268	2.83	80,206	100.00	80,206	100.00
LeSabre (fwd)	121,949	79.02	137,828	89.31	55,666	36.07	0	0.00	154,331	100.00
LeSabre (rwd)	12,043	94.39	12,406	97.23	2,729	21.39	7,984	62.58	12,759	100.00
Electra (fwd)	90,041	100.00	89,901	99.84	83,264	92.47	90,041	100.00	90,041	100.00
Riviera	15,223	100.00	15,223	100.00	15,223	100.00	15,223	100.00	15,223	100.00
Cadillac Total	282,582	100.00	282,582	100.00	278,292	98.48	282,582	100.00	282,582	100.00
Cimarron	14,561	100.00	14,561	100.00	10,271	70.54	14,561	100.00	14,561	100.00
Allante	3,366	100.00	3,366	100.00	3,366	100.00	3,366	100.00	3,366	100.00
Brougham (rwd)	65,504	100.00	65,504	100.00	65,504	100.00	65,504	100.00	65,504	100.00
DeVille (fwd)	162,798	100.00	162,798	100.00	162,798	100.00	162,798	100.00	162,798	100.00
Eldorado	17,775	100.00	17,775	100.00	17,775	100.00	17,775	100.00	17,775	100.00
Seville	18,578	100.00	18,578	100.00	18,578	100.00	18,578	100.00	18,578	100.00
Chevrolet Total	473,217	37.50	504,010	39.94	26,453	2.10	808,668	64.08	380,665	30.16
Chevette	46,208	100.00	0	0.00	0	0.00	0	0.00	0	0.00
Camaro	66,194	48.05	65,023	47.20	440	0.32	45,794	33.24	59,859	43.45
Cavalier	32,017	9.25	66,059	19.08	0	0.00	38,392	11.09	74,801	21.60
Celebrity	92,340	24.52	126,323	33.55	0	0.00	376,529	100.00	88,884	23.61
Corsica/Beretta	4,232	24.83	4,335	25.43	0	0.00	17,045	100.00	10,018	58.77
Monte Carlo	54,848	69.39	51,356	64.97	0	0.00	71,775	90.80	55,450	70.15
Caprice	146,747	64.22	161,167	70.53	76	0.03	228,501	100.00	61,021	26.71
Corvette	30,632	100.00	29,748	97.11	25,937	84.67	30,632	100.00	30,632	100.00
Oldsmobile Total	520,498	61.00	547,698	64.19	72,011	8.44	620,792	72.75	603,098	70.68
Firenza	3,908	15.13	4,343	16.82	0	0.00	6,527	25.27	13,695	53.02
Calais	35,876	30.66	38,397	32.82	0	0.00	117,010	100.00	62,333	53.27
Cutlass Ciera	143,720	48.34	170,211	57.25	0	0.00	126,493	42.55	176,418	59.34
Cutlass Supreme	77,595	61.99	68,719	54.90	0	0.00	94,338	75.37	75,643	60.43
88 (fwd)	143,777	84.36	149,142	87.51	13,463	7.90	170,432	100.00	157,465	92.39
88 (rwd)	15,820	89.17	17,083	96.29	9,772	55.08	6,190	34.89	17,742	100.00
Olds 98	84,762	100.00	84,762	100.00	33,736	39.80	84,762	100.00	84,762	100.00
Toronado	15,040	100.00	15,040	100.00	15,040	100.00	15,040	100.00	15,040	100.00
Pontiac Total	257,430	32.12	360,341	44.96	85,657	10.69	370,439	46.22	482,716	60.23
Fiero	3,271	7.02	17,188	36.90	15,211	32.65	46,581	100.00	5,198	11.16
Pontiac 1000	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Firebird	59,605	67.26	49,843	56.24	15,363	17.33	88,623	100.00	64,303	72.56
Sunbird	4,504	4.22	9,694	9.08	11	0.01	4	0.00	20,225	18.94
Grand Am	88,889	36.32	73,984	30.23	17,232	7.04	101,696	41.55	156,361	63.89
Pontiac 6000	64,256	37.39	88,004	51.22	10,923	6.36	0	0.00	113,151	65.85
Bonneville	24,691	19.94	109,090	88.11	26,918	21.74	123,815	100.00	110,461	89.21
Safari/Parisienne	12,214	91.00	12,538	93.41	0	0.00	9,721	72.43	13,018	96.99
HONDA	163,730	52.90	163,730	52.90	309,534	100.00	309,534	100.00	0	0.00
Civic	0	0.00	0	0.00	92,061	100.00	92,061	100.00	0	0.00
Accord	163,730	75.29	163,730	75.29	217,473	100.00	217,473	100.00	0	0.00
NISSAN	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
NUMMI	6,004	3.04	6,004	3.04	0	0.00	22,062	11.18	0	0.00
Corolla	797	1.88	797	1.88	0	0.00	0	0.00	0	0.00
Nova	5,207	3.36	5,207	3.36	0	0.00	22,062	14.24	0	0.00
VOLKSWAGEN	2,845	3.72	2,845	3.72	4,431	5.80	76,400	100.00	0	0.00
Golf/GTI	2,250	3.59	2,250	3.59	3,571	5.70	62,642	100.00	0	0.00
Jetta	595	4.32	595	4.32	860	6.25	13,758	100.00	0	0.00
Total Cars, U.S.	3,551,858	44.21	3,910,773	48.68	3,043,409	37.88	6,076,194	75.64	4,014,997	49.98

OPTIONS/EQUIPMENT

Cruise control, A/C, steering wheel options on U.S. models

	Cruise Control	Percent of Output	Tilt Wheel	Percent of Output	Tilt & Telescope	Percent of Output	Air Conditioning	Percent of Output	Intermittent Windshield Wipers	Percent of Output	Rear Window Defogger	Percent of Output
CHRYSLER MOTORS	621,724	44.85	691,660	49.90	0	0.00	1,151,616	83.08	1,333,293	96.19	1,227,676	88.57
Eagle Total	8,343	20.09	8,802	21.19	0	0.00	26,576	63.98	5,905	14.21	25,685	61.83
Eagle	3,439	66.10	4,475	86.00	0	0.00	4,844	93.10	0	0.00	4,901	94.20
Alliance	4,904	13.50	4,328	11.91	0	0.00	21,732	59.81	5,905	16.25	20,784	57.20
Plymouth Total	117,566	25.82	127,103	27.92	0	0.00	369,729	81.21	448,411	98.49	400,768	88.03
Horizon	0	0.00	0	0.00	0	0.00	113,222	67.86	166,859	100.00	166,859	100.00
Sundance	46,523	49.65	46,523	49.65	0	0.00	78,616	83.91	93,696	100.00	79,284	84.62
Reliant	35,270	27.12	41,651	32.02	0	0.00	114,521	88.05	127,547	98.06	94,413	72.59
Caravelle	29,056	60.41	27,671	57.53	0	0.00	47,360	98.47	46,097	95.84	46,562	96.81
Gran Fury	6,718	40.59	11,259	68.03	0	0.00	16,010	96.73	14,213	85.87	13,650	82.47
Chrysler Total	358,102	94.81	359,601	95.21	0	0.00	330,333	87.46	376,303	99.63	352,954	93.45
LeBaron K	59,187	93.85	59,186	93.84	0	0.00	62,274	98.74	63,089	100.00	60,048	95.21
LeBaron J	84,236	91.03	84,236	91.03	0	0.00	47,142	50.94	92,538	100.00	84,776	91.61
LeBaron GTS	41,602	94.52	41,585	94.48	0	0.00	43,257	98.28	44,013	100.00	34,925	79.35
N. Yorker E-Class	72,326	97.96	72,230	97.83	0	0.00	73,413	99.43	73,835	100.00	68,958	93.39
Fifth Avenue	100,749	96.64	102,364	98.19	0	0.00	104,247	100.00	102,848	98.66	104,247	100.00
Dodge Total	137,712	26.92	196,154	38.34	0	0.00	424,977	83.07	502,674	98.26	448,271	87.62
Daytona	14,081	37.76	35,065	94.06	0	0.00	33,591	90.13	37,272	100.00	37,272	100.00
Omni	0	0.00	0	0.00	0	0.00	103,279	67.53	152,931	100.00	152,931	100.00
Shadow	45,260	48.55	45,260	48.55	0	0.00	77,546	83.18	93,222	100.00	78,322	84.02
Aries	32,991	27.16	34,777	28.63	0	0.00	107,479	88.47	118,487	97.53	84,628	69.66
Dodge 600	28,600	63.39	28,096	62.27	0	0.00	44,481	98.59	43,893	97.28	43,709	96.88
Lancer	0	0.00	27,093	94.30	0	0.00	27,892	97.06	28,731	100.00	23,052	80.23
Diplomat	16,780	51.09	25,863	78.75	0	0.00	30,708	93.50	28,138	85.68	28,358	86.35
FORD MOTOR CO.	1,404,674	57.57	1,402,375	57.46	0	0.00	1,803,336	86.75	1,790,264	86.12	1,678,715	80.76
Ford Division	900,496	61.08	865,520	58.71	0	0.00	1,226,969	83.23	1,300,240	88.20	1,115,648	75.68
Escort	60,250	15.04	65,847	16.43	0	0.00	219,283	54.73	301,716	75.31	270,536	67.52
Mustang	140,962	88.57	84,352	53.00	0	0.00	127,910	80.37	159,145	100.00	100,717	63.29
Tempo	139,877	49.49	171,777	60.78	0	0.00	252,198	89.23	282,632	100.00	181,379	64.17
Crown Victoria	101,288	78.59	105,399	81.78	0	0.00	128,878	100.00	114,722	89.02	111,757	86.72
Taurus	336,666	89.83	315,006	84.05	0	0.00	370,565	98.88	330,190	88.11	334,394	89.23
Thunderbird	121,452	94.78	123,140	96.10	0	0.00	128,135	100.00	111,835	87.28	116,866	91.21
L-M Division	504,179	83.40	536,855	88.81	0	0.00	576,367	95.34	490,024	81.06	563,067	93.14
Mercury Total	394,813	79.74	427,489	86.34	0	0.00	467,001	94.32	380,658	76.88	453,701	91.63
Lynx	8,200	20.48	7,800	19.48	0	0.00	22,000	54.94	0	0.00	25,201	62.94
Topaz	43,796	44.66	78,172	79.71	0	0.00	88,884	90.63	44,558	45.43	87,313	89.03
Grand Marquis	129,197	98.48	128,676	98.08	0	0.00	131,194	100.00	131,194	100.00	125,143	95.39
Cougar	99,474	95.17	100,351	96.01	0	0.00	104,526	100.00	94,311	90.23	99,857	95.53
Sable	114,146	94.09	112,490	92.73	0	0.00	120,397	99.24	110,595	91.16	116,188	95.78
Lincoln Total	109,366	100.00	109,366	100.00	0	0.00	109,366	100.00	109,366	100.00	109,366	100.00
Continental	17,597	100.00	17,597	100.00	0	0.00	17,597	100.00	17,597	100.00	17,597	100.00
Lincoln	76,483	100.00	76,483	100.00	0	0.00	76,483	100.00	76,483	100.00	76,483	100.00
Mark VII	15,286	100.00	15,286	100.00	0	0.00	15,286	100.00	15,286	100.00	15,286	100.00
GENERAL MOTORS	2,672,024	69.44	2,847,317	74.00	312,313	8.12	3,651,247	94.89	2,780,407	72.26	2,690,655	69.93
Buick Total	520,274	80.20	578,645	89.20	8,392	1.29	633,709	97.69	545,126	84.04	489,598	75.47
Skyhawk	19,635	42.08	29,442	63.09	0	0.00	39,930	85.57	25,640	54.95	31,609	67.74
Century	139,022	75.48	159,103	86.39	0	0.00	180,297	97.89	138,747	75.33	134,827	73.20
Regal	49,882	76.40	60,961	93.37	0	0.00	64,573	98.91	53,538	82.00	52,085	79.78
Somerset/Skylark	53,434	66.62	70,752	88.21	0	0.00	76,555	95.45	60,494	75.42	53,339	66.50
LeSabre (fwd)	141,308	91.56	149,252	96.71	0	0.00	154,331	100.00	149,253	96.71	114,571	74.24
LeSabre (rwd)	12,096	94.82	12,404	97.22	0	0.00	12,759	100.00	12,331	96.65	10,862	85.13
Electra (fwd)	89,672	99.59	81,508	90.52	8,392	9.32	90,041	100.00	89,900	99.84	78,017	86.65
Riviera	15,223	100.00	15,223	100.00	0	0.00	15,223	100.00	15,223	100.00	14,286	93.86
Cadillac Total	282,582	100.00	14,561	5.15	267,127	94.53	282,582	100.00	282,582	100.00	230,403	81.53
Cimarron	14,561	100.00	14,561	100.00	0	0.00	14,561	100.00	14,561	100.00	14,561	100.00
Allante	3,366	100.00	0	0.00	3,366	100.00	3,366	100.00	3,366	100.00	0	0.00
Brougham (rwd)	65,504	100.00	0	0.00	64,610	98.64	65,504	100.00	65,504	100.00	53,511	81.69
DeVille (fwd)	162,798	100.00	0	0.00	162,798	100.00	162,798	100.00	162,798	100.00	129,931	79.81
Eldorado	17,775	100.00	0	0.00	17,775	100.00	17,775	100.00	17,775	100.00	15,230	85.68
Seville	18,578	100.00	0	0.00	18,578	100.00	18,578	100.00	18,578	100.00	17,170	94.42
Chevrolet Total	653,944	51.82	780,252	61.83	30,632	2.43	1,121,050	88.83	639,526	50.66	845,307	66.98
Chevette	0	0.00	1,775	3.84	0	0.00	11,953	25.87	0	0.00	18,151	39.28
Camaro	78,117	56.71	115,243	83.65	0	0.00	124,483	90.36	90,977	66.04	86,146	62.53
Cavalier	86,028	24.85	148,879	43.00	0	0.00	279,033	80.59	119,890	34.62	214,829	62.04
Celebrity	213,557	56.72	246,830	65.55	0	0.00	359,219	95.40	172,134	45.72	258,948	68.77
Corsica/Beretta	16,217	95.14	16,097	94.44	0	0.00	16,503	96.82	305	1.79	10,094	59.22
Monte Carlo	62,370	78.90	72,397	91.59	0	0.00	75,784	95.87	64,443	81.53	62,869	79.54
Caprice	168,061	73.55	179,031	78.35	0	0.00	223,443	97.79	161,146	70.52	175,174	76.66
Corvette	29,594	96.61	0	0.00	30,632	100.00	30,632	100.00	30,632	100.00	19,097	62.34
Oldsmobile Total	674,093	79.00	766,453	89.83	6,162	0.72	837,412	98.14	698,558	81.88	632,519	74.13
Firenza	9,154	35.44	15,516	60.07	0	0.00	21,285	82.41	14,277	55.28	16,539	64.04
Calais	72,640	62.08	99,874	85.36	0	0.00	110,340	94.30	87,376	74.67	80,474	68.78
Cutlass Ciera	220,020	74.01	263,384	88.60	0	0.00	294,762	99.15	220,401	74.14	217,331	73.10
Cutlass Supreme	102,593	81.97	114,191	91.23	0	0.00	123,049	98.31	97,220	77.67	88,298	70.55
88 (fwd)	154,362	90.57	162,613	95.41	0	0.00	170,432	100.00	162,513	95.41	127,700	74.93
88 (rwd)	16,906	95.29	17,235	97.14	0	0.00	17,742	100.00	17,235	97.14	15,781	88.95
Olds 98	83,377	98.37	78,600	92.73	6,162	7.27	84,762	100.00	84,496	99.69	71,663	84.55
Toronado	15,040	100.00	15,040	100.00	0	0.00	15,040	100.00	15,040	100.00	14,733	97.96
Pontiac Total	541,131	67.52	707,405	88.27	0	0.00	776,495	96.89	614,514	76.68	492,828	61.50
Fiero	18,901	40.58	28,160	60.45	0	0.00	43,394	93.16	28,161	60.46	16,702	35.85
Pontiac 1000	0	0.00	1,173	20.84	0	0.00	3,643	64.73	0	0.00	2,178	38.70
Firebird	64,490	72.77	85,784	96.80	0	0.00	86,534	97.64	64,366	72.63	59,201	66.80
Sunbird	21,060	19.72	77,523	72.61	0	0.00	96,002	89.92	75,585	70.79	57,416	53.78
Grand Am	166,116	67.88	221,295	90.43	0	0.00	239,347	97.80	191,664	78.32	140,458	57.39
Pontiac 6000	143,156	83.31	157,968	91.93	0	0.00	170,337	99.13	119,232	69.39	118,809	69.14
Bonneville	114,315	92.33	122,407	98.86	0	0.00	123,815	100.00	122,407	98.86	87,480	70.65
Safari/Parisienne	13,092	97.55	13,095	97.56	0	0.00	13,422	100.00	13,099	97.60	10,585	78.86
HONDA	163,730	52.90	309,534	100.00	0	0.00	163,730	52.90	309,534	100.00	309,534	100.00
Civic	0	0.00	92,061	100.00	0	0.00	0	0.00	92,061	100.00	92,061	100.00
Accord	163,730	75.29	217,473	100.00	0	0.00	163,730	75.29	217,473	100.00	217,473	100.00
NISSAN	0	0.00	23,611	17.18	0	0.00	15,285	11.12	9,324	6.78	137,427	100.00
NUMMI	9,870	5.00	27,199	13.78	0	0.00	146,268	74.11	18,315	9.28	39,358	19.94
Corolla	0	0.00	7,112	16.74	0	0.00	15,616	36.76	8,446	19.88	21,101	49.67
Nova	9,870	6.37	20,087	12.97	0	0.00	130,653	84.35	9,870	6.37	18,257	11.79
VOLKSWAGEN	7,716	10.10	0	0.00	0	0.00	59,230	77.53	76,400	100.00	76,400	100.00
Golf/GTI	5,999	9.58	0	0.00	0	0.00	47,386	75.65	62,642	100.00	62,642	100.00
Jetta	1,717	12.48	0	0.00	0	0.00	11,843	86.08	13,758	100.00	13,758	100.00
Total Cars, U.S.	4,879,737	60.74	5,301,695	66.00	312,313	3.89	6,990,712	87.02	6,317,538	78.64	6,159,767	76.68

OPTIONS/EQUIPMENT

Radio options on 1987 U.S. models

	AM Radio	Percent of Output	AM/FM Mono	Percent of Output	AM/FM Stereo	Percent of Output	AM/FM Stereo w/Cassette	Percent of Output	AM/FM Stereo w/Cassette & Graphic Equalizer	Percent of Output
CHRYSLER MOTORS	47,549	3.43	5,785	0.42	923,149	66.60	288,320	20.80	75,068	5.42
Eagle Total	4,043	9.73	5,785	13.93	12,102	29.13	8,079	19.45	1,622	3.91
Eagle	0	0.00	182	3.50	3,314	63.70	1,457	28.00	0	0.00
Alliance	4,043	11.13	5,603	15.42	8,788	24.19	6,622	18.22	1,622	4.46
Plymouth Total	19,076	4.19	0	0.00	372,508	81.82	45,993	10.10	105	0.02
Horizon	0	0.00	0	0.00	144,743	86.75	9,421	5.65	0	0.00
Sundance	8,175	8.73	0	0.00	85,537	89.95	19,984	21.33	0	0.00
Reliant	6,609	5.08	0	0.00	113,896	87.57	7,461	5.74	0	0.00
Caravelle	1,863	3.87	0	0.00	39,015	81.12	7,218	15.01	0	0.00
Gran Fury	2,429	14.68	0	0.00	9,316	56.29	1,909	11.54	105	0.64
Chrysler Total	1,303	0.34	0	0.00	160,360	42.46	154,136	40.81	61,903	16.39
LeBaron K	0	0.00	0	0.00	41,967	66.54	21,102	33.46	0	0.00
LeBaron J	0	0.00	0	0.00	38,795	41.92	38,817	41.95	14,925	16.13
LeBaron GTS	0	0.00	0	0.00	24,597	55.88	14,061	31.99	5,336	12.12
N. Yorker E-Class	0	0.00	0	0.00	25,827	34.98	30,562	41.39	17,446	23.63
Fifth Avenue	1,303	1.25	0	0.00	29,174	27.99	49,573	47.55	24,197	23.21
Dodge Total	23,127	4.52	0	0.00	378,178	73.92	80,113	15.66	11,458	2.24
Daytona	0	0.00	0	0.00	13,375	35.88	16,665	44.71	7,233	19.41
Omni	0	0.00	0	0.00	128,918	84.30	12,437	8.13	0	0.00
Shadow	8,074	8.66	0	0.00	64,087	68.75	21,061	22.59	0	0.00
Aries	7,670	6.31	0	0.00	106,875	87.97	5,553	4.57	0	0.00
Dodge 600	1,259	2.79	0	0.00	34,936	77.43	8,923	19.78	0	0.00
Lancer	0	0.00	0	0.00	17,966	62.53	8,163	28.41	2,602	9.06
Diplomat	6,125	18.65	0	0.00	12,022	36.61	7,311	22.26	1,622	4.94
FORD MOTOR CO.	49,063	2.36	0	0.00	765,204	36.81	1,001,803	48.19	65,801	3.17
Ford Division	44,498	3.02	0	0.00	605,703	41.09	615,051	41.72	42,627	2.91
Escort	25,975	6.48	0	0.00	200,860	50.13	52,572	13.12	0	0.00
Mustang	0	0.00	0	0.00	47,649	29.94	91,131	57.26	17,647	11.09
Tempo	9,743	3.45	0	0.00	131,598	46.56	126,326	44.70	0	0.00
Crown Victoria	8,780	6.81	0	0.00	50,519	39.20	63,122	48.98	0	0.00
Taurus	0	0.00	0	0.00	154,583	41.25	210,479	56.16	0	0.00
Thunderbird	0	0.00	0	0.00	20,495	15.99	71,421	55.74	25,180	19.65
L-M Division	4,565	0.76	0	0.00	159,502	26.39	386,753	63.98	22,975	3.80
Mercury Total	4,565	0.92	0	0.00	159,502	32.21	277,975	56.14	22,975	4.64
Lynx	4,565	11.40	0	0.00	21,102	52.70	6,888	17.20	0	0.00
Topaz	0	0.00	0	0.00	42,465	43.30	53,253	54.30	0	0.00
Grand Marquis	0	0.00	0	0.00	43,328	33.03	87,270	66.52	0	0.00
Cougar	0	0.00	0	0.00	16,963	16.23	55,036	52.65	22,975	21.98
Sable	0	0.00	0	0.00	35,644	29.38	75,529	62.26	0	0.00
Lincoln Total	0	0.00	0	0.00	0	0.00	108,777	99.46	0	0.00
Continental	0	0.00	0	0.00	0	0.00	17,597	100.00	0	0.00
Lincoln	0	0.00	0	0.00	0	0.00	75,894	99.23	0	0.00
Mark VII	0	0.00	0	0.00	0	0.00	15,286	100.00	0	0.00
GENERAL MOTORS	168,050	4.37	5,861	0.15	1,272,193	33.06	1,890,708	49.14	399,906	10.39
Buick Total	11,515	1.78	0	0.00	178,245	27.48	405,341	62.49	50,034	7.71
Skyhawk	2,660	5.70	0	0.00	15,651	33.54	27,479	58.89	322	0.69
Century	4,262	2.31	0	0.00	69,149	37.54	105,924	57.51	3,657	1.99
Regal	1,475	2.26	0	0.00	14,333	21.95	39,402	60.35	9,190	14.08
Somerset/Skylark	1,308	1.63	0	0.00	22,104	27.58	55,267	68.91	1,353	1.69
LeSabre (fwd)	1,746	1.13	0	0.00	51,136	33.13	89,548	58.02	11,275	7.31
LeSabre (rwd)	64	0.50	0	0.00	1,417	11.11	9,505	74.50	1,737	13.61
Electra (fwd)	0	0.00	0	0.00	4,244	4.71	70,140	77.90	15,564	17.29
Riviera	0	0.00	0	0.00	211	1.39	8,076	53.05	6,936	45.56
Cadillac Total	0	0.00	0	0.00	33,432	11.83	221,257	78.30	27,419	9.70
Cimarron	0	0.00	0	0.00	2,229	15.31	256	1.76	12,058	82.81
Allante	0	0.00	0	0.00	0	0.00	0	0.00	3,366	100.00
Brougham (rwd)	0	0.00	0	0.00	8,923	13.62	56,125	85.68	0	0.00
DeVille (fwd)	0	0.00	0	0.00	21,021	12.91	134,410	82.56	7,367	4.53
Eldorado	0	0.00	0	0.00	789	4.44	14,606	82.18	2,378	13.38
Seville	0	0.00	0	0.00	471	2.54	15,857	85.35	2,250	12.11
Chevrolet Total	129,021	10.22	4,336	0.34	537,421	42.59	329,838	26.14	181,258	14.36
Chevette	24,947	53.99	4,336	9.38	5,653	12.23	0	0.00	0	0.00
Camaro	5,030	3.65	0	0.00	21,752	15.79	70,354	51.07	37,761	27.41
Cavalier	50,088	14.47	0	0.00	167,465	48.36	79,249	22.89	13,580	3.92
Celebrity	27,380	7.27	0	0.00	243,519	64.67	81,407	21.62	9,469	2.51
Corsica/Beretta	151	0.89	0	0.00	13,616	79.88	1,908	10.61	1,416	8.31
Monte Carlo	1,773	2.24	0	0.00	13,806	17.47	38,107	48.21	23,134	29.27
Caprice	19,651	8.60	0	0.00	71,182	31.15	56,677	24.80	68,176	29.84
Corvette	0	0.00	0	0.00	428	1.40	2,236	7.30	27,721	90.50
Oldsmobile Total	14,337	1.68	0	0.00	167,962	19.69	608,431	71.31	56,392	6.61
Firenza	1,050	4.07	0	0.00	14,097	54.58	10,362	40.12	0	0.00
Calais	2,255	1.93	0	0.00	20,446	17.47	89,836	76.78	3,711	3.17
Cutlass Ciera	5,068	1.71	0	0.00	75,798	25.50	204,353	68.74	9,111	3.06
Cutlass Supreme	3,307	2.64	0	0.00	25,831	20.64	87,781	70.13	7,282	5.82
88 (fwd)	2,466	1.45	0	0.00	25,996	15.25	129,949	76.25	10,977	6.44
88 (rwd)	169	0.95	0	0.00	1,541	8.69	15,970	90.01	0	0.00
Olds 98	0	0.00	0	0.00	3,503	4.13	60,864	71.81	20,357	24.02
Toronado	0	0.00	0	0.00	770	5.12	9,316	61.94	4,954	32.94
Pontiac Total	13,178	1.64	1,525	0.19	355,113	44.31	325,841	40.66	84,804	10.58
Fiero	482	1.04	0	0.00	17,124	36.76	20,506	44.02	7,755	16.65
Pontiac 1000	2,134	37.92	1,525	27.10	1,592	28.29	0	0.00	0	0.00
Firebird	568	0.64	0	0.00	24,681	27.85	40,862	46.11	11,155	12.59
Sunbird	3,659	3.43	0	0.00	56,466	52.89	39,249	36.76	2,635	2.47
Grand Am	2,591	1.06	0	0.00	116,188	47.48	103,439	42.27	20,598	8.42
Pontiac 6000	3,227	1.88	0	0.00	94,918	55.24	57,189	33.28	15,286	8.90
Bonneville	517	0.42	0	0.00	41,219	33.29	55,485	44.81	26,011	21.01
Safari/Paris.	0	0.00	0	0.00	2,925	21.79	9,110	67.88	1,365	10.17
HONDA	0	0.00	0	0.00	0	0.00	217,473	70.26	0	0.00
Civic	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Accord	0	0.00	0	0.00	0	0.00	217,473	100.00	0	0.00
NISSAN	0	0.00	0	0.00	9,324	6.78	0	0.00	0	0.00
NUMMI	22,543	11.42	0	0.00	133,210	67.49	12,809	6.49	0	0.00
Corolla	0	0.00	0	0.00	11,448	26.95	2,219	5.22	0	0.00
Nova	22,543	14.55	0	0.00	121,762	78.61	10,590	6.84	0	0.00
VOLKSWAGEN	0	0.00	0	0.00	6,636	8.69	13,357	17.48	0	0.00
Golf/GTI	0	0.00	0	0.00	6,636	10.59	10,932	17.45	0	0.00
Jetta	0	0.00	0	0.00	0	0.00	2,424	17.62	0	0.00
Total Cars, U.S.	287,205	3.58	11,646	0.14	3,109,716	38.71	3,424,471	42.63	540,795	6.73

OPTIONS/EQUIPMENT

Seat options on 1987 U.S. models

	Bucket Seats	Percent of Output	Split Seats	Percent of Output	Bench Seats	Percent of Output	Reclining Seats	Percent of Output	Power Seats	Percent of Output	Adjust. Lumbar Supports	Percent of Output	Cloth Seats	Percent of Output	Vinyl Seats	Percent of Output	Leather Seats	Percent of Output
CHRYSLER MOTORS	924,694	66.71	167,514	12.09	289,131	20.86	1,068,286	77.07	267,711	20.76	0	0.00	1,196,698	86.34	39,009	2.81	149,903	10.81
Eagle Total	36,336	87.47	0	0.00	0	0.00	36,941	88.93	1,072	2.58	0	0.00	29,416	70.82	11,211	26.99	901	2.17
Eagle	0	0.00	0	0.00	0	0.00	5,203	100.00	1,072	20.60	0	0.00	395	7.60	3,907	75.10	901	17.32
Alliance	36,336	100.00	0	0.00	0	0.00	31,738	87.34	0	0.00	0	0.00	29,021	79.87	7,304	20.10	0	0.00
Plymouth Total	291,892	64.07	55,482	12.19	108,119	23.75	320,051	70.30	5,253	1.15	0	0.00	444,578	97.65	10,208	2.24	0	0.00
Horizon	166,859	100.00	0	0.00	0	0.00	166,859	100.00	0	0.00	0	0.00	166,859	100.00	0	0.00	0	0.00
Sundance	93,696	100.00	0	0.00	0	0.00	93,696	100.00	0	0.00	0	0.00	93,696	100.00	0	0.00	0	0.00
Reliant	31,137	23.94	0	0.00	98,955	76.06	30,031	23.09	0	0.00	0	0.00	121,455	93.38	8,608	6.62	0	0.00
Caravelle	0	0.00	48,096	100.00	0	0.00	21,897	45.53	5,253	10.92	0	0.00	48,096	100.00	0	0.00	0	0.00
Gran Fury	0	0.00	7,386	44.63	9,165	55.37	7,568	45.73	0	0.00	0	0.00	14,473	87.44	1,597	9.65	0	0.00
Chrysler Total	257,675	68.22	77,155	20.43	42,872	11.35	334,830	88.65	243,138	64.37	0	0.00	233,830	61.91	4,422	1.17	139,450	36.92
LeBaron K	16,877	26.76	3,320	5.26	42,872	67.98	20,197	32.02	21,013	33.32	0	0.00	61,853	98.07	1,216	1.93	0	0.00
LeBaron J	92,538	100.00	0	0.00	0	0.00	92,538	100.00	42,265	45.67	0	0.00	67,515	73.28	3,205	3.48	21,518	23.23
LeBaron GTS	44,013	100.00	0	0.00	0	0.00	44,013	100.00	11,898	26.58	0	0.00	36,749	83.49	0	0.00	7,265	16.51
N. Yorker E-Class	0	0.00	73,835	100.00	0	0.00	73,835	100.00	67,506	91.43	0	0.00	32,679	44.26	0	0.00	41,156	55.74
Fifth Avenue	104,247	100.00	0	0.00	0	0.00	104,247	100.00	100,656	96.56	0	0.00	34,735	33.32	0	0.00	69,512	66.68
Dodge Total	338,991	66.26	34,876	6.82	138,140	27.00	376,485	73.58	38,248	7.48	0	0.00	488,874	95.56	13,171	2.57	9,552	1.87
Daytona	37,272	100.00	0	0.00	0	0.00	37,272	100.00	13,942	37.41	0	0.00	31,120	83.49	0	0.00	6,152	16.51
Omni	152,931	100.00	0	0.00	0	0.00	152,931	100.00	0	0.00	0	0.00	152,931	100.00	0	0.00	0	0.00
Shadow	93,222	100.00	0	0.00	0	0.00	93,222	100.00	0	0.00	0	0.00	93,222	100.00	0	0.00	0	0.00
Aries	26,835	22.09	0	0.00	95,057	78.25	26,694	21.97	0	0.00	0	0.00	114,055	93.88	7,431	6.12	0	0.00
Dodge 600	0	0.00	22,695	50.30	22,423	49.70	22,695	50.30	7,745	17.17	0	0.00	45,118	100.00	0	0.00	0	0.00
Lancer	28,731	100.00	0	0.00	0	0.00	28,731	100.00	6,385	22.22	0	0.00	25,331	88.17	0	0.00	3,400	11.83
Diplomat	0	0.00	12,181	37.09	20,660	62.91	14,920	45.43	10,175	30.98	0	0.00	27,097	82.51	5,740	17.48	0	0.00
FORD MOTOR CO.	986,717	47.47	980,594	47.17	111,333	5.36	1,638,345	78.82	860,884	41.41	254,833	12.26	1,845,494	88.78	78,295	3.77	145,914	7.02
Ford Division	926,909	62.88	445,902	30.25	101,323	6.87	1,033,835	70.13	457,523	31.04	165,811	11.25	1,365,793	92.65	68,992	4.68	39,361	2.67
Escort	400,653	100.00	0	0.00	0	0.00	400,653	100.00	0	0.00	0	0.00	96,53	386,739	13,914	3.47	0	0.00
Mustang	159,145	100.00	0	0.00	0	0.00	159,145	100.00	49,961	31.39	49,961	31.39	145,244	91.27	8,479	5.33	5,421	3.41
Tempo	282,632	100.00	0	0.00	0	0.00	282,632	100.00	36,706	12.99	0	0.00	270,969	95.87	11,663	4.13	0	0.00
Crown Victoria	0	0.00	100,130	77.69	28,748	22.31	104,372	80.98	79,721	61.86	0	0.00	99,415	77.14	22,604	17.54	6,859	5.32
Taurus	42,154	11.25	259,962	69.37	72,575	19.37	69,438	18.53	182,882	48.80	87,686	23.40	346,063	92.34	11,066	2.95	17,634	4.71
Thunderbird	42,325	33.03	85,810	66.97	0	0.00	17,595	13.73	108,252	84.48	28,163	21.98	117,362	91.59	1,267	0.99	9,446	7.37
L-M Division	59,808	9.89	534,692	88.45	10,010	1.66	604,510	100.00	403,361	66.73	89,022	14.73	479,701	79.35	9,302	1.54	106,554	17.63
Mercury Total	49,146	9.93	435,988	88.05	10,010	2.02	495,144	100.00	293,995	59.38	78,360	15.83	434,229	87.70	9,302	1.88	46,407	9.37
Lynx	4,894	12.22	35,147	87.78	0	0.00	40,041	100.00	0	0.00	0	0.00	38,757	96.79	1,284	3.21	0	0.00
Topaz	16,931	17.26	81,139	82.74	0	0.00	98,070	100.00	6,571	6.70	0	0.00	94,541	96.40	3,529	3.60	0	0.00
Grand Marquis	0	0.00	131,194	100.00	0	0.00	131,194	100.00	124,245	94.70	0	0.00	106,419	81.12	2,221	1.69	22,554	17.19
Cougar	15,564	14.89	88,962	85.11	0	0.00	104,526	100.00	82,725	79.14	15,564	14.89	90,784	86.85	0	0.00	8,537	8.17
Sable	11,757	9.69	99,546	82.06	10,010	8.25	121,313	100.00	80,454	66.32	62,796	51.76	103,729	85.51	2,267	1.87	15,316	12.63
Lincoln Total	10,662	9.75	98,704	90.25	0	0.00	109,366	100.00	109,366	100.00	10,662	9.75	45,472	41.58	0	0.00	60,146	55.00
Continental	0	0.00	17,597	100.00	0	0.00	17,597	100.00	17,597	100.00	0	0.00	5,882	33.42	0	0.00	11,715	66.58
Lincoln	0	0.00	76,483	100.00	0	0.00	76,483	100.00	76,483	100.00	0	0.00	35,488	46.40	0	0.00	37,247	48.70
Mark VII	10,662	69.75	4,624	30.25	0	0.00	15,286	100.00	15,286	100.00	10,662	69.75	4,102	26.84	0	0.00	11,184	73.16
GENERAL MOTORS	1,802,128	46.83	1,632,858	42.43	441,904	11.48	2,317,915	60.24	1,238,557	32.19	54,808	1.42	3,393,305	88.19	67,698	1.76	386,764	10.05
Buick Total	176,683	27.24	422,305	65.10	49,702	7.66	347,093	53.51	314,280	48.45	4,106	0.63	613,329	94.55	751	0.12	34,609	5.34
Skyhawk	46,664	100.00	0	0.00	0	0.00	46,664	100.00	1,080	2.31	0	0.00	46,664	100.00	0	0.00	0	0.00
Century	3,342	1.81	149,779	81.32	31,057	16.86	30,966	16.81	62,086	33.71	0	0.00	180,648	98.08	343	0.19	3,187	1.73
Regal	27,125	41.55	32,996	50.54	5,167	7.91	36,616	56.08	27,622	42.31	0	0.00	64,092	98.17	0	0.00	1,195	1.83
Somerset/Skylark	80,206	100.00	0	0.00	0	0.00	80,139	99.92	6,260	7.80	0	0.00	78,705	98.13	287	0.36	1,214	1.51
LeSabre (fwd)	4,123	2.67	137,465	89.07	12,743	8.26	58,567	37.95	99,463	64.45	0	0.00	154,331	100.00	0	0.00	0	0.00
LeSabre (rwd)	0	0.00	12,024	94.24	735	5.76	8,712	68.28	12,505	98.01	0	0.00	12,638	99.05	121	0.95	0	0.00
Electra (fwd)	0	0.00	90,041	100.00	0	0.00	70,206	77.97	90,041	100.00	0	0.00	67,674	75.16	0	0.00	22,367	24.84
Riviera	15,223	100.00	0	0.00	0	0.00	15,223	100.00	15,223	100.00	4,106	26.97	8,577	56.34	0	0.00	6,646	43.66
Cadillac Total	282,582	100.00	14,561	5.15	14,561	5.15	282,582	100.00	282,582	100.00	17,927	6.34	75,168	26.60	0	0.00	207,414	73.40
Cimarron	14,561	100.00	14,561	100.00	14,561	100.00	14,561	100.00	14,561	100.00	14,561	100.00	2,286	15.70	0	0.00	12,275	84.30
Allante	3,366	100.00	0	0.00	0	0.00	3,366	100.00	3,366	100.00	3,366	100.00	0	100.00	0	0.00	3,366	100.00
Brougham (rwd)	65,504	100.00	0	0.00	0	0.00	65,504	100.00	65,504	100.00	0	0.00	22,664	34.60	0	0.00	42,840	65.40
DeVille (fwd)	162,796	100.00	0	0.00	0	0.00	162,796	100.00	162,796	100.00	0	0.00	45,258	27.80	0	0.00	117,540	72.20
Eldorado	17,775	100.00	0	0.00	0	0.00	17,775	100.00	17,775	100.00	0	0.00	1,653	9.30	0	0.00	16,122	90.70
Seville	18,578	100.00	0	0.00	0	0.00	18,578	100.00	18,578	100.00	0	0.00	3,307	17.80	0	0.00	15,271	82.20
Chevrolet Total	634,297	50.26	395,586	31.35	232,094	18.39	760,187	60.24	213,759	16.94	14,119	1.12	163,647	92.21	60,572	4.80	37,756	2.99
Chevette	46,208	100.00	0	0.00	0	0.00	46,208	100.00	0	0.00	0	0.00	37,847	81.91	8,361	18.09	0	0.00
Camaro	137,760	100.00	0	0.00	0	0.00	137,760	100.00	31,292	22.71	0	0.00	130,280	94.57	1,859	1.35	5,621	4.08
Cavalier	346,254	100.00	0	0.00	0	0.00	346,254	100.00	0	0.00	0	0.00	333,876	96.43	12,378	3.57	0	0.00
Celebrity	18,662	4.96	195,414	51.90	162,452	43.14	49,664	13.19	28,827	7.66	0	0.00	368,941	97.98	7,588	2.02	0	0.00
Corsica/Beretta	17,045	100.00	0	0.00	0	0.00	17,045	100.00	0	0.00	0	0.00	17,038	99.46	7	0.04	0	0.00
Monte Carlo	37,736	47.74	31,924	40.39	9,388	11.88	37,736	47.74	14,364	18.17	0	0.00	77,676	98.27	1,369	1.73	0	0.00
Caprice	0	0.00	168,248	73.63	60,253	26.37	94,887	41.53	109,714	48.01	0	0.00	196,055	85.80	29,010	12.70	3,436	1.50
Corvette	30,632	100.00	0	0.00	0	0.00	30,632	100.00	29,561	96.50	14,119	46.09	1,934	6.31	0	0.00	28,698	93.69
Oldsmobile Total	205,811	24.12	555,527	65.11	91,929	10.77	366,697	42.96	260,987	30.59	7,222	0.85	796,922	93.40	930	0.11	55,415	6.49
Firenza	25,828	100.00	0	0.00	0	0.00	25,828	100.00	1,441	5.58	0	0.00	25,828	100.00	0	0.00	0	0.00
Calais	117,010	100.00	0	0.00	0	0.00	117,010	100.00	8,281	7.08	0	0.00	115,313	98.55	0	0.00	1,697	1.45
Cutlass Ciera	24,944	8.39	211,029	70.99	61,313	20.62	43,060	14.49	6,660	2.24	0	0.00	284,827	95.81	0	0.00	12,460	4.19
Cutlass Supreme	22,795	18.21	85,904	68.63	16,467	13.16	25,379	20.28	44,562	35.60	0	0.00	125,166	100.00	0	0.00	0	0.00
88 (fwd)	0	0.00	159,401	93.53	11,031	6.47	60,309	35.39	109,374	64.17	0	0.00	160,192	93.99	0	0.00	10,240	6.01
88 (rwd)	0	0.00	17,742	100.00	0	0.00	13,156	74.15	15,057	84.87	0	0.00	16,812	94.76	930	5.24	0	0.00
Olds 98	3,985	4.70	77,659	91.62	3,118	3.68	66,906	78.93	60,572	71.46	3,985	4.70	61,289	72.31	0	0.00	23,473	27.69
Toronado	11,248	74.79	3,792	25.21	0	0.00	15,040	100.00	15,040	100.00	3,237	21.52	7,495	49.83	0	0.00	7,545	50.17
Pontiac Total	502,755	62.73	244,879	30.56	53,619	6.69	561,356	70.05	166,950	20.83	11,434	1.43	744,240	92.87	5,444	0.68	51,570	6.44
Fiero	46,581	100.00	0	0.00	0	0.00	46,581	100.00	0	0.00	0	0.00	46,581	100.00	0	0.00	0	0.00
Pontiac 1000	5,628	100.00	0	0.00	0	0.00	5,628	100.00	0	0.00	0	0.00	4,831	85.84	797	14.16	0	0.00
Firebird	88,623	100.00	0	0.00	0	0.00	88,623	100.00	7	0.01	11,414	12.88	87,945	99.24	0	0.00	678	0.76
Sunbird	106,769	100.00	0	0.00	0	0.00	106,769	100.00	9	0.01	12	0.01	74,396	69.68	1,254	1.17	31,120	29.15
Grand Am	244,728	100.00	0	0.00	0	0.00	244,728	100.00	32,119	13.12	3	0.00	241,979	98.88	1,124	0.46	1,625	0.66
Pontiac 6000	10,426	6.07	114,715	66.76	46,689	27.17	43,781	25.48	28,805	16.76	0	0.00	158,799	92.41	1,654	0.96	11,380	6.62
Bonneville	0	0.00	117,783	95.13	5,887	4.75	16,684	13.47	96,241	77.73	0	0.00	116,903	94.42	0	0.00	6,767	5.47
Safari/Paris.	0	0.00	12,380	92.23	1,042	7.77	8,562	63.79	9,769	72.79	0	0.00	12,806	95.41	616	4.59	0	0.00
HONDA	309,534	100.00	0	0.00	0	0.00	309,534	100.00	0	0.00	0	0.00	309,534	100.00	0	0.00	0	0.00
Civic	92,061	100.00	0	0.00	0	0.00	92,061	100.00	0	0.00	0	0.00	92,061	100.00	0	0.00	0	0.00
Accord	217,473	100.00	0	0.00	0	0.00	217,473	100.00	0	0.00	0	0.00	217,473	100.00	0	0.00	0	0.00
NISSAN	137,427	100.00	0	0.00	0	0.00	137,427	100.00	0	0.00	0	0.00	45,375	33.02	92,052	66.98	0	0.00
NUMMI	197,375	100.00	0	0.00	0	0.00	197,375	100.00	21,101	10.69	0	0.00	197,375	100.00	0	0.00	0	0.00
Corolla	42,480	100.00	0	0.00	0	0.00	42,480	100.00	21,101	49.67	0	0.00	42,480	100.00	0	0.00	0	0.00
Nova	154,895	100.00	0	0.00	0	0.00	154,895	100.00	0	0.00	0	0.00	154,895	100.00	0	0.00	0	0.00
VOLKSWAGEN	76,400	100.00	0	0.00	0	0.00	76,400	100.00	0	0.00	0	0.00	76,400	100.00	0	0.00	0	0.00
Golf/GTI	62,642	100.00	0	0.00	0	0.00	62,642	100.00	0	0.00	0	0.00	62,642	100.00	0	0.00	0	0.00
Jetta	13,758	100.00	0	0.00	0	0.00	13,758	100.00	0	0.00	0	0.00	13,758	100.00	0	0.00	0	0.00
Total Cars, U.S.	4,434,274	55.20	2,780,966	34.62	842,368	10.49	5,745,282	71.52	2,408,253	29.98	309,641	3.85	7,064,182	87.93	277,053	3.45	682,581	8.50

OPTIONS/EQUIPMENT

Power steering, brake, wheel options on 1987 U.S. models

	Power Steering	Percent of Output	Power Brakes	Percent of Output	Anti-lock braking system (ABS)	Percent of Output	4-wheel disc brakes	Percent of Output	White Sidewalls	Percent of Output	Styled Wheels	Percent of Output	Full of Spare	Percent Size Output
CHRYSLER MOTORS	1,353,918	97.68	1,369,648	98.81	0	0.00	16,460	1.19	514,038	37.08	112,344	8.10	391,404	28.24
Eagle Total	31,523	75.89	41,539	100.00	0	0.00	0	0.00	6,265	15.08	9,779	23.54	983	2.37
Eagle	5,203	100.00	5,203	100.00	0	0.00	0	0.00	3,247	62.40	333	6.40	0	0.00
Alliance	26,320	72.44	36,336	100.00	0	0.00	0	0.00	3,019	8.31	9,446	26.00	983	2.70
Plymouth Total	443,515	97.42	455,266	100.00	0	0.00	0	0.00	151,596	33.30	13,216	2.90	84,676	18.60
Horizon	155,836	93.39	166,859	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Sundance	93,696	100.00	93,696	100.00	0	0.00	0	0.00	0	0.00	11,391	12.16	23,868	25.47
Reliant	129,336	99.44	130,064	100.00	0	0.00	0	0.00	91,294	70.19	1,824	1.40	36,265	26.42
Caravelle	48,096	100.00	48,096	100.00	0	0.00	0	0.00	48,096	100.00	0	0.00	11,109	23.10
Gran Fury	16,551	100.00	16,551	100.00	0	0.00	0	0.00	12,206	73.75	0	0.00	11,436	69.10
Chrysler Total	377,702	100.00	377,702	100.00	0	0.00	0	0.00	196,552	52.57	36,317	9.62	72,576	19.22
LeBaron K	63,069	100.00	63,069	100.00	0	0.00	0	0.00	0	0.00	0	0.00	21,269	33.72
LeBaron J	92,538	100.00	92,538	100.00	0	0.00	0	0.00	13,485	14.57	12,991	14.04	0	0.00
LeBaron GTS	44,013	100.00	44,013	100.00	0	0.00	0	0.00	7,000	15.91	10,439	23.72	0	0.00
N. Yorker E-Class	73,835	100.00	73,835	100.00	0	0.00	0	0.00	73,835	100.00	4,455	6.03	24,056	32.58
Fifth Avenue	104,247	100.00	104,247	100.00	0	0.00	0	0.00	104,232	99.99	8,431	8.09	27,251	26.14
Dodge Total	501,178	97.96	495,141	96.78	0	0.00	16,460	3.22	157,624	30.81	53,033	10.37	233,170	45.58
Daytona	37,272	100.00	20,812	55.84	0	0.00	16,460	44.16	0	0.00	13,269	35.60	784	2.10
Omni	143,203	93.64	152,931	100.00	0	0.00	0	0.00	0	0.00	3,300	2.16	149,631	97.84
Shadow	93,222	100.00	93,222	100.00	0	0.00	0	0.00	0	0.00	19,469	20.88	17,032	18.27
Aries	120,791	99.43	121,486	100.00	0	0.00	0	0.00	85,535	70.41	2,720	2.24	31,933	26.29
Dodge 600	45,118	100.00	45,118	100.00	0	0.00	0	0.00	45,118	100.00	1,343	2.98	10,032	22.24
Lancer	28,731	100.00	28,731	100.00	0	0.00	0	0.00	5,948	20.70	11,750	40.90	0	0.00
Diplomat	32,841	100.00	32,841	100.00	0	0.00	0	0.00	21,023	64.01	1,183	3.60	23,758	72.34
FORD MOTOR CO.	2,006,771	96.54	2,078,716	100.00	133,178	6.41	133,178	6.41	742,989	35.74	440,339	21.18	372,014	17.90
Ford Division	1,411,571	95.75	1,474,206	100.00	23,812	1.62	23,812	1.62	393,578	26.70	278,220	18.87	135,575	9.20
Escort	338,018	84.37	400,653	100.00	0	0.00	0	0.00	47,784	11.93	52,321	13.06	10,876	2.71
Mustang	159,145	100.00	159,145	100.00	0	0.00	0	0.00	36,255	22.78	66,008	41.48	0	0.00
Tempo	282,632	100.00	282,632	100.00	0	0.00	0	0.00	63,903	22.61	63,596	22.50	0	0.00
Crown Victoria	128,878	100.00	128,878	100.00	0	0.00	0	0.00	104,884	81.38	18,811	14.60	80,740	62.65
Taurus	374,763	100.00	374,763	100.00	0	0.00	0	0.00	94,979	25.34	52,522	14.01	35,838	9.56
Thunderbird	128,135	100.00	128,135	100.00	23,812	18.58	23,812	18.58	45,772	35.72	24,964	19.48	8,121	6.34
L-M Division	595,201	98.46	604,510	100.00	109,366	18.09	109,366	18.09	349,411	57.80	162,118	26.82	236,439	39.11
Mercury Total	485,835	96.12	495,144	100.00	0	0.00	0	0.00	250,707	50.63	96,474	19.48	127,073	25.66
Lynx	30,732	76.75	40,041	100.00	0	0.00	0	0.00	4,361	10.89	4,894	12.22	0	0.00
Topaz	98,070	100.00	98,070	100.00	0	0.00	0	0.00	17,653	18.00	11,278	11.50	0	0.00
Grand Marquis	131,194	100.00	131,194	100.00	0	0.00	0	0.00	131,194	100.00	33,611	25.62	90,647	69.09
Cougar	104,526	100.00	104,526	100.00	0	0.00	0	0.00	78,062	74.68	20,770	19.87	12,247	11.72
Sable	121,313	100.00	121,313	100.00	0	0.00	0	0.00	19,438	16.02	25,922	21.37	24,180	19.93
Lincoln Total	109,366	100.00	109,366	100.00	109,366	100.00	109,366	100.00	98,704	90.25	65,644	60.02	109,366	100.00
Continental	17,597	100.00	17,597	100.00	17,597	100.00	17,597	100.00	17,597	100.00	10,548	59.94	17,597	100.00
Lincoln	76,483	100.00	76,483	100.00	76,483	100.00	76,483	100.00	76,483	100.00	39,810	52.05	76,483	100.00
Mark VII	15,286	100.00	15,286	100.00	15,286	100.00	15,286	100.00	4,624	30.25	15,286	100.00	15,286	100.00
GENERAL MOTORS	3,636,879	94.52	3,758,735	97.68	55,225	1.44	158,715	4.12	2,054,914	53.40	1,589,599	41.31	596	0.02
Buick Total	648,290	99.94	648,689	100.00	5,971	0.92	15,223	2.35	536,147	82.65	140,594	21.67	0	0.00
Skyhawk	46,265	99.14	46,664	100.00	0	0.00	0	0.00	30,183	64.68	8,762	18.78	0	0.00
Century	184,178	100.00	184,178	100.00	0	0.00	0	0.00	165,640	89.93	17,252	9.37	0	0.00
Regal	65,287	100.00	65,287	100.00	0	0.00	0	0.00	38,028	58.25	35,958	55.08	0	0.00
Somerset/Skylark	80,206	100.00	80,206	100.00	0	0.00	0	0.00	55,846	69.63	26,783	33.39	0	0.00
LeSabre (fwd)	154,331	100.00	154,331	100.00	1,496	0.97	0	0.00	139,705	90.52	23,745	15.39	0	0.00
LeSabre (rwd)	12,759	100.00	12,759	100.00	0	0.00	0	0.00	12,759	100.00	7,838	61.43	0	0.00
Electra (fwd)	90,041	100.00	90,041	100.00	4,475	4.97	0	0.00	84,626	93.99	13,224	14.69	0	0.00
Riviera	15,223	100.00	15,223	100.00	0	0.00	15,223	100.00	9,358	61.47	7,032	46.19	0	0.00
Cadillac Total	282,582	100.00	282,582	100.00	969	0.34	3,366	1.19	0	0.00	77,473	27.42	0	0.00
Cimarron	14,561	100.00	14,561	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Allante	3,366	100.00	3,366	100.00	0	0.00	3,366	100.00	0	0.00	0	0.00	0	0.00
Brougham (rwd)	65,504	100.00	65,504	100.00	0	0.00	0	0.00	0	0.00	60,522	92.39	0	0.00
DeVille (fwd)	162,798	100.00	162,798	100.00	969	0.60	0	0.00	0	0.00	0	0.00	0	0.00
Eldorado	17,775	100.00	17,775	100.00	0	0.00	0	0.00	0	0.00	15,681	88.22	0	0.00
Seville	18,578	100.00	18,578	100.00	0	0.00	0	0.00	0	0.00	1,270	6.84	0	0.00
Chevrolet Total	1,107,521	87.76	1,222,197	96.85	30,632	2.43	54,506	4.32	604,440	47.90	726,185	57.54	0	0.00
Chevette	10,017	21.68	6,431	13.92	0	0.00	0	0.00	8,639	18.70	0	0.00	0	0.00
Camaro	137,760	100.00	137,760	100.00	0	0.00	23,874	17.33	1,793	1.30	137,760	100.00	0	0.00
Cavalier	227,992	65.85	346,254	100.00	0	0.00	0	0.00	132,428	38.25	346,254	100.00	0	0.00
Celebrity	376,529	100.00	376,529	100.00	0	0.00	0	0.00	231,194	61.40	143,843	38.20	0	0.00
Corsica/Beretta	17,045	100.00	17,045	100.00	0	0.00	0	0.00	199	1.17	17,045	100.00	0	0.00
Monte Carlo	79,045	100.00	79,045	100.00	0	0.00	0	0.00	38,627	48.87	50,651	64.08	0	0.00
Caprice	228,501	100.00	228,501	100.00	0	0.00	0	0.00	191,560	83.83	0	0.00	0	0.00
Corvette	30,632	100.00	30,632	100.00	30,632	100.00	30,632	100.00	0	0.00	30,632	100.00	0	0.00
Oldsmobile Total	853,013	99.97	853,267	100.00	6,732	0.79	15,040	1.76	691,581	81.05	265,673	31.14	596	0.07
Firenza	25,574	99.02	25,828	100.00	0	0.00	0	0.00	13,758	53.27	6,216	24.07	0	0.00
Calais	117,010	100.00	117,010	100.00	0	0.00	0	0.00	75,855	64.83	79,788	68.19	0	0.00
Cutlass Ciera	297,287	100.00	297,287	100.00	0	0.00	0	0.00	255,012	85.78	73,959	24.88	284	0.10
Cutlass Supreme	125,166	100.00	125,166	100.00	0	0.00	0	0.00	100,553	80.34	52,334	41.81	38	0.03
88 (fwd)	170,432	100.00	170,432	100.00	0	0.00	0	0.00	151,364	88.81	27,495	16.13	84	0.05
88 (rwd)	17,742	100.00	17,742	100.00	0	0.00	0	0.00	17,242	97.18	0	0.00	0	0.00
Olds 98	84,762	100.00	84,762	100.00	6,732	7.94	0	0.00	73,321	86.50	15,318	18.07	190	0.22
Toronado	15,040	100.00	15,040	100.00	0	0.00	15,040	100.00	4,476	29.76	10,564	70.24	0	0.00
Pontiac Total	745,473	93.02	752,000	93.84	10,920	1.36	70,580	8.81	222,745	27.79	379,674	47.38	0	0.00
Fiero	0	0.00	0	0.00	0	0.00	46,581	100.00	0	0.00	28,941	62.13	0	0.00
Pontiac 1000	2,335	41.49	2,810	49.93	0	0.00	0	0.00	1,522	27.04	2,146	38.13	0	0.00
Firebird	88,623	100.00	88,623	100.00	0	0.00	13,079	14.76	0	0.00	88,623	100.00	0	0.00
Sunbird	100,717	94.33	106,769	100.00	0	0.00	0	0.00	25,991	24.34	42,427	39.74	0	0.00
Grand Am	244,728	100.00	244,728	100.00	0	0.00	0	0.00	35,464	14.49	115,732	47.29	0	0.00
Pontiac 6000	171,833	100.00	171,833	100.00	10,920	6.36	10,920	6.36	89,613	52.15	38,153	22.20	0	0.00
Bonneville	123,815	100.00	123,815	100.00	0	0.00	0	0.00	56,733	45.82	63,652	51.41	0	0.00
Safari/Paris.	13,422	100.00	13,422	100.00	0	0.00	0	0.00	13,422	100.00	0	0.00	0	0.00
HONDA	266,983	86.25	309,534	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Civic	49,510	53.78	92,061	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Accord	217,473	100.00	217,473	100.00	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
NISSAN	67,657	49.23	137,427	100.00	0	0.00	0	0.00	0	0.00	45,375	33.02	0	0.00
NUMMI	177,154	89.76	197,375	100.00	0	0.00	0	0.00	0	0.00	50,512	25.59	0	0.00
Corolla	33,831	79.64	42,480	100.00	0	0.00	0	0.00	0	0.00	42,480	100.00	0	0.00
Nova	143,323	92.53	154,895	100.00	0	0.00	0	0.00	0	0.00	8,032	5.19	0	0.00
VOLKSWAGEN	44,984	58.88	0	0.00	0	0.00	0	0.00	0	0.00	23,980	31.39	0	0.00
Golf/GTI	34,975	55.83	0	0.00	0	0.00	0	0.00	0	0.00	23,358	37.29	0	0.00
Jetta	10,009	72.75	0	0.00	0	0.00	0	0.00	0	0.00	622	4.52	0	0.00
Total Cars, U.S.	7,554,346	94.04	7,851,435	97.73	188,403	2.35	308,353	3.84	3,311,940	41.23	2,262,148	28.16	764,014	9.51

OPTIONS/EQUIPMENT

Roof options on 1987 U.S. models

	Vinyl Roofs	Percent of Output	Electric Slide Sunroofs	Percent of Output	Pop-Up Sunroofs	Percent of Output	T-Roofs	Percent of Output	Convertible Tops	Percent of Output
CHRYSLER MOTORS	256,974	18.54	3,787	0.27	35,736	2.58	7,697	0.56	11,033	0.80
Eagle Total	812	1.95	0	0.00	1,358	3.27	0	0.00	2,133	5.13
Eagle	812	15.60	0	0.00	0	0.00	0	0.00	0	0.00
Alliance	0	0.00	0	0.00	1,358	3.74	0	0.00	2,133	5.87
Plymouth Total	4,941	1.09	0	0.00	8,990	1.97	0	0.00	0	0.00
Horizon	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Sundance	0	0.00	0	0.00	8,990	9.59	0	0.00	0	0.00
Reliant	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Caravelle	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Gran Fury	4,941	29.85	0	0.00	0	0.00	0	0.00	0	0.00
Chrysler Total	234,993	62.22	3,199	0.85	3,007	0.80	0	0.00	8,900	2.36
LeBaron K	56,911	90.24	0	0.00	0	0.00	0	0.00	0	0.00
LeBaron J	0	0.00	0	0.00	0	0.00	0	0.00	8,900	9.62
LeBaron GTS	0	0.00	0	0.00	3,007	6.83	0	0.00	0	0.00
N. Yorker E-Class	73,835	100.00	0	0.00	0	0.00	0	0.00	0	0.00
Fifth Avenue	104,247	100.00	3,199	3.07	0	0.00	0	0.00	0	0.00
Dodge Total	16,229	3.17	587	0.11	22,383	4.38	7,697	1.50	0	0.00
Daytona	0	0.00	0	0.00	6,522	17.50	7,697	20.65	0	0.00
Omni	0	0.00	0	0.00	3,300	2.16	0	0.00	0	0.00
Shadow	0	0.00	0	0.00	10,599	11.37	0	0.00	0	0.00
Aries	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Dodge 600	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Lancer	0	0.00	0	0.00	1,962	6.83	0	0.00	0	0.00
Diplomat	16,229	49.42	587	1.79	0	0.00	0	0.00	0	0.00
FORD MOTOR CO.	287,331	13.82	30,768	1.48	34,201	1.65	9,649	0.46	23,090	1.11
Ford Division	79,654	5.40	18,502	1.26	26,691	1.81	9,649	0.65	23,090	1.57
Escort	0	0.00	0	0.00	11,819	2.95	0	0.00	0	0.00
Mustang	0	0.00	0	0.00	14,872	9.34	9,649	6.06	23,090	14.51
Tempo*	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Crown Victoria	79,654	61.81	0	0.00	0	0.00	0	0.00	0	0.00
Taurus	0	0.00	10,493	2.80	0	0.00	0	0.00	0	0.00
Thunderbird	0	0.00	8,009	6.25	0	0.00	0	0.00	0	0.00
L-M Division	207,677	34.35	12,266	2.03	7,511	1.24	0	0.00	0	0.00
Mercury Total	131,194	26.50	0	0.00	7,511	1.52	0	0.00	0	0.00
Lynx	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Topaz	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Grand Marquis	131,194	100.00	0	0.00	0	0.00	0	0.00	0	0.00
Cougar	0	0.00	0	0.00	4,275	4.09	0	0.00	0	0.00
Sable	0	0.00	0	0.00	3,236	2.67	0	0.00	0	0.00
Lincoln Total	76,483	69.93	12,266	11.22	0	0.00	0	0.00	0	0.00
Continental	0	0.00	2,694	15.31	0	0.00	0	0.00	0	0.00
Lincoln	76,483	100.00	4,820	6.30	0	0.00	0	0.00	0	0.00
Mark VII	0	0.00	4,753	31.09	0	0.00	0	0.00	0	0.00
GENERAL MOTORS	380,241	9.88	[illegible]	0.84	90,971	2.36	151,843	3.95	25,197	0.65
Buick Total	74,590	11.50	[illegible]	1.43	8,045	1.24	8,818	1.36	0	0.00
Skyhawk	0	0.00	0	0.00	2,346	5.03	0	0.00	0	0.00
Century	15,419	8.37	0	0.00	1,710	0.93	0	0.00	0	0.00
Regal	19,527	29.91	2,708	4.15	0	0.00	8,818	13.51	0	0.00
Somerset/Skylark	0	0.00	0	0.00	2,768	3.45	0	0.00	0	0.00
LeSabre (fwd)	21,684	14.05	0	0.00	1,221	0.79	0	0.00	0	0.00
LeSabre (rwd)	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Electra (fwd)	17,960	19.95	4,137	4.59	0	0.00	0	0.00	0	0.00
Riviera	0	0.00	2,421	15.90	0	0.00	0	0.00	0	0.00
Cadillac Total	68,145	24.12	7,612	2.69	1,616	0.57	0	0.00	3,366	1.19
Cimarron	0	0.00	0	0.00	1,616	11.10	0	0.00	0	0.00
Allante	0	0.00	0	0.00	0	0.00	0	0.00	3,366	100.00
Brougham (rwd)	65,504	100.00	2,663	4.07	0	0.00	0	0.00	0	0.00
DeVille (fwd)	1,064	0.65	2,779	1.71	0	0.00	0	0.00	0	0.00
Eldorado	815	4.58	1,119	6.30	0	0.00	0	0.00	0	0.00
Seville	762	4.10	1,051	5.66	0	0.00	0	0.00	0	0.00
Chevrolet Total	112,708	8.93	0	0.00	29,561	2.34	102,285	8.11	17,195	1.36
Chevette	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Camaro	0	0.00	0	0.00	0	0.00	60,607	43.99	744	0.54
Cavalier	0	0.00	0	0.00	23,250	6.71	0	0.00	5,826	1.68
Celebrity	8,594	2.28	0	0.00	6,311	1.68	0	0.00	0	0.00
Corsica/Beretta	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Monte Carlo	13,087	16.56	0	0.00	0	0.00	21,671	27.42	0	0.00
Caprice	91,027	39.84	0	0.00	0	0.00	0	0.00	0	0.00
Corvette	0	0.00	0	0.00	0	0.00	20,007	65.31	10,625	34.69
Oldsmobile Total	117,411	13.76	6,506	0.76	10,330	1.21	6,200	0.73	0	0.00
Firenza	0	0.00	0	0.00	972	3.76	0	0.00	0	0.00
Calais	0	0.00	0	0.00	5,231	4.47	0	0.00	0	0.00
Cutlass Ciera	12,740	4.29	0	0.00	4,127	1.39	0	0.00	0	0.00
Cutlass Supreme	54,136	43.25	2,542	2.03	0	0.00	6,200	4.95	0	0.00
88 (fwd)	25,796	15.14	0	0.00	0	0.00	0	0.00	0	0.00
88 (rwd)	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Olds 98	24,739	29.19	2,282	2.69	0	0.00	0	0.00	0	0.00
Toronado	0	0.00	1,682	11.18	0	0.00	0	0.00	0	0.00
Pontiac Total	7,387	0.92	9,069	1.13	41,419	5.17	34,540	4.31	4,636	0.58
Fiero	0	0.00	0	0.00	16,691	35.83	0	0.00	0	0.00
Pontiac 1000	5,628	100.00	0	0.00	111	1.97	0	0.00	0	0.00
Firebird	0	0.00	0	0.00	0	0.00	34,540	38.97	0	0.00
Sunbird	0	0.00	0	0.00	6,125	5.74	0	0.00	4,636	4.34
Grand Am	0	0.00	0	0.00	16,760	6.85	0	0.00	0	0.00
Pontiac 6000	1,759	1.02	4,792	2.79	1,733	1.01	0	0.00	0	0.00
Bonneville	0	0.00	4,277	3.45	0	0.00	0	0.00	0	0.00
Safari/Parisienne	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
HONDA	0	0.00	47,997	15.51	0	0.00	0	0.00	0	0.00
Civic	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Accord	0	0.00	47,997	22.07	0	0.00	0	0.00	0	0.00
NISSAN	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
NUMMI	0	0.00	3,191	1.62	0	0.00	0	0.00	0	0.00
Corolla	0	0.00	3,191	7.51	0	0.00	0	0.00	0	0.00
Nova	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
VOLKSWAGEN	0	0.00	0	0.00	33,798	44.24	0	0.00	0	0.00
Golf/GTI	0	0.00	0	0.00	29,542	47.16	0	0.00	0	0.00
Jetta	0	0.00	0	0.00	4,256	30.93	0	0.00	0	0.00
Total Cars, U.S.	924,546	11.51	118,194	1.47	194,709	2.42	169,189	2.11	59,319	0.74

NOTE: *—Roof options on Ford Tempo were not available.

OPTIONS/EQUIPMENT

Miscellaneous options on 1987 U.S. models

	Tinted Glass	Percent of Output	Digital Clocks	Percent of Output	Two-tone Paint	Percent of Output	Automatic Seatbelts	Percent of Output	Airbags	Percent of Output
CHRYSLER MOTORS	1,354,036	97.69	1,325,455	95.62	26,797	1.93	0	0.00	0	0.00
Eagle Total	33,000	79.44	17,194	41.39	0	0.00	0	0.00	0	0.00
Eagle	5,203	100.00	5,203	100.00	0	0.00	0	0.00	0	0.00
Alliance	27,797	76.50	11,991	33.00	0	0.00	0	0.00	0	0.00
Plymouth Total	443,722	97.46	437,682	96.14	1,599	0.35	0	0.00	0	0.00
Horizon	166,859	100.00	154,165	92.39	0	0.00	0	0.00	0	0.00
Sundance	85,085	90.81	93,696	100.00	0	0.00	0	0.00	0	0.00
Reliant	127,131	97.75	127,966	98.39	15	0.01	0	0.00	0	0.00
Caravelle	48,096	100.00	48,096	100.00	0	0.00	0	0.00	0	0.00
Gran Fury	16,551	100.00	13,760	83.14	1,584	9.57	0	0.00	0	0.00
Chrysler Total	377,702	100.00	377,702	100.00	23,539	6.23	0	0.00	0	0.00
LeBaron K	63,069	100.00	63,069	100.00	0	0.00	0	0.00	0	0.00
LeBaron J	92,538	100.00	92,538	100.00	23,539	25.44	0	0.00	0	0.00
LeBaron GTS	44,013	100.00	44,013	100.00	0	0.00	0	0.00	0	0.00
N. Yorker E-Class	73,835	100.00	73,835	100.00	0	0.00	0	0.00	0	0.00
Fifth Avenue	104,247	100.00	104,247	100.00	0	0.00	0	0.00	0	0.00
Dodge Total	499,612	97.66	492,876	96.34	1,659	0.32	0	0.00	0	0.00
Daytona	37,272	100.00	37,272	100.00	0	0.00	0	0.00	0	0.00
Omni	152,931	100.00	141,355	92.43	1,659	1.08	0	0.00	0	0.00
Shadow	84,187	90.31	93,222	100.00	0	0.00	0	0.00	0	0.00
Aries	118,531	97.57	120,097	98.86	0	0.00	0	0.00	0	0.00
Dodge 600	45,118	100.00	45,118	100.00	0	0.00	0	0.00	0	0.00
Lancer	28,731	100.00	28,731	100.00	0	0.00	0	0.00	0	0.00
Diplomat	32,841	100.00	27,081	82.46	0	0.00	0	0.00	0	0.00
FORD MOTOR CO.	1,948,381	93.73	1,684,413	81.03	162,695	7.83	98,070	4.72	14,535	0.70
Ford Division	1,355,177	91.93	1,252,441	84.96	123,865	8.40	0	0.00	11,306	0.77
Escort	326,761	81.56	296,114	73.91	57,061	14.24	0	0.00	0	0.00
Mustang	134,226	84.34	159,145	100.00	16,874	10.60	0	0.00	0	0.00
Tempo	272,522	96.42	282,632	100.00	34,315	12.14	0	0.00	11,306	4.00
Crown Victoria	128,878	100.00	77,108	59.83	5,815	4.51	0	0.00	0	0.00
Taurus	364,656	97.30	326,659	87.16	0	0.00	0	0.00	0	0.00
Thunderbird	128,135	100.00	110,782	86.46	9,801	7.65	0	0.00	0	0.00
L-M Division	593,204	98.13	431,972	71.46	38,830	6.42	98,070	16.22	3,229	0.53
Mercury Total	483,838	97.72	383,015	77.35	31,816	6.43	98,070	19.81	3,229	0.65
Lynx	29,429	73.50	27,284	68.14	1,760	4.39	0	0.00	0	0.00
Topaz	98,070	100.00	69,598	70.97	9,678	9.87	98,070	100.00	3,229	3.29
Grand Marquis	131,194	100.00	82,468	62.86	8,401	6.40	0	0.00	0	0.00
Cougar	104,526	100.00	93,635	89.58	11,977	11.46	0	0.00	0	0.00
Sable	120,619	99.43	110,029	90.70	0	0.00	0	0.00	0	0.00
Lincoln Total	109,366	100.00	48,957	44.76	7,014	6.41	0	0.00	0	0.00
Continental	17,597	100.00	17,597	100.00	3,132	17.80	0	0.00	0	0.00
Lincoln	76,483	100.00	16,074	21.02	3,882	5.08	0	0.00	0	0.00
Mark VII	15,286	100.00	15,286	100.00	0	0.00	0	0.00	0	0.00
GENERAL MOTORS	3,675,176	95.06	3,428,419	88.68	330,108	8.54	452,740	11.71	0	0.00
Buick Total	642,869	99.10	609,843	94.01	34,232	5.28	104,009	16.03	0	0.00
Skyhawk	44,103	94.52	43,449	93.11	4,006	8.58	0	0.00	0	0.00
Century	181,536	98.57	156,620	85.04	10,497	5.70	0	0.00	0	0.00
Regal	64,667	99.05	61,260	93.83	2,012	3.08	0	0.00	0	0.00
Somerset/Skylark	80,206	100.00	78,724	98.15	10,635	13.26	24,989	31.16	0	0.00
LeSabre (fwd)	154,331	100.00	151,959	98.46	2,830	1.83	79,020	51.20	0	0.00
LeSabre (rwd)	12,759	100.00	12,659	99.22	0	0.00	0	0.00	0	0.00
Electra (fwd)	90,041	100.00	89,949	99.90	0	0.00	0	0.00	0	0.00
Riviera	15,223	100.00	15,223	100.00	4,252	27.93	0	0.00	0	0.00
Cadillac Total	282,582	100.00	282,582	100.00	14,613	5.17	0	0.00	0	0.00
Cimarron	14,561	100.00	14,561	100.00	0	0.00	0	0.00	0	0.00
Allante	3,366	100.00	3,366	100.00	0	0.00	0	0.00	0	0.00
Brougham (rwd)	65,504	100.00	65,504	100.00	0	0.00	0	0.00	0	0.00
DeVille (fwd)	162,798	100.00	162,798	100.00	0	0.00	0	0.00	0	0.00
Eldorado	17,775	100.00	17,775	100.00	3,182	17.90	0	0.00	0	0.00
Seville	18,578	100.00	18,578	100.00	11,431	61.53	0	0.00	0	0.00
Chevrolet Total	1,142,090	90.50	1,055,553	83.64	76,619	6.07	0	0.00	0	0.00
Chevette	17,671	38.24	0	0.00	1,816	3.93	0	0.00	0	0.00
Camaro	130,339	94.61	128,817	93.51	0	0.00	0	0.00	0	0.00
Cavalier	294,670	85.10	260,294	75.17	14,496	4.19	0	0.00	0	0.00
Celebrity	361,907	96.12	341,409	90.67	31,477	8.36	0	0.00	0	0.00
Corsica/Beretta	8,831	51.81	16,875	99.00	47	0.28	0	0.00	0	0.00
Monte Carlo	77,238	97.71	75,417	95.41	5,344	6.76	0	0.00	0	0.00
Caprice	220,802	96.63	202,356	88.56	22,078	9.66	0	0.00	0	0.00
Corvette	30,632	100.00	30,385	99.19	1,361	4.44	0	0.00	0	0.00
Oldsmobile Total	836,808	98.07	714,915	83.79	42,138	4.94	161,955	18.98	0	0.00
Firenza	23,850	92.34	24,459	94.70	1,918	7.43	0	0.00	0	0.00
Calais	117,010	100.00	113,993	97.42	11,891	10.16	62,358	53.29	0	0.00
Cutlass Ciera	285,062	95.89	289,262	97.30	7,859	2.64	0	0.00	0	0.00
Cutlass Supreme	122,910	98.20	4,272	3.41	3,182	2.54	0	0.00	0	0.00
88 (fwd)	170,432	100.00	166,922	97.94	4,527	2.66	97	58.44	0	0.00
88 (rwd)	17,742	100.00	16,243	91.55	0	0.00	0	0.00	0	0.00
Olds 98	84,762	100.00	84,724	99.96	958	1.13	0	0.00	0	0.00
Toronado	15,040	100.00	15,040	100.00	11,803	78.48	0	0.00	0	0.00
Pontiac Total	770,826	94.05	765,528	93.40	162,507	19.83	186,776	22.79	0	0.00
Fiero	28,776	61.78	46,581	100.00	15,569	33.42	0	0.00	0	0.00
Pontiac 1000	3,057	54.32	0	0.00	0	0.00	0	0.00	0	0.00
Firebird	87,241	98.44	76,699	86.55	32,790	37.00	0	0.00	0	0.00
Sunbird	100,419	94.05	98,350	92.11	10,671	9.99	0	0.00	0	0.00
Grand Am	244,728	100.00	240,225	98.16	68,602	28.03	109,527	44.75	0	0.00
Pontiac 6000	169,368	98.57	167,392	97.42	5,555	3.23	0	0.00	0	0.00
Bonneville	123,815	100.00	122,859	99.23	29,319	23.68	77,249	62.39	0	0.00
Safari/Parisienne	13,422	100.00	13,422	100.00	0	0.00	0	0.00	0	0.00
HONDA	309,534	100.00	309,534	100.00	0	0.00	0	0.00	0	0.00
Civic	92,061	100.00	92,061	100.00	0	0.00	0	0.00	0	0.00
Accord	217,473	100.00	217,473	100.00	0	0.00	0	0.00	0	0.00
NISSAN	75,285	54.78	9,324	6.78	0	0.00	0	0.00	0	0.00
NUMMI	197,375	100.00	166,919	84.57	8,368	4.24	0	0.00	0	0.00
Corolla	42,480	100.00	12,024	28.30	0	0.00	0	0.00	0	0.00
Nova	154,895	100.00	154,895	100.00	8,368	5.40	0	0.00	0	0.00
VOLKSWAGEN	76,401	100.00	76,389	99.99	0	0.00	19,112	25.02	0	0.00
Golf/GTI	62,642	100.00	62,631	99.98	0	0.00	14,480	23.12	0	0.00
Jetta	13,758	100.00	13,758	100.00	0	0.00	4,631	33.66	0	0.00
Total Cars, U.S.	7,636,187	94.84	7,000,453	86.94	527,969	6.56	569,921	7.08	14,535	0.18

MANUFACTURERS

Overseas vehicle makers, coachbuilders

Following is a list of overseas manufacturers of production cars and trucks, coachbuilders and specialized motor vehicles. Available phone numbers (with country codes) have been included. For U.S. and Canadian companies, see the Roster of Auto Firms and Executives, which begins on page 145.

AC Cars, Brooklands Industrial Park, Weybridge, Surrey KT13 0YU, England. Phone: (44) 9323 55222. Fax: (44) 9323 43444. Products: AC Ace speciality sports car. Controlling interest held by Ford Motor Co.

Adam Opel AG, Postfach 1710,D-6090 Russelsheim, West Germany. (Parent is General Motors.) Phone: (49) 06142-661. Products: Opel passenger cars: Corsa, Kadett/Astra, Ascona/Cavalier, Manta, Omega/Carlton, Senator.

Aichi Machine Industry Co. Ltd., Nagoya, Aichi, Japan. Products: Commercial vehicles, automotive engines.

Alfa-Lancia Industriale S.p.A., Viale Alfa Romeo, Centro Direzionale, 20020 Arese, Milan, Italy. Phone: (39) 2 93391.Telex: 330101 ALFAMI. (Parent company is Fiat Auto.) Products: Alfa Romeo, Lancia, Autobianchi passenger cars.

Alpes Incendie, 8690 Le Grand Lemps, B.P. 27, France. Phone: (33) 76 05 09 54. Telex: 320388. Products: Ambulances, fire-fighting vehicles.

Alpine, Societe des Automobiles, Avenue de Breaute, 76201 Dieppe, France. Phone: (35) 82 37 21. Telex: Alpirno 180993 F. Products: Sports and GT cars; engineering for Renault.

AMI-Toyota Ltd., 155 Bertie St., Port Melbourne, Victoria, 3207, Australia. Phone: (61) 3 647 4444. Telex: AA39460 (AMITY). Products: Passenger vehicles: Corolla hatch, sedan and liftback; Camry sedan and wagon; engines, vehicle panels.

Anadolu Otomotiv Sanayii ve Ticaret A.S., Ankara Asfalti Ozeri Soganlik Koyu Karsisi, Kartal, Istanbul 8142, Turkey, Phone: (90) 1 3537064. Telex: 29256 skod tr. Products: Isuzu NPR & NKR light duty trucks.

Anambra Motor Mfg. Co. Ltd., Emene Industrial Layout, Emene-Enugu, Nigeria. Phone: (234) 1 68 17 90. Telex: 51264. Products: Trucks.

Arab American Vehicle Co., 4.5 K.m.s. Suez Rd., Cairo, Heliopolis, Egypt. Phone: (20) 2 917686. Telex: 93791 AAV UN. Products: Jeep vehicles.

A.R.N.A. (Alfa Romeo and Nissan Autoveicoli) S.p.A., 83039 Pratola Serra, Avellino, Italy. (Parent company is Fiat Auto.) Phone: (39) 825 607075. Telex: 722361 ARNA. Products: Automobiles.

Aston Martin Lagonda Ltd., Tickford St., Newport Pagnell, Buckinghamshire, MK 9AN, England. Phone: (44) 908 610620. Products: Touring cars.

Aston Martin Tickford, Tickford House, Tannner Dr., Blakelands, Milton Keynes, Buchs MK14 5BN, England. Phone: (44) 908 614688. Telex: 826983 TIKFRD G. Products: Tickford Projects-mass transit specialists.

Ateliers de Constructions Automobiles Sbarro, Rte. de Lausanne 26, CH 1422, Les Tuileries de Grandson, Switzerland. Phone:(41) 024 24 25 75. Telex: 457 178 aca ch. Products: prototype design, styling, custom-made vehicles.

Audi AG, Postfach 220, D-8070 Ingolstadt, West Germany. Phone: (49) 0841-89-0. Telex: 55 05 0. Products: Audi passenger cars.

Austin Rover Group Ltd., Canley Road, Canley, Coventry, England CV5 6QX. Phone: (44) 203-70111. Telex: 312571. Products: Austin, Rover, MG automobiles.

Autobianchi — See Alfa-Lancia Industriale.

Auto Dacia Foreign Trade Co., 42 Mircea Voda St., P.O. Box 81, 0300 Pitesti — Romania. Telex: 18296, 18297. Phone: (40) 976 36316. Products: Dacia autos.

Autokraft Ltd., Unit 815, Brooklands Industrial Park, Weybridge, Surrey KT13 0YU, England. Phone: (44) 9323 5522. Products: speciality automobiles, replicars.

Autolatina — See Volkswagen do Brasil, Ford Brasil.

Autolatina Argentina S.A., Casilla de Correo 696 - Correo Central, (1000) Capital Federal - Buenos Aires, Argentina. (Autolatina Argentina was formed in July 1987, when Volkswagen Argentina and Ford Motor Argentina merged.) Phone: (54) 994-1017/3010/2007. Telex: 18065-21175. Products: Automobiles: Ford Sierra, Falcon, Escort and F-series and VW Carat, Gacel, 1500 and Kombi.

Autolatina Comercio, Negocios e Participacao Ltda., R Professor Manoelito de Ornellas, No. 303, Sao Paulo, 04719 Brazil. (Autolatina Comercio is the parent of Volkswagen do Brasil SA and Ford do Brasil SA.) Phone: (55) 011 545-9084. Telex (55) 011-38365. Products: Volkswagen and Ford passenger cars and trucks.

Automobile APAL S.A., rue de la Fontaine 25, Blegny, 4570 Belgium. Phone: (32) 041 87 4525. Products: Automobiles.

Automobiles Citroen, 62 Blvd. Victor Hugo, Neuilly sur Seine 922089 Cedex, France. (Parent company is Peugeot S.A.) Phone: (33) 1 47483300. Telex: 614830. Products: Citroen passenger cars.

Automobiles Dangel S.A., BP 01, 5 rue du Canal, 68780 Sentheim, France. Phone: (33) 89 825470. Telex: 881263 F. Products: Automobiles and conversions.

Automobiles de la Chapelle, Chemin de Sacuny, 69530 Brignais, Lyon, France. Phone: (33) 7 805 3285. Telex: 306259F BSCAUTOSDLC. Products: Bugatti Type 55 replicars and half-size reproduction Bugatti 55, BMW 328 and Ferrari 330 P2 Juniors for children.

Automobiles Peugeot, 75 Ave. de la Grande Armee, Paris 75016, France. (Parent company is Peugeot S.A.) Phone: (33) 1 40 66 55 11. Products: Peugeot and Talbot passenger cars.

Automobiles Talbot S.A., Apdo 140, Villa Verde, 28080 Madrid, Spain. (Peugeot S.A. owns controlling interest.) Phone: (34) 91 217 0612. Products: Peugeot and Talbot automobiles.

Automobili Lamborghini S.p.A., Via Modena 12, 40019 Sant'Agata Bolognese (Bologna) Italy. Phone: (39) 51-956 171. Telex: 510278 LAMBOR. Products: Lamborghini automobiles.

Avon Coachworks Ltd., Ladbroke House, Tachbrook Road, Leamington Spa, Warwick CV31 3ES, England. Phone: (44) 926 882111. Products: Coachworks.

AZLK (Avtomobilny Zavod Imeni Leninskogo Komsola), Avtoexport, 14 Volkhonka, Moscow 119902, U.S.S.R. Phone: (7) 95 202 85 35. Products: Moskvich autos.

Bedford Commercial Vehicle — See IBC Vehicles Ltd.

Beijing Jeep Corp., Chuihangliu, Chaoyangqu, Beijing, People's Republic of China. Phone: (86) 78-1931. Telex: 20039 BJCCN. Products: Jeep vehicles.

Bentley — See Rolls-Royce Motors Ltd.

Bertone, Carrozzeria, S.p.A., Corso Allemano 46, 10095 Grugliasco, Turin, Italy. Phone: (39) 11 788-044. Telefax: 11 780 68 82. Products: Design, specialty cars and bodies, prototypes, tooling.

Bitter-Automobile Bitter GmbH & Co. K.G., D-5830 Schweim, Berlinerstrasse 57, West Germany. Phone: (49) 2336 6096-98. Products: Specialty automobiles.

BL Plc — See Rover Group Plc.

BMC Sanayi Ve Ticaret A.S., Gazi Bulvari No. 47/49 35210. Izmir, Turkey. Phone: 14 54 70. Telex: 52583 otom tr. Products: Faith Cummins, Yavuz Volvo Turbo 6 trucks, Leyland 30 light commercial vehicles and engines.

BMW AG (Bayerische Motoren Werke), Postfach 400240, Petuelring 130, BMW Haus, 8000 Munich 40, West Germany. Phone: (49) 89 38951. Products: BMW passenger cars and motorcycles.

BMW South Africa (Pty) Ltd., P.O. Box 2955, Pretoria 0001, South Africa. Phone: (27) 11 805-1555. Telex: 430103SA. Products: BMW automobiles.

Bristol Cars Ltd., 368-370 Kensington High St., London W14 8NL, England. Phone: (44) 1 603 5556. Products: Bristol automobiles.

Carbodies Sales & Service Ltd., Torrington Ave., Tile Hill, Coventry CV4 9BH, England. Phone: (44) 203 470022. Products: Taxis.

Caterham Car Sales & Coachworks Ltd., Seven House, Town End, Caterham Hill, Surrey CR3 5UG, England. Phone: (44) 883 46666. Products: Caterham Super Seven.

Chausson, 11 Ave. Dubonnet, F-92407 Courbevoie Cedex. (Hauts de Seine), France. Phone: (33) 1 49 04 01 23. Telex: 12042-F. Fax: 1 47 90 10 47. Products: Body and tooling generations; complete vehicles; automotive product and production engineering services; vans and campers.

Chrysler de Mexico S.A., P.O. Box 53-951, Mexico, D.S., Mexico. Phone: (52) 905 250-9988. Telex: 383 1774 335. Products: Passenger cars and trucks.

Citroen — see Automobiles Citroen.

Coleman-Milne, Wigan Rd., Weshoughton, Bolton, England BL5 2EE. Phone: (44) 942 815600. Telex: 67249. Products: Limousines, ambulances, funeral vehicles.

Companhia Industriai Santa Matilde, Avenida Koeler, No. 260, Petropolis, Rio de Janeiro, 25685, Brazil. Phone: (0242) 43 8656. Telex: (021) 36 649. Products: Automobiles, trains, wagons, combines, tractors, buses, galvanized metal structures.

Crayford Special Equipment Co. Ltd., 28 High St., Westerham, Kent, England TN16 1RG. Phone: (44) 959 63087. Cable: 95420 CRAYSP G. Products: All-terrain vehicles and cycles.

Dacia — See Auto Dacia.

Daewoo Motor Co. Ltd., (50-50 joint venture with General Motors), 541, 5-ka, Namdaemun-ro, Jung-ku, Seoul 100-714, South Korea. Mailing address: C.P.O. Box 3490, Seoul 100-634. Phone: (82) 776-4031. Telex: DWMOTOR K28400. Products: Passenger cars, including Pontiac LeMans, and light commercial vehicles.

DAF Trucks, Geldropseweg 303, 5645 TK Eindhoven, Netherlands. Phone: (31) 40 14 20 09. Products: Trucks and buses.

Daihatsu Motor Co. Ltd., 1-1 Daihatsu-cho, Ikeda, Osaka, Japan 563. Phone: (81) 727 51 8811. Telex: 0-5322-224 Daihatsu Ikedaosaka. Products: Passenger cars, vans, buses, trucks, electric vehicles and industrial engines.

Daimler-Benz AG, D-7000 Stuttgart 60, Postfach H 60 0202, West Germany. Phone: (49) 711 17-0. Telex: 723 901 DBU D. Products: Mercedes-Benz cars, commercial vehicles including vans, trucks, buses, fire brigade and municipal service vehicles, Umiog MB-trac engines and assemblies.

Delta Motor Corp., (formerly GM South African) P.O. Box 1137, Port Elizabeth 6000, South Africa. Phone: (27) 41 403-9111. Telex: 242386SA. Products: Opel automobiles.

Dennis Specialist Vehicles, Woodbridge

Continued on page 86

Automotive News World Outlook

Generated by Data Resources Inc.
(In Millions)

	1985	1986	1987	1988	1989	1990	1991	1992
New car registrations								
Total Western Europe*	10,608	11,635	12,371	12,283	11,625	11,982	12,340	12,445
Germany	2,379	2,829	2,916	2,773	2,601	2,696	2,603	2,620
France	1,766	1,912	2,105	2,071	1,946	2,031	2,184	2,256
United Kingdom	1,832	1,882	2,014	2,004	1,896	1,926	1,964	1,908
Italy	1,746	1,825	1,977	2,029	1,818	1,834	1,885	1,928
Total U.S.	11,043	11,452	10,227	10,100	9,800	10,002	10,002	10,302
Asia-Pacific**	1,240	1,119	1,325	1,512	1,509	1,615	1,691	1,766
Japan	3,104	3,146	3,275	3,478	3,549	3,441	3,479	3,514
Total Africa-Mid East	1,268	1,185	1,168	1,252	1,306	1,389	1,510	1,595
Total Latin America†	1,226	1,250	970	910	1,069	1,100	1,273	1,290
Total Eastern Bloc	2,195	2,171	2,257	2,334	2,407	2,466	2,548	2,630
Car production								
Total Western Europe*	11,204	11,818	12,518	12,498	12,008	12,407	12,793	12,870
Germany	4,167	4,311	4,374	4,236	4,023	4,103	4,196	4,271
France	2,632	2,773	3,052	3,032	2,893	3,019	3,126	3,160
United Kingdom	1,048	1,019	1,143	1,214	1,253	1,348	1,405	1,412
Italy	1,389	1,652	1,713	1,827	1,729	1,774	1,781	1,772
Total North American	9,277	8,889	7,831	7,564	7,407	7,492	7,671	7,931
Asia-Pacific**	869	1,042	1,454	1,808	1,928	2,115	2,240	2,352
Japan	7,647	7,810	7,891	7,736	7,671	7,605	7,607	7,737
Total Latin America†	1,174	1,166	1,126	1,201	1,440	1,541	1,718	1,736
Mexico	297	208	277	393	528	613	645	625
New truck registrations								
Western Europe***††	208	222	252	249	242	243	243	243
U.S.	4,450	4,640	4,650	4,690	4,520	4,380	4,240	4,540
Truck production								
Western Europe***	294	289	305	316	304	308	308	308
North America	4,325	4,177	4,310	4,090	4,070	4,100	4,040	3,980

*Includes Germany, France, United Kingdom, Italy, Netherlands, Belgium, Denmark, Ireland, Greece, Sweden, Norway, Finland, Switzerland, Austria, Spain and Portugal.
**Includes Taiwan, South Korea, Peninsular Malaysia, India, and Australia but excludes Japan, which is listed separately.
***Includes Germany, France, United Kingdom, Italy, Spain, Sweden, Netherlands, Belgium, Denmark, Switzerland, Norway, Finland, Portugal and Austria.
†Latin America includes Mexico, Brazil and Argentina.
††Western Europe truck registrations and production numbers are for trucks over six tons; no vans.

January 1988

MANUFACTURERS

Continued from page 85

Works, Guildford, Surrey GU2 5XP, England. Phone: (44) 483 571271. Telex: 859563. Fax: (0483) 301697. Products: Buses and coach chassis, specially engineered fire fighting chassis.

DeTomaso Modena S.p.A., Via le Virgilio 9, Via Emilia Ovest 1250, 41100 Modena, Italy. Phone: (39) 59 518102. Telex: 510619 detoma i. Fax: 59/51802. Products: Vehicles, spare parts.

Dong-A Motor Co. Ltd., (includes Keohwa) — See Ssangyong Motor Co.

Donkervoort, Nieuw Loosdrechtsedijk 205a, 1231 KT Nieuw Loosdrecht, Netherlands. Phone: (31) 2158-1990. Telex: 43323 DONVO NL. Products: Donkervoort automobiles.

Dutton Cars Ltd., 53 Broadwater St. W., Worthing, Sussex BN14 9BY, England. Phone: (44) 903 213421. Products: Dutton cars.

El Nasr Automotive Mfg. Co., Wadi-Hof, Cairo, Egypt. Phone: (20) 689901. Telex: 92064 AUTHEL UN. Products: Passenger cars, trucks, buses, agricultural tractors, complete replacement engines.

Enasa S.A., Av. Aragon 402, 28022 Madrid, Spain. Phone: (34) 1 747 5555. Products: Pegaso trucks, buses.

ERF Ltd., Sun Works, Sandbach, Cheshire CW11 9DN, England. Phone: (44) 936 73223. Products: ERF heavy trucks.

Fabryka Samochodow Malottira-Zowych, ul. Sarni Stok 93, 43-300 Bielsko-Biala, Poland. Products: Passenger cars, Fiat 126, Syrena models.

Fabryka Samochodow Oso-Bowych (FSO), ul. Stalingradzka 50, Warsaw, Poland. Products: Automobiles.

Farus Ltda., Industria de Veiculos Esportivos, Rua Camilo Flamarion 311, 32000 Contagem, Minas Gerais, Brazil. Products: Automobiles.

Fasa-Renault, Av. de Burgos, No. 89, Madrid 28050, Spain. Phone: (34) 1 766 1900. Telex: 27556. Products: Renault cars, light trucks, engines, transaxles and automotive components.

Ferrari S.p.A., P.O. Box 589, 41100 Modena, Italy. Phone: (39) 536 94 1161. Products: GT and sports cars.

Fiat Auto S.p.A., Corso Agnelli 200, 10135 Turin, Italy. Phone: (39) 11 3333 1. Products: Fiat, Autobianchi, Lancia, Alfa Romeo passenger cars.

Fiat Automoveis S.A., Rodovia Fernao Dias, Km 429, 32500 Betim, Minas Gerais, Brazil 32500. Phone: (31) 529 2111 Telex: (031) 1019. Products: Fiat passenger cars for domestic and export markets.

First Automobile Works, The, 63 Dongfeng St., Changchun, Jilin, China. Phone: 431-54711. Telex: 83009 JFFAW CN. Products: Jiefang CA 141 five-ton trucks, Hongqi CA 774 luxury car and minibus.

Jiefang Automotive Industry Import & Export Corp., (subsidiary) 39-1 Dongfeng St., Changchun, Jilin, China. Phone: 431-54909. Telex: 83009 JFFAW CN. Fax: 431-55750.

Foden Trucks, Elworth Works Sandbach, Cheshire CW11 9HZ, England. Phone: (44) 270 763244. Telex: 36553. Products: Foden heavy trucks.

Ford Brasil S.A. — See Autolatina Comercio, Negocios e Participacao Ltda.

Ford Espana S.A. (Spain), Paseo de la Castellana 135, 8 Planta, Madrid, Spain 28046. Phone: (34) 1 571 14 44. Telex: Spain 42352. Products: Ford cars.

Ford Iveco — See Iveco.

Ford Lio Ho Motor Co. (Taiwan) Ltd., P.O. Box 12, Chung Li, Taiwan 320, China. Phone: (886) 34 553131. Telex: 35167. Products: Ford, Mazda passenger cars.

Ford Lusitana S.A. (Portugal), Apartado 2248, R. Rosa Araujo 2-40, Lisbon 1200, Portugal. Phone: (351) 1 53 91 41. Telex: Portugal 122 18. Products: Ford car, Transit van and Sierra pickup assembly.

Ford Motor Argentina S.A. — See Autolatina Argentina S.A.

Ford Motor Co. Ltd. and Ford of Europe Inc., Eagle Way, Brentwood, Essex, CM13 3BW, England. Phone: (44) 277 253000. Telex: United Kingdom 995311. Products: Ford passenger cars and light vans.

Ford Motor Co. (Japan) Ltd., Toranmon 37 Mori Bldg., 5-1 Toranomon 3-chome, Minato-ku, Tokyo, Japan. Products: Importer in Japan of Ford cars; exporter to Australia and New Zealand of Mazda automobiles. Models: Laser, Telstar.

Ford Motor Co. of Australia Ltd., Private Mail Bag 6, Campbellfield, Victoria 3061, Australia. Phone: (61) 3 359-8211. Telex: 30624. Products: Ford passenger car, van, light and heavy truck assembly.

Ford Motor Co. of New Zealand Ltd., P.O. Box 30-012, Lower Hutt, New Zealand. Phone: (64) 4 666-149 (Wellington). Cable: NEWZEAFORD WELLINGTON (N.Z.). Products: Ford vehicle assembly.

Ford Motor Co. S.A. de C.V. (Mexico), Apartado Postal 39 Bis, Mexico 1 D.F. Phone: (52) 2 11 00 49. Telex: 7860. Products: Ford cars and trucks.

Ford Motor de Venezuela S.A., Apartado 61131 del Este, Caracas, Venezuela. Phone: (58) 2 765377. Telex: Caracas FI-22740. Products: Ford cars and trucks.

Ford-Werke AG, Henry-Ford Strasse 1, D-5000 Cologne 60, West Germany. Phone: (49) 221 7513. Telex: Germany 888 3225. Products: Ford passenger cars.

Freight Rover Ltd. — See Leyland-Daf Ltd.

Fuji Heavy Industries Ltd., Subaru Bldg., 1-chome, 7-2, Nishi-shinjuku, Shinjuku-ku, Tokyo 160, Japan. Phone: (03) 347-2111. Telex: 0-232-2268 FUJI J. Products: Subaru automobiles, industrial engines and machinery, rolling stock and special-purpose vehicles, buses and aircraft.

GAC Ireland Ltd., Shannon Industrial Estate, County Clare, Ireland. Phone: (353) 61-61522. Telex: 24048. Products: Monocoque buses.

GAZ (Gorkovski Avtomobilny Zavod), Avtoexport, 14 Volkhonka, Moscow 119902, U.S.S.R. Phone: (7) 95 202 8535. Products: Volga and Chaika automobiles.

General Motors Chile S.A., Industria Automotriz, Camino A Melipilla 9769 Maipu Santiago, Chile, P.O. Box 14.370. Phone: (56) 2 5574673. Telex: 40711 GENMOCH. Products: Vehicle assembly and imports.

General Motors Continental, Noorderlaan 75, Postbus 9, B-2030 Antwerp, Belgium. Phone: (32) 3 543 5111. Products: Assembly of Opel and Vauxhall vehicles.

General Motors de Mexico S.A. de C.V., Apartado 107-BIS, Mexico 1, D.F. Phone: (52) 5 250-3777. Products: Assembly of passenger cars, commercial vehicles.

New plant and equipment expenditures by motor vehicle and parts manufacturers

	Expenditures (Billions)			Motor Vehicle and Equip. Mfg.	
	Total U.S.	Total Manufacturing	Vehicle & Equipt. Manuf.	Manufacturing	Percent of Total U.S.
1976	179.91	58.53	3.60	6.2	2.0
1977	208.15	67.48	5.82	8.6	2.8
1978	245.34	78.58	7.19	9.1	2.9
1979	284.94	95.92	8.34	8.7	2.9
1980	314.47	112.33	9.02	8.0	2.9
1981	349.26	126.54	9.83	7.8	2.8
1982	347.47	120.68	7.77	6.4	2.2
1983	304.78	116.20	7.29	6.3	2.4
1984	354.44	138.82	11.20	8.1	3.2
1985	387.13	153.48	14.63	9.4	3.2
1986	379.5	142.7	14.0	9.8	3.7
1987*	390.6	147.9	12.6	8.5	3.2
1988*	419.0	159.9	12.2	7.6	2.9

*—Projections.
SOURCES: U.S. Department of Commerce, Bureau of Economic Analysis; MVMA.

U.S. vehicle and parts percent of total merchandise trade of GNP

	Exports			Imports			
Year Quarter	Billions of Dollars	U.S. Total Merchandise Exports	U.S. Gross National Product	Billions of Dollars	U.S. Total Merchandise Imports	U.S. Gross National Product	Motor Vehicle & Parts Trade Deficit (Billions)
1971	5.0	11.3	0.46	7.9	17.1	0.73	2.9
1972	6.0	12.0	0.51	9.6	17.0	0.80	3.6
1973	7.3	10.2	0.55	11.3	16.0	0.85	4.0
1974	9.3	9.4	0.65	12.4	12.0	0.86	3.1
1975	10.8	10.1	0.68	12.1	12.3	0.78	1.3
1976	12.2	10.7	0.69	16.8	13.5	0.98	4.6
1977	13.5	11.2	0.68	19.4	12.7	1.01	5.9
1978	15.7	11.1	0.70	25.0	14.2	1.16	9.3
1979	18.4	10.0	0.73	26.4	12.5	1.10	8.0
1980	17.5	7.8	0.64	27.9	11.4	1.06	10.4
1981	19.8	8.3	0.65	30.9	11.6	1.04	11.1
1982	17.4	8.2	0.55	34.1	13.8	1.12	16.7
1983	18.7	9.2	0.55	43.5	16.2	1.24	24.8
1984	22.5	10.2	0.60	56.6	17.0	1.50	34.1
1985	24.5	11.4	0.61	65.1	19.2	1.63	40.6
1986	25.4	11.3	0.60	78.1	21.2	1.84	52.7
1987 I	6.3	11.1	0.58	20.6	21.5	1.83	14.3
II	6.4	10.6	0.58	21.1	21.2	1.90	14.7
III	6.3	9.6	0.56	21.3	20.3	1.88	15.0

SOURCES: U.S. Department of Commerce, Bureau of the Census; MVMA.

Ford Motor Co. factory sales climb to 6.05 million

U.S. and Canadian cars and trucks*

	1987	1986	1985	1984	1983	1982	1981
Cars							
United States	2,171,442	2,093,698	1,940,662	2,047,671	1,671,837	1,270,519	1,385,174
Canada	187,840	188,887	194,540	167,295	143,425	118,721	148,515
Total cars	2,359,282	2,282,585	2,135,202	2,214,966	1,815,262	1,389,240	1,533,689
Trucks**							
United States	1,481,059	1,404,002	1,260,123	1,238,928	993,874	803,484	716,648
Canada	151,982	126,758	119,583	94,552	69,409	70,120	104,136
Total trucks	1,633,041	1,530,760	1,379,706	1,333,480	1,063,283	873,604	820,784
Total cars and trucks	3,992,323	3,813,345	3,514,908	3,548,446	2,878,545	2,262,844	2,354,473
Cars and trucks outside the United States and Canada**							
Germany	899,609	862,288	769,883	789,655	833,119	797,850	737,383
Britain	484,057	438,155	422,003	371,598	414,018	423,073	418,629
Spain	276,448	268,114	265,783	269,021	228,150	229,839	254,006
Brazil	—	182,635	185,241	169,099	165,328	145,110	125,346
Australia	134,222	143,415	177,108	156,304	138,394	141,990	127,181
Mexico	34,495	43,601	70,238	50,560	47,670	90,478	107,312
Argentina	—	32,521	33,281	49,881	56,588	52,764	78,671
Other countries***	230,220	131,671	112,055	180,087	172,419	123,639	110,187
Total outside United States and Canada	2,059,051	2,102,400	2,035,592	2,036,205	2,055,686	2,004,743	1,958,715
Total worldwide— cars and trucks	6,051,374	5,915,745	5,550,500	5,584,651	4,934,231	4,267,587	4,313,188

*Factory sales are by source of manufacture, except that Canadian exports to the United States are included as U.S. vehicle sales and U.S. exports to Canada are included as Canadian vehicle sales.
**Includes units manufactured by other companies and sold by Ford.
***Unit sales for Brazil, Argentina are included only through June 30,1987.

General Motors worldwide factory sales

(Units in thousands)

	Cars			Trucks & buses			Total		
	1987	1986	1985	1987	1986	1985	1987	1986	1985
United States	3,592	4,302	4,882	1,520	1,520	1,537	5,112	5,822	6,419
Canada	344	545	562	238	192	280	582	737	842
Overseas*	1,857	1,783	1,762	214	234	282	2,071	2,017	2,044
Total	5,793	6,630	7,206	1,972	1,946	2,099	7,765	8,576	9,305

*—Includes units which are manufactured overseas by other companies and which are imported and sold by General Motors and affiliates.

Retail unit sales of cars and trucks worldwide

United States:	1987	1986	Change from '86	International:	1987	1986	Change from '86
Industry	15,197	16,336	(1,139)	Industry	26,019	23,286	2,733
GM: cars	3,728	4,693	(965)	GM: cars	1,743	1,721	22
trucks	1,545	1,593	(48)	trucks	230	259	(29)
total	5,273	6,286	(1,013)	total	1,973	1,980	(7)
As % of U.S.	34.7	38.5	(3.8)	As % of International	7.6	8.4	(0.8)

U.S. industrial production index and capacity usage of motor vehicle and parts manufacturers

	Industrial Production Index				Capacity Utilization*			
	Index	Total % Change from Last Period	Motor Vehicle & Parts Manufacturing Index	% Change from Last Period	All Manufacturing	% Change from Last Period	Motor Vehicles & Parts	% Change from Last Period
19710	79.6	1.4	70.6	−25.4	77.4	− 2.2	82.2	−16.3
1972	87.3	9.7	77.1	9.2	82.8	7.0	86.0	4.6
1973	94.4	8.1	89.8	16.5	87.0	5.1	94.5	9.9
1974	93.0	− 1.5	77.5	−13.7	82.6	− 5.1	78.4	−17.0
1975	86.3	− 8.8	65.7	−15.2	72.3	−12.4	64.5	−17.7
1976	92.4	9.2	86.5	31.8	77.4	7.1	81.1	25.7
1977	100.0	8.0	100.0	15.6	81.4	5.2	89.1	9.9
1978	106.5	6.5	104.6	4.6	84.2	3.4	89.0	− 0.1
1979	110.7	3.9	95.9	− 8.3	84.6	0.5	78.2	−12.1
1980	108.6	− 1.9	71.1	−25.8	79.3	− 6.3	57.8	−26.0
1981	111.0	2.2	71.6	0.7	78.3	− 1.3	59.0	2.1
1982	103.1	−7.1	66.8	− 6.7	70.3	−10.6	54.3	− 8.0
1983	109.2	5.9	85.5	28.4	74.0	5.3	68.9	27.0
1984	121.8	11.5	105.6	23.1	80.8	9.2	82.5	19.7
1985	123.8	1.6	111.5	5.6	80.3	− 0.6	84.0	1.8
1986	125.1	1.1	110.9	− 0.5	79.8	− 0.6	79.9	− 4.9
1987	129.8	3.8	111.7	− 0.3	81.0	− 1.6	79.2	− 1.2

NOTE: *—Capacity Utilization is a percent of capacity benchmarked to Bureau of Economic Analysis and McGraw-Hill surveys.
SOURCES: Board of Governors of Federal Reserve System, Federal Reserve Bulletin; Unpublished data on computer printout (FRB); MVMA.

MANUFACTURERS

General Motors de Portugal Ltda., P.O. Box 8115, 1802 Lisbon Codex, Lisbon, Portugal. Phone: (351) 1-85-01-88. Telex: 12599. Products: Assembly of vehicles.

General Motors de Venezuela C.A., Ave. General Motors, Zona Industrial Sur, Valencia, Carabobo 45316, Venezuela. Phone: (58) 2-302-100. Telex: 45104/45478. Products: Assembly and sales of GM vehicles, parts and accessories.

General Motors do Brasil S.A., P.O. Box 8200, 01000 Sao Paulo, Brazil. Phone: (55) 11 442 7700. Products: Assembly of passenger cars and commercial vehicles.

General Motors Egypt S.A.E., (shared ownership by GM, Isuzu Motors Ltd., Egyptian and Arab investors), Abu El Fida Bldg., 3 Abu El Fida St., Zamalek, Cairo, Egypt. Phone: 3404004-3412116. Telex: 20407-22670 GME UN. Products: Assembly and manufacture of commercial vehicles: Isuzu light- and medium-duty trucks; mini- and micro-buses.

General Motor-Holden's — See Holden's Motor Co.

General Motors Uruguaya (Uvasa) S.A.), Av. Sayago 1385, Montevideo, Uruguay. Phone: (59) 82-381-621/28. Products: Assembly of General Motors vehicles.

General Motors Zaire S.A.R.L., B.P. 11199, Kinshasa 1, Zaire. Phone: 160-243 (Bell operator)-26635. Products: Assembly of imported vehicles.

Ghia Design S.p.A., Via Agostino da Montefeltro 5, 10034 Turin, Italy. Phone: (39) 11 3190033. Telex: 221538. Products: Prototype design and engineering for Ford.

Giannini Automobili S.p.A., Via Idrovore della Magliana 57, 00148 Rome, Italy. Products: Automobiles, variations of Fiat cars.

Ginetta Cars Ltd., West End Works, Witham, Essex, GMB 1BE, England. Phone: (44) 376 512143. Products: Automobiles including G25 model.

Gurgel S.A. Industria e Comercio de Veiculos, Rodovia Washington Luiz, km 171, Rio Claro, Sao Paulo, Brazil 13500. Phone: (55) 195 34 9588. Telex: (019) 1419. Products: Off-road cars, delivery vans, electric cars.

Hestair Dennis Ltd. — See Dennis Specialist Vehicles.

Heuliez, S.A. Louis, Cerizay, France, 79140. Phone: (33) 49 801111. Products: Ambulances, hearses, special vehicles, buses.

Hindustan Motors Ltd., Birla Bldg., 9/1 R.N. Mukherjee Rd., Calcutta 1, India. Products: Cars, 4wd vehicles.

Hino Motors Ltd., 7-17, Nihonbashi 1-chome, Chuo-ku, Tokyo, Japan. Phone: (81) 3 272 4811. Telex: J22946 HINOLTD. Products: Diesel trucks.

Holden's Motor Co., (General Motors operating company), Box 1714 G.P.O., Melbourne, Victoria, Australia 3001. Phone: (61) 3-647-1497. Products: Manufacture of passenger cars and importer of Isuzu and Suzuki porducts.

Honda Motor Co. Ltd., No. 1-1, 2-chome, Minami-Aoyama, Minato-ku, Tokyo 107, Japan. Phone: (81) 3 423 1111. Telex: J22678 (HONDAMTR). Products: Honda and Acura cars, motorcycles and power products.

Hyundai Motor Co., 140-2, Ke-Dong, Jongro-ku, Seoul, 110-793, South Korea. Phone: (82 2) 744-0211. Fax: 744-0470. Products: Automobiles.

IBC Vehicles Ltd., P. O. Box 163, Kimpton Rd., Luton, LU2 OTY. England. Telex: 825976 IBCVEH, Fax: (0582) 426205. Products: light commercial vehicles.

Industrie Pininfarina S.p.A., Via Lesna, 78/80 Grugliasco, 10095 Turin, Italy. Phone: (39) 11-70911. Telex: 210168. Fax: (39) 11 700819. Products: manufacture of auto bodies and automobiles.

Innocenti, Nuova — See Maserati.

Institute for Development in Automotive Engineering (I.D.E.A.), Villa Cantamerla, Via Ferraro di Cambiano 32, 10024 Moncalieri, 10024 Turin, Italy. Phone: (39) 11 691091. Telex: 212262 IDEATO I. Fax: 11 550363. Products: Automobile design; industrial design (industrial vehicles, marine, machinery); engineering services (product engineering, manufacturing engineering, research, materials applications).

International Automotive Design, IAD House, Dominion Way, Worthing, Sussex BN14 8LU, England. Phone: (44) 903 210131. Telex: 877602 IADUKG. Fax: 903 213387. Products: Design engineering consultants to automotive & aerospace industry; CAD/CAM & CAE specialists; concept & prototype vehicle builders.

Iran Vanet Mfg. Co., P.O. Box 250, Kilometer 21, Old Karaj Rd., Teheran, Iran. Phone: 952717/965032. Telex: 212035 IVMC IR. Products: Mazda trucks.

Isuzu Motors Ltd., 22-10, Minami-oi, 6-chome, Shinagawa-ku, Tokyo 140 Japan. Phone: (81) 3 762-1111. Telex: 0266219 ISUZU T J. Products: Cars, trucks, buses.

Ital Design S.p.A., Via A.Grandi, 11, 10024 Moncalieri, Italy. Phone: (39) 11 64-70-333. Telex: 220642 ITADES-1. Products: Design, models, interior mock-ups, handcrafted prototypes, pilot production prototypes, design of dies, manufacturing jigs and fixtures design, feasibility studies for automotive industry.

Iveco BV, Bavink Staete, Prof. Bavinklaan 5, NL-Amstelveen, Amsterdam, Netherlands. Phone: (31) 20 413136. Products: Iveco, Magirus, Unic and Ford trucks and buses.

Jaguar Plc, Browns Lane, Allesley, Coventry CV5 9DR, England. Phone: (44) 203 402121. Products: Jaguar and Daimler automobiles.

Jeep do Venezuela S.A., Ave. Andres Bello Edif. Las Fundaciones, Caracas, Venezuela. Phone: (58) 2-573-8011. Telex: 24702 JEEPVVC. Products: Jeep vehicles.

KAMAZ, Avtoexport, 14 Volkhonka, 119902 Moscow, U.S.S.R. Phone: (7) 95 202 85 35. Products: KAMAZ heavy trucks.

Karmann Ghia do Brazil Ltda., C.P. 5330, 01051 Sao Paulo, S.P. Brasilia. Phone: 005511-4515533. Telex: 038114043. Products: Automobiles, car bodies, convertibles, body engineering, tool and die shop, prototypes, stamped parts and components.

Karmann-Rheine GmbH & Co. KG, Birkenallee, 4440 Rheine, West Germany. Phone: (49) 59718651. Telex: 98 1601. Products: Automobiles, car bodies, convertibles, special vehicles, motor homes, textile-leather seats and trim parts.

Karmann, Wilhelm, GmbH, Karmannstrasse 1, 4500 Osnabrueck, West Germany. Phone: (49) 541 5811. Products: Automobiles, car bodies, convertibles, body engineering, tool and die shop, prototpyes, stamped parts and components.

Kassbohrer, Karl, Fahrzeugwerke GmbH, Postfach 2660, 79 Ulm, West Germany. Phone: (49) 731 1811. Products: Buses.

Kia Motors Corp., 15 Yoido-dong, Yungdeungpo-ku, Seoul, 150-010, South Korea. Phone: (82 2) 784-1501. Telex: KIACO K27327. Products: Passenger and utility vans, cargo trucks, buses, special and military vehicles.

Lada — See VAZ.

Lamborghini — See Automobili Lamborghini S.p.A.

Land Rover Ltd., Lode Lane, Solihull West Midlands B92 8NW, England. Phone: (44) 21 722 2424. Telex: 338641 LANROV G. Products: Land Rover utility vehicles, Range Rover station wagons.

Lawil S.P.A., Via Oreste Maretti 29, 27057 Varzi (Pavia), Italy. Phone: (39) 383 52244. Products: Automobiles.

Leyland-Daf Ltd., Lancaster House, Leyland, Preston PR5 1SN, England. Phone: (44) 772 421 400. Products: Leyland, Daf trucks, Freight Rover vans.

Lotus, Group, Hethel, Norwich, Norfolk, England NR14 8EZ. Phone: (44) 953 60 8000. Telex: 97401. Products: Automobiles, automotive engineering technology.

Maggiora, S.p.A., ILCA, Via Natale Palli 8, Borgo San Pietro, 10047 Moncalieri, Turin, Italy. Phone: (39) 11 605 4301. Products: Engineering and assembly.

MAN (Maschinen Fabrik Augsburg-Nuernberg) AG, Postfach 89, Augsburg, West Germany. Phone: (49) 821 3223740. Products: MAN trucks and buses.

Marcos Sales Ltd., 153 West Wilts TC1 EST, Westbury, Wiltshire BA13 4JN, England. Phone: (44) 373-864097. Telex: 444883 SPEMAR G. Products: Marcos sports car and parts.

Maserati, Officine Alfieri, S.p.A., Viale Ciro Menotti 322, 41100 Modena, Italy. Phone: (39) 59 413801. Products: Maserati GT cars, Innocenti vehicles.

Matra Automobile, 14 Rue Paul Dautier, 78140 Velizy, France. Phone: (33) 946 9618. Products: Composite material engineering, Renault Espace minivan.

Mazda Motor Corp., 3-1 Shinchi, Fuchu-cho, Aki-gun, Hiroshima 730-91, Japan, P.O. Box 18. Phone: (81) 082 282-1111. Telex: 652333 MAZDA J. Products: Mazda passenger cars, commercial vehicles and industrial machinery.

Mercedes-Benz — See Daimler-Benz.

Mercedes-Benz Argentina S.A., Av. del Libertador 2424 CP 1425, Buenos Aires, Argentina. Phone: (54) 8 01 7061/69. Telex: 21335 MBA Ar. Products: Trucks, buses and spare parts.

Mercedes-Benz Australia Pty Ltd., P.O. Box 214, Mulgrave-Melbourne, Australia. Phone: (61) 35 66 92 66. Telex: 31735 merstar aa. Products: Assembly of trucks and buses.

Mercedes-Benz do Brasil S.A., Av. Alfred Jurzykowski 562, Sao Bernardo do Campo/Sao Paulo, Brazil 09880. Phone: (55) 11 455 66 11. Telex: 114157 BENZ BR. Products: Trucks, complete buses, bus chassis and platforms, spare parts.

Mercedes-Benz of South Africa (Pty) Ltd., P.O. Box 1717, Pretoria 0001, South Africa. Phone: (27) 12 203 9111. Telex: 321361SA. Products: Assembly of Honda cars, Mercedes-Benz cars, trucks, buses.

Metalurgica Duarte Ferreira, SA Av. 5 de Outubro, 120-40 Esq. P-1000, Lisbon, Portugal. Products: License-made 4x4 Aro, known as Portaro.

Metro-Cammell Weymann Ltd., P.O. Box 255, Washwood Heath, Birmingham B8 2UH, England. Phone: (44) 21 327 4777. Products: Buses, taxis.

MG — See Austin Rover.

Michelotti, G. (Studio Tecnico Design Carrozzeria SRL), Strada.C. Dei Boschi 8, 10092 Beinasco To, Turin, Italy. Phone: (39) 11 349 7291. Telex: 314339. Fax: (39) 11 349 0121. Products: Design and engineering, custom vehicles.

Midas Cars Ltd., St. Lukes Rd., Corby, Northamptonshire NN18 8AJ, England. Phone: (44) 536-60044. Products: Midas automobiles, consulting and development work on composite monocoque structures.

Mitsubishi Motors Corp., 33-8 Shiba 5-chome, Minato-ku, Tokyo, Japan. Phone: (81) 3 456-1111. Telex: J26639 (BISHIJIKO). Products: Motor vehicles ranging from mini vehicles to large-size trucks and buses and associated components as well

Continued on page 90

U.S. corporate profits — totals and motor vehicle, equipment makers' share

(Dollars in billions)

Year Quarter	Profits Before Tax: Motor Vehicle & Equipment Manufacturers	Profits Before Tax: Total Manufacturers	Total U.S. Profits	Motor Vehicle & Equipment % of: Total Manufacturer Profits	Motor Vehicle & Equipment % of: Total U.S. Profits
1970	1.2	26.6	68.9	4.5	1.7
1971	5.0	34.1	82.0	14.7	6.1
1972	5.9	40.7	94.0	14.4	6.3
1973	5.8	46.2	107.1	12.5	5.4
1974	0.7	39.8	99.4	0.2	0.1
1975	2.0	53.6	123.9	3.7	1.6
1976	7.2	70.9	155.3	10.0	4.7
1977	9.4	80.6	183.8	11.6	5.2
1978	8.9	88.7	208.2	10.0	4.3
1979	4.7	87.5	214.1	5.3	2.2
1980	−2.5	77.1	194.0	0.0	0.0
1981	0.1	88.5	202.3	0.0	0.0
1982	−0.8	58.0	159.2	1.4	0.5
1983	5.1	70.2	196.7	7.3	2.6
1984	9.9	87.5	230.2	11.3	4.3
1985	6.5	72.2	224.1	9.0	2.9
1986	5.9	69.4	238.4	8.5	2.5
1987					
*(Qtr.) I	7.1	75.4	245.7	9.4	2.9
II	7.4	85.5	248.8	8.7	3.0
III	3.5	100.7	267.3	3.5	1.3

*Quarterly data at seasonally adjusted rates.
SOURCES: U.S. Department of Commerce, Bureau of Economic Analysis, Survey of Current Business; MVMA.

U.S. unemployment in motor vehicle & equipment manufacturing industry

	Civilian Workers	In Manufacturing	Motor Vehicles and Parts	Thousands	Total as % of: Total Manufacturing	Total as % of: Civilian Unemployment
1971	5.9	6.8	5.1	56	4.0	1.1
1972	*5.6*	*5.6*	*4.4*	*48*	*4.2*	*1.0*
1973	4.9	4.4	2.4	29	3.1	0.7
1974	5.6	5.8	9.3	112	8.9	2.2
1975	8.5	10.9	16.0	174	7.5	2.2
1976	7.7	7.9	6.0	65	3.8	0.9
1977	7.1	6.7	3.9	46	3.3	0.7
1978	6.1	5.5	4.1	53	4.3	0.9
1979	5.8	5.6	7.4	99	7.6	1.6
1980	7.2	8.5	20.4	257	12.9	3.4
1981	7.6	8.3	14.7	174	9.1	2.1
1982	9.7	12.4	20.1	215	7.8	2.0
1983	9.6	11.2	12.7	143	5.8	1.3
1984	7.5	7.5	7.2	92	5.5	1.1
1985	7.1	7.6	7.1	95	5.6	1.3
1986	7.0	7.1	6.9	89	5.7	1.1
1987	6.2	6.0	7.9	100	7.8	1.3

SOURCES: U.S. Department of Labor, Bureau of Labor Statistics; MVMA.

U.S. automakers' financial results for 1986 and '87

(In millions)

	1987 Sales	1987 Profit (Loss)	1986 Sales	1986 Profit (Loss)
American Motors	—	—	$ 3,463	$ (91)
Chrysler Corp.	$ 26,631.5	$1,289.7	22,586	1,404
Ford Motor Co.	71,643.4	4,625.2	62,716	3,285
General Motors Corp.	101,781.9	3,550.9	102,814	2,945
Total	$200,056.8	$9,465.8	$191,579	$7,543

1987 financial results of automakers' finance companies

(Dollars in millions)

	Chrysler Financial Corp.	Ford Motor Credit Corp.	General Motors Acceptance Corp.
1987 Net Income	$225.8	$678.8	$1,453.2
1986 Net Income	$185.6	$611.3	$1,185.1
Change from 1987 Percentage of Retail Sales Financed	32%	39%	41%
1986 Percentage of Retail Sales Financed	35%	42%	57%

U.S. employment in motor vehicle & equipment manufacturing industry

	Total (000)	Autos (000)	Trucks (000)	Parts (000)	Total as % of: Manufacturing	Total as % of: Non Agricultural
1970	799.0	382.1	66.0	351.3	4.1	1.1
1971	848.5	420.2	67.7	361.1	4.6	1.2
1972	874.8	415.2	76.6	383.0	4.6	1.2
1973	*976.5*	*461.6*	*85.0*	*429.9*	*4.8*	*1.3*
1974	907.7	416.2	88.9	402.7	4.5	1.2
1975	792.4	375.3	64.7	352.5	4.3	1.0
1976	881.0	415.9	66.0	399.0	4.6	1.1
1977	947.3	442.0	72.6	426.5	4.8	1.1
1978	1,004.9	469.8	77.6	451.9	4.9	1.2
1979	990.4	463.0	80.8	441.1	4.7	1.1
1980	788.8	368.1	66.8	349.5	3.9	0.9
1981	788.7	358.7	61.5	363.3	3.9	0.9
1982	699.3	317.5	51.6	323.3	3.7	0.9
1983	753.7	349.1	54.1	339.5	4.1	0.8
1984	861.7	391.6	67.4	388.3	4.4	0.9
1985	876.4	404.5	65.6	391.6	4.5	0.9
1986	865.0	395.6	65.2	387.2	4.6	0.9
1987*	841.7	365.5	73.7	383.3	4.4	0.8

*Estimates. Definitions: Autos — motor vehicles and car bodies (SIC 3711); Trucks — truck and bus bodies (SIC 3713), truck trailers and motor homes (SIC 3715,6); Parts — motor vehicle parts and accessories (SIC 3714).
SOURCES: U.S. Department of Labor, Bureau of Labor Statistics; MVMA.

MANUFACTURERS

Continued from page 87

as industrial and agricultural engines.

Morgan Motor Co. Ltd., Pickersleigh Road, Malvern Link, Worcestershire WR14 2LL, England. Phone: (44) 6845 3104. Products: Morgan automobiles, parts.

Motor Iberica S.A., Edificio Barcinovaa, Gran Via Carlos III, 140-142, Barcelona-34, Spain. Phone: (34) 3 309 1508. Products: Nissan 4wd Patrol vehicle, Vanette.

Naylor Cars, Pawson Street, Bradford, West Yorkshire BD4 8DF, England. Phone: (44) 274 669052. Products: Replicars.

Nissan Australia Pty. Ltd., 250-284 Frankston Rd., Dandenong, Victoria 3175, Australia. Phone: (61) 3 797 4111. Products: Automobiles.

Nissan Diesel Motor Co. Ltd., 3-7-1, Kanda Nishiki-cho, Chiyoda-ku, Tokyo, Japan 101. Phone: (81) 3 294 9116. Telex: NIDEKO J24111. Products: manufacture and sales of diesel engines, light-, medium- and heavy-duty diesel trucks and buses.

Nissan Mexicana, S.V. de C.V., Av. Insurgentes Sur 1457, Mexico DF 03920, Mexico. Phone: (52) 5 688 2862. Products: Nissan cars and trucks.

Nissan Motor Co. Ltd., 17-1, Ginza 6-chome, Chuo-ku, Tokyo 104, Japan. Phone: (81) 3 543 5523. Telex: NISMO J22503. Products: Nissan cars and trucks.

Nissan South Africa (Pty) Ltd., P.O. Box 911-010, Rosslyn 0200, Pretoria, South Africa. Phone: (27) 12 541-1111. Telex: 322156SA. Products: Nissan automobiles, pickups.

Nova Sports Cars Ltd. — See Travis Filling Station Ltd.

Ogle Design Ltd., Birds Hill, Letchworth, Hertfordshire, SG6 1JA, England. Phone: (44) 462 682661. Telex: 462 67814. Products: Automobile design and development, prototypes and models.

Oltcit S.A., c/o Auto Dacia Foreign Trade Co., 42 Mercea Voda St., 0300 Pitesti, Romania. Products: Citroen-based cars.

Opel — See Adam Opel AG.

Otokar Otobus Karoseri Sanayi A.S., Eskilondra Asfalti No: 9-13-18, 34590 Bahcelievler-Istanbul, Turkey. Phone: (90) 1 575 33 96. Telex: 28810 Unv tr. Products: Irban city buses, Midi and Mini buses, Land Rover off-road vehicles.

Otomarsan Otobus ve Motorlu Araclar Sanayii A.S., Burmali Cesme Sok. Askori, Firin Yolu No. 2, Davutpasa, Istanbul, Turkey. Phone: (90) 1 567 04 32. Telex: 22 374 otma tr. Fax: 577 04 02. Products: Buses, trucks, cross country vehicles.

Otosan Otomobil Sanayi A.S., Ankara, asfalti 4 km. Uzuncayir mevkii, Istanbul, Turkey 81302. Phone: (1) 3394440. Telex: 29470 Otsn tr. Products: Cargo heavy trucks, light commercial vehicles, Ford Taurus cars, Anadol pickup, gas and diesel engines.

Panther Car Co. Ltd., The, Brooklands Industrial Park, Byfleet, Surrey KT13 0YU, England. Phone: (44) 9323 54066. Telex: 8955729. Fax: 9323 52036. Products: Panther Kallista sports cars.

Paykan, Iran National Mfg. Co., Service Dept., P.O. Box 2118 Teheran, Iran. Products: Automobiles.

Perusahaan Otomobil Nasional Sdn. Bhd. (Proton), HICOM Industrial Estate, Batu 3, Post Office PKNS Complex, Shah Alam, Selangor Darul Ehsan, Malaysia. Phone: (60) 03-5111055. Telex: 38545 PROTON MA. Fax: 5111252. Products: Proton Saga automobiles.

Peugeot Automobile Nigeria Ltd., Plot 1044 Maitam Kulbi Rd., Kakuri Industrial Estate, Kanduna, Nigeria. P.M.B. 2266. Products: Peugeot automobiles and pickup trucks. Phone: 201130-3. Telex: 71132 Peugnig. Products: 205 and 504 sedans, station wagons, ambulance; 505 sedans, J5 mini bus.

Peugeot S.A., 75 Ave. de la Grande Armee, Paris 75116, France. Phone: (33) 14 502 1133. Products: Peugeot, Talbot, Citroen automobiles.

Peugeot Talbot Motor Co. Ltd., International House P.O. Box 712, Bickenhill Lane, Marston Green, Birmingham B37 7HZ, England. (Parent company is Automobiles Peugeot.) Products: Peugeot automobiles.

Pininfarina Studi E Ricerche S.p.A. Via Nazionale 30, Cambiano, Turin, 10020, Italy. (39) 11 9441333. Telex: 215054. Fax: (39) 11 9441607. Products: Automotive and industrial design.

Porsche AG, Porschestrasse 42, 7 Stuttgart-Zuffenhausen, West Germany. Phone: (49) 711-827 5317. Telex: 721871. Products: Porsche automobiles, engineering subcontract work.

Premier Automobiles Ltd., The, LB Shastri Marg, Kurla, Bombay 400 070, India. Products: Fiat-based automobiles.

Puma Industria de Veiculos S.A., Rua Vermag, 128-04217, Sao Paulo, Brazil. Products: Automobiles.

Qingling Motors Co. Ltd., Sichuang-prof, Zhongging-c, Republic of China. Products: Assembly of Isuzu commercial vehicles.

Rayton Fissore S.p.A., Via Fondovalle 1, 12062 Cherasco, Cuneo, Italy. Phone: (39) 172 488 001. Products: Magnum 4wd vehicle.

Reliant Motor Plc, Two Gates, Tamworth, Staffordshire B77 1HN, England. Phone: (44) 827 25 0000. Telex: 34105. Fax: (44) 827 28 2391. Products: Sports cars and three-wheeled vehicles, plastic moldings, 40-hp engines/transmissions.

Renault (Regie Nationale des Usines Renault), 34 quai du Point du Jour, Boulogne-Billancourt, 92109, France. Phone: (33) 1 46 09 15 30. Telex: RENO 204000 F. Products: Renault automobiles and light industrial vehicles.

Renault Truck Industries Ltd., Boscombe Road, Dunstable, Bedfordshire LU5 4LX, England. Phone: (44) 582 471122. Cable: 82191. Products: Renault & Dodge trucks.

Renault Vehicules Industriels (RVI), 8 quai Marcel Dassault, 92156 Suresnes, France. Phone: (33) 14 772 3333. Products: Trucks, buses, military equipment.

Rolls-Royce Motors Ltd., Pym's Lane, Crewe, Cheshire, CW1 3PL, England. Phone: (44) 270 255155. Products: Rolls-Royce, Bentley automobiles.

Rover Group Plc, 7-10 Hobart Place, London SW1W 0HH, England. Phone: (44) 1 235 4311. Products: Austin, Rover, MG passenger cars, Land Rover utility vehicles, Range Rover station wagons.

Saab-Scania AB, S-581 88 Linkoping, Sweden. Phone: (46) 13 18 00 00. Products: Saab automobiles, Scania trucks and buses, jet aircraft, aerospace instrumentation and electronics.

Samcor, P.O. Box 411, Pretoria 0001, South Africa. Phone: (27) 12 863-9111. Telex: 320750SA. Products: Mazda, Mitsubishi, Ford automobiles, pickups.

Sandbach Engineering — See Foden Trucks.

Ssangyong Motor Co./Keohwa, 24-1, 2-ka, Jeo-dong, Jung-ku, Seoul, 100-032, South Korea. Phone: (82 2) 273-4181. Telex: HDHMO K27596. Fax: 276-1580. Products: Ssangyong produces trucks and buses. Keohwa makes Jeeps.

Sbarro — See Ateliers de Constructions Automobiles Sbarro.

Scania — See Saab-Scania.

SEAT (Sociedad Espanola de Automoviles de Turismo S.A.), Apartado de Correos P.O. Box 740, Barcelona, Spain. Phone: (34) 3/331 00 00. Telex: 54550. Products: Manufacture of SEAT and VW automobiles; sales and distribution of SEAT, VW and Audi cars in Spain. Export of SEAT cars.

Seddon Atkinson Vehicles Ltd., (subsidiary of Empresa Nacional de Autocamiones S.A., Madrid, Spain). Woodstock Factory, Oldham, Lancashire OL2 6HP, England. Phone: (44) 61 624 0566. Telex: 667398. Fax: (44) 61 678 0566. Products: Heavy trucks.

Semal — See Sociedade Electro-Mecanica de Automoveis Ltda.

SEVEL (Societa Europea Veicoli Leggeri), Zona Industriale, Strada Stratale 154, Valle del Sangro, 66041 Atessa (CH), Italy. Phone: (39) 872 8901. Products: Fiat, Peugeot, Citroen, Talbot, Alfa Romeo vans.

SEVEL Argentina S.A., Juan D. Peron 1001, Villa Bosch, Buenos Aires, Argentina 1682. Phone: (54) 1 751-8031/49. Telex: 26012. Products: Fiat cars; Peugeot cars and light trucks; Chevrolet pickup.

SIMPAR (Societe Industrielle de Reductions et d'Adaptations Rhonaniennes), 5 rue d'Arsonval - Z.L., 69680 Chassieu, France. Phone: (33) 890 38 88. Telex: 300 649. Products: Transformation of standard vehicles (passenger cars, commercial vehicles) into all-wheel-drive vehicles.

Sipani Automobiles Ltd., 25/26 Industrial Suburb, Second Stage, Tumkur Road, Banglore 560 022, India. Products: Dolphin passenger car (under license from Reliant Motor).

Sisu-Auto AB, Oy, H.D. Trucks, H. Fleminginkatu 27, 00510 Helsinki 51, Finland. Phone: (358) 0 90 75 0101. Products: Sisu heavy trucks.

Skoda (Automobilove Zavody Narodni Podnik), Trida Rude armady 294, PSC 293 60, Mlada Boleslav, Czechoslovakia. Phone: (42) 326 6133. Products: Skoda automobiles.

Sociedade Electro-Mecanica de Automoveis Ltda., Rue Nova de S. Mamede, 7-20 Dto, Lisbon, 1200, Portugal. Phone: (1) 658131. Telex 13371 SEMAL P. Products: Importer for Innocenti and Daihatsu cars.

Steyr-Daimler-Puch AG, Franz-Josefs-Kai 51, A-1011 Vienna 1, Austria. Phone: (43) 222 531 440. Telex: 131706 sdph a. Products: Truck manufacture; subassembly and engineering.

Bugatti — See Automobiles de la Chapelle.

Suzuki Motor Co. Ltd., 300 Takatsuka, Hamamatsu, Shizuoka-ken, Japan. Phone: (81) 534 40 2111. Telex: 4225-571 SUZUKI J. Products: Passenger cars, vans, motorcycles.

Tatra Narodni Podnik, 74221 Koprivnice, Czechoslovakia. Phone: (42) 656 40151. Products: Trucks.

Thompson Mfg. Co., (Wexford) Ltd., Castlebridge, Wexford, Ireland. Phone: (353) 53 23327. Products: TMC Costin sports cars.

Toyota Motor Corp., No. 4-18, Koraku 1-chome, Bunkyo-ku, Tokyo 112, Japan. Phone: (81) 3 817 7111. Telex: 4528371 TOYOTA J. Products: Automobiles, parts and components, industrial vehicles, prefabricated housing and home-related equipment.

Toyota South Africa Ltd., P.O. Box 481, Bervegiei 2012, South Africa. Phone: (27) 11 809-9111. Telex: 421091SA. Products: Passenger cars, pickups.

Trabant — See VEB Sachsenring Automobilwerke Zwickau.

Travis Filling Station Ltd., Bridge Garage, Huddersfield Road, Mirfield, West York-

Continued on page 93

CHRYSLER CORP.

Financial Highlights

	1987**	1986*
Unit Sales of Cars and Trucks:		
In the United States and Canada	2,192,824	2,138,829
Outside the United States and Canada	67,466	59,586
TOTAL WORLDWIDE	2,260,290	2,198,415
Net Sales (In millions of dollars)	$ 26,277.0	$ 22,586.3
Earnings from continuing operations (In millions of dollars)	1,290.0	1,403.6
Per share data-primary *(In dollars):		
Earnings from continuing operations	5.90	6.31
At Dec. 31 (In millions of dollars):		
Cash and marketable securities	2,410.0	2,679.4
Property, plant, equipment and tools less accumulated depreciation	8,311.9	6,117.8
Total assets	$ 19,944.6	$ 14,463.2
Payroll and Employment Data		
Worldwide Operations:		
Average number of employees	122,745	115,074
Total payroll (In millions)	$ 4,362.8	$ 4,137.4
U.S. Operations:		
Average number of employees	94,352	87,414
Total payroll (In millions)	$ 3,907.6	$ 3,744.5
Average total hourly labor costs per hour worked — including employee benefits	$ 27.15	$ 25.44
Average weekly hours worked — hourly employees	38.7	41.3
Average number of hourly employees	65,881	60,363
Number of retired employees receiving benefits under the company's pension plans	82,152	67,064
Sales by Area of Manufacture		
United States		
Cars	1,091,904	1,298,501
Trucks	424,696	152,584
Canada		
Cars	8,396	—
Trucks	392,136	405,319
Total	1,917,132	1,856,404
TOTAL WORLDWIDE	2,260,290	2,198,415

NOTE: *—Restated to reflect the three-for-two stock splits.
**—Includes American Motors Corp. since Aug. 6, 1987.

FORD MOTOR CO.

Financial Highlights

	1987	1986***
Dollar sales (in millions)		
Automotive	$86,527	$78,271
All other	5,116	4,445
Total	$71,643	$82,716
Net income (in millions)	$4,625	$3,285
A share	9.05	12.32
A share assuming full dilution	8.92	12.11
Cash dividends a share		2.22
After-tax return on sales	6.5	5.3
Taxes (in millions)		
Provision for income taxes	$2,726.0	$1,774.2
Net income (loss)	4,625.2	3,285.1
Cash dividends	805.0	591.2
Retained income (loss)	$3,820.2	$2,693.9
Investment		
Capital expenditures (in millions)	$3,612	$3,353
Cash and marketable securities at Dec. 31 (in millions)	10,097	8,553
Working capital at Dec. 31 (in millions)	4,188	2,832
Stockholders equity at Dec. 31 (in millions)	18,493	14,860
Stockholders equity a share at Dec. 31	36.44	27.68
Employee Data — Worldwide*		
Payroll	$11,669.6	$11,289.7
Total labor costs	$16,567.1	$15,284.5
Average number of employees	350,320	382,274
Employee Data — U.S. Operations*		
Payroll	$7,761.6	$7,703.6
Average number of employees	180,838	181,476
Average hourly labor costs**		
Earnings	$16.50	$16.18
Benefits	$12.38	$10.94
Total	$28.88	$27.12

NOTES: *—Includes unconsolidated finance, insurance and land subsidiaries.
**—Per hour worked (in dollars). Excludes data for subsidiary companies, except Rouge Steel.
***—Restated.

GENERAL MOTORS CORP.

Financial Highlights

	1987	1986
Sales and Revenues (in millions except per share and hourly amounts)	$101,781.9	$102,813.7
Worldwide Factory Sales of Cars and Trucks (units in thousands)	7,765	8,578
Net Income	$3,550.9	$2,944.7
As a percent of sales and revenues	3.5	2.9
As a percent of stockholders' equity	11.1	9.6
Worldwide Employment (in thousands)		
GM (excluding units listed below)	673.1	734.0
GMAC and its subsidiaries	18.2	16.0
Electronic Data Systems	44.6	45.0
Hughes Aircraft Co.	77.5	81.0
Average number of employees	813.4	876.0
Total payrolls	$27,145.7	$26,146.1
Total cost of an hour worked — U.S. hourly employees*	$25.90	$24.00

NOTE: *—Excludes Hughes and EDS.

MANUFACTURERS

Continued from page 90

shire WF14 9HS, England. Phone: (44) 49 88 11. Products: Nova sports cars in kit form.

Turk Otomotiv Endustrileri A.S. (TOE), (Navistar International is a shareholder and licensor), Cayirova-Gebze-Kocaeli, Turkey. Phone: (90) 39 51 052. Telex: 36000 Toef tr. Products: Trucks, pickups, buses, mini buses, farm tractors, radiators, rims, fuel oil tanks and various stamping and machining parts.

TVR Engineering Ltd., Bristol Ave., Blackpool, Lancashire FY2 0JF, England. Phone: (44) 253 56151. Telex: 67519. Fax: 253 57105. Products: TVR sports cars.

UAZ (Ulianovsky Avtomobilny Zavod), Avtoexport, 14 Volkhonka, Moscow 119902, U.S.S.R. Phone: (7) 95 202 85 35. Products: 4wd utility vehicles.

Vauxhall Motors Ltd., P.O. Box 3, Kimpton Road, Luton, Bedfordshire LU2 OSY, England. (Parent company is General Motors.) Phone: (44) 582 21122. Products: Passenger car assembly.

VAZ (Volzhsky Avtomobilny Zavod), Avtoexport, 14 Volkhonka, Moscow 119902, U.S.S.R. Phone: (7) 95 202 85 35. Products: Lada automobiles.

VEB Sachsenring Automobilwerke Zwickau, 9541 Zwickau, East Germany. Phone: (37) Zwickau 700. Products: Trabant automobiles.

Volga — See GAZ.

Volkswagen AG, G00-52 AV-Druckerei, Postfach D-3180 Wolfsburg 1, West Germany. Phone: (49) 5361 90. Products: Automobiles, vans and trucks.

Volkswagen Argentina S.A. — See Autolatina Argentina S.A.

Volkswagen do Brazil S.A., Via Anchieta km 23.5, Sao Bernardo do Campo, Sao Paulo, CEP 09700, Brazil. Phone: (55) 11 452 6622. Products: Automobiles.

Volkswagen of Nigeria, km 17, Badagry Highway, OJO, Lagos, Nigeria. Phone: 234-01-880771(882482) Telex: 21145NG. Products: Automobiles: Santana, Amazon, Danfo (Kombi bus), double cabin, ambulance, Marcopolo.

Volkswagen of South Africa (Pty) Ltd., P.O. Box 301, Port Elizabeth 6000, South Africa. Phone: (27) 422 264911. Telex: 244166SA. Products: Volkswagen, Audi passenger cars, VW vans.

Volvo Car B.V., Steenovenweg 1, P.O. Box 1015, 5700 MC Helmond, Netherlands. Phone: (31) 4920 66111. Telex: 51982. Fax: 4920 36995. Products: Complete development, manufacture and marketing of Volvo 300 and 400-series cars.

Volvo, AB, S-405 08 Gothenburg, Sweden. Phone: (46) 31 590000. Telex: 27000 VOLVO S. Products: Volvo automobiles, heavy trucks, buses, industrial & marine engines, aerospace, computer technology.

Wartburg (VEB Automobilwerk Eisenach), Postfach 218, Friedrich Naumannstrasse, 5900 Eisenach, East Germany. Phone: (37) 623 590. Products: Wartburg automobiles.

Yue Loong Motor Co. Ltd., 150 Nanking East Road, Sec. 2, 10th Floor, Taipei, 10409, Taiwan, Republic of China. Phone: (886) 2 507-5353. Telex: 21630 TYLCO. Products: Automobiles, light trucks.

Yugo — See ZCZ.

Zagato Car S.p.A., Via Per Arese, 20017 Terrazzano di Rho, Milan, Italy. Phone: (39) 2 930 1635. Products: Maserati Zagato Spider Biturbo, Aston Martin Volante Zagato Spider, Aston Martin Vantage Zagato Coupe.

ZAZ (Zaporozhsky Avtomobilny Zavod), Avtoexport, 14 Volkhonka, Moscow 119902, U.S.S.R. Phone: (7) 95 202 85 35. Products: Zaporozhets minicars.

ZCZ (Zavodi Crvena Zastava), Spanskih boraca 4, 34000 Kragujevac, Yugoslavia. Phone: (38) 34 60210. Telex: 17128. Products: Automobiles, commercial vehicles, delivery vans, spare parts, tools, machines and processing equipment.

ZIL, Avtoexport, 14 Volkhonka, Moscow 119902, U.S.S.R. Phone: (7) 95 202 85 35. Products: Trucks. ■

Major automakers' joint ventures, equity stakes with other car companies, assembly operations

UNITED STATES

Chrysler Corp.
50% of Diamond-Star Motors Corp., Bloomington-Normal, Ill. Car manufacture. With Mitsubishi.
49% of Arab American Vehicles Ltd., Egypt. Jeep assembly.
31% of Beijing Automobile Works, China. 4wd vehicle manufacture.
24% of Mitsubishi Motors Corp., Japan.
16% of Maserati S.p.A., Italy. (Chrysler has option to acquire a total of 51% by 1995.)

Ford Motor Co.
75% of Aston Martin Lagonda Ltd., Great Britain.
70% of Ford Lio Ho Motor Co. Ltd., Taiwan.
Controlling interest in AC Cars, Great Britain.
49% of Autolatina, Brazil and Argentina. With Volkswagen.
48% of Iveco-Ford Truck Ltd., Great Britain. With Iveco (Fiat).
30% of AMIN Holdings, Malaysia. Vehicle assembly.
30% of Otomobil Sanayii Anonim Sirketi, Turkey. Car and truck manufacture.
25% of Mazda Motor Corp., Japan.
10% of Kia Motors Corp., South Korea. (See Mazda.)

General Motors
50% of Daewoo Motor Co. Ltd., South Korea.
50% of New United Motor Mfg. Inc., Fremont, Calif. Car assembly. With Toyota.
49% of General Motors Kenya Ltd. Vehicle assembly.
49% of Construcciora Venezolana de Vehiculos C.A., Venezuela. Vehicle assembly.
46% of Autos y Maquinas del Ecuador S.A., Ecuador. Vehicle assembly.
42% of Isuzu Motors Ltd., Japan.
31% of General Motors Egypt S.A.E. Commercial vehicle assembly and manufacture.
24% of Volvo GM Heavy Truck Corp., Greensboro, N.C. With Volvo. (GM has option to buy up to 35% by 1993.)
22% of Omnibus BB Transportes S.A., Ecuador. Bus manufacture, vehicle assembly.
20% of Genie Mecanique Zairois, Zaire. Vehicle assembly.
5% of Suzuki Motor Co. Ltd., Japan.

JAPAN

Daihatsu Motor Co. Ltd.
Has equity stake in Daihatsu Indonesia. Body and suspension manufacture. (Percentage not available.)

Fuji Heavy Industries Ltd. (Subaru)
51% of Subaru-Isuzu Automotive Inc., Lafayette, Ind. Car and truck assembly. With Isuzu.
35% of Ta Ching Motor Co., Taiwan. Small-car assembly.

Honda Motor Co. Ltd.
25% of NZMC Ltd., New Zealand. Car assembly.
23% of Oriental Assemblers Sdn. Bhd., Malaysia. Car assembly.
14% of San Yang Industries Co. Ltd., Taiwan.
10% of Tata Engineering and Locomotive Co. Ltd., India. Car assembly.

Isuzu Motors Ltd.
49% of Subaru-Isuzu Automotive Inc., Lafayette, Ind. Car and truck assembly. With Fuji.
47% of Isuzu Motors Co. Ltd., Thailand. Vehicle manufacture.
25% of Automotive Manufacturers Sdn. Bhd., Malaysia. Vehicle manufacture.
20% of General Motors Egypt S.A.E. Commercial vehicle assembly and manufacture.
15% of Qingling Motors Co. Ltd., China. Vehicle manufacture.
15% of Anadolu Otomotiv Sanayii ve Ticaret A.S., Turkey. Vehicle manufacture.
10% of Industries Mecaniques Maghrebines, Tunisia. Vehicle assembly.

Mazda Motor Corp.
50.6% of Kijkamol Sukosol Co. Ltd., Thailand. Vehicle assembly.
50% of Mazda Motors of New Zealand Ltd. Car and commercial vehicle assembly.
32% of Asia Automobile Industries Sdn. Bhd., Malaysia. Vehicle assembly.
16% of Swaraj Mazda Ltd., India. Commercial vehicle assembly.
15% of Compania Colombiana Automotriz S.A., Colombia. Car and commercial vehicle assembly.
8% of Kia Motors Corp., South Korea. (See Ford.)

Mitsubishi Motors Corp.
50% of Diamond-Star Motors Corp., Bloomington-Normal, Ill. Car assembly. With Chrysler.
50% of Philippine Automotive Manufacturing Corp. Vehicle assembly.
49.8% of Mitsubishi Motors Australia Ltd. Vehicle manufacture.
49.8% of UNIVEX, Comercio e Industria de Automoveis E Camides, S.A.R.L., Portugal. Vehicle assembly.
48% of MMC Sittipol Co. Ltd., Thailand. Vehicle manufacture.
30% of Perusahaan Otomobil Nasional Sdn. Bhd. (PROTON), Malaysia.
19% of China Motor Co. Ltd., Taiwan. Vehicle manufacture.
15% of Hyundai Motor Corp., South Korea. (7.5% each held by MMC and its parent, Mitsubishi Heavy Industries.)
10% of Eicher Motors Ltd., India. Truck assembly.

Nissan Motor Co. Ltd.
71% of Nissan Motor Iberica S.A., Spain. Vehicle manufacture.
56% of Nissan Motor del Peru S.A. Vehicle manufacture.
42% of Nissan Diesel Motor Co. Ltd., Japan. Truck and bus manufacture.
42% of Nissan Shatai Co. Ltd., Japan. Car and commercial vehicle manufacture.
35% of Aichi Machine Industry Co. Ltd., Japan. Commercial vehicle manufacture.
25% of Yue Loong Motor Co. Ltd., Taiwan.
6% of Fuji Heavy Industries Ltd., Japan.

Suzuki Motor Co. Ltd.
26% of Maruti Udyog Ltd., India. Van, pickup, car and 4wd vehicle assembly.
17% of Land Rover Santana S.A., Spain. 4wd vehicle assembly.
12.5% of Pak Suzuki Motor Co. Ltd., Pakistan. Van, pickup, car, 4wd vehicle assembly.

Toyota Motor Corp.
65% of Toyota Motor Thailand Co. Ltd. Vehicle assembly.
50% of New United Motor Mfg. Inc., Fremont, Calif. Car assembly. With General Motors.
50% of AMI Toyota Ltd., Australia. Vehicle assembly.
49.1% of Toyota del Peru S.A. Vehicle assembly.
49% of P.T. Toyota-Astra Motor, Indonesia. Vehicle assembly.
27% of Salvador Caetano, Portugal. Vehicle assembly.
26% of DCM Toyota Ltd., India. Small truck assembly.
15% of Daihatsu Motor Co. Ltd., Japan.
11% of Hino Motors Ltd., Japan. Truck and bus manufacture.

EUROPE

Daimler-Benz AG
50.1 % of Mercedez-Benz of South Africa, vehicle assembly.

Fiat S.p.A.
75% of Plantations Reunians du Bandundu, Zaire. Commercial vehicle assembly.
70% of The Automotive Manufacturing Co. of Ethiopia. Commercial vehicle assembly.
50% of Ferrari, Italy. Car assembly. With Ferrari.
50% of Societa Europea Veicoli Leggeri, Italy. Van assembly. With Peugeot.
49% of Fabrica de Motores—Fademotor C.A., Venezuela. Commercial vehicle assembly.
48% of Iveco-Ford Truck Ltd., Great Britain. With Ford.
40% of National Trucks Manufacturers Ltd., Nigeria.
39% of Ashok Leyland Ltd., India. Truck manufacture.
33% of Incar Ltd., Tanzania. Car and commercial vehicle assembly.
25% of Khodrowsazan Sherkat Sanati, Iran. Light commercial vehicle assembly.
25% of Libyan Trucks and Bus Co., Libya.
20% of Somaca S.A., Morocco. Car assembly.
15% of L'Auto-Locomotion S.A., Belgium. Vehicle assembly.

Peugeot S.A.
66% of Citroen Hispania, Spain. Car assembly.
59% of Automotores Franco-Chilena, Chile. Car assembly.
49% of Societe Anonyme des Usines Chausson, France. Car and commercial vehicle manufacture. With Renault.
50% of Societa Europea Vercoli Leggeri, Italy. Van assembly. With Fiat.
40% of Peugeot Automobile Nigeria Ltd. Car assembly.
22% of Guanzhou Peugeot Automobile Co. Ltd., China. Light truck and car assembly.
20% of Ste. Marocaine de Constructions Automobiles—Somaca, Morocco. Car assembly.

Saab-Scania AB
50% of Saab-Valmet, Finland. Car manufacture.

Renault
90% of Renault Truck Industries, Great Britain. Truck assembly.
90% of Renault Vehiculos Industriales, Spain. Commercial vehicle assembly.
67% of Renault Portuguesa, Portugal. Car assembly.
55% of Renault Montage Tunisie, Tunisia. Car assembly.
49.9% of Renault Maroc, Morocco. Car assembly.
49.8% of Sociedad de Fabricacion de Automores S.A., Colombia. Car assembly.
49% of Societe Anonyme des Usines Chausson. Passenger cars, commercial vehicles, components. With Peugeot.
45% of Mack Trucks Inc., Allentown, Pa.
44% of Oyak Renault Otomobil Fabrikalari A.S., Turkey. Car assembly.

Volkswagen AG
75% of SEAT, Spain. (VW has option to buy rest of company by 1990.)
51% of Autolatina, Brazil and Argentina. With Ford.
50% of Shanghai-Volkswagen Automotive Co., China. Vehicle assembly.
49% of TAS Tvornica Automobila Sarajevo, Yugoslavia. Car assembly.
40% of Volkswagen of Nigeria Ltd. Vehicle assembly.

AB Volvo
76% of Volvo GM Heavy Truck Corp., Greensboro, N.C. With General Motors.

NOTE: List does not include equity holdings greater than 95% or less than 5%.

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DEALERS

The 1987 Automotive News Sales Giants — the top-producing dealerships ranked as high-volume sales machines for their franchises — invariably did something, or a variety of things, very well.

Some of the big shooters, such as the Penske organization's Longo Toyota store in El Monte, Calif., were just plain large-volume retailers selling a hot product.

That franchise, which the Penske organization has owned for two years, moved into a new location to accommodate the heavy volume. Last year the dealership sold 19,452 new Toyota cars and trucks, and 12,744 of them were retail sales.

Other operations, such as Stephen World of Wheels, Bristol, Conn., and Polkowitz Motors, Perth Amboy, N.J., were fleet-market behemoths that sold large blocks of cars and trucks to fleet purchasers.

The top three volume franchises last year were Chevrolet sellers.

The highest-volume franchise in the United States in 1987 was Ed Morse Chevrolet, Lauderhill, Fla. Dealer Edward J. Morse Jr. sold 25,063 new cars and trucks, ringing up total dollar sales of $256.1 million. The Ed Morse Chevrolet sales total included 22,837 fleet and 2,226 retail units.

The second-largest franchise was Friendly Chevrolet, Dallas, Texas, which sold 20,543 new Chevrolet cars and trucks, including 18,053 fleet and 2,490 retail units.

The nation's third-highest-volume franchise was The Chevrolet Collection, Miami, Fla., one of several of Joseph A. DeMaria's Collection dealerships that were among 1987's top performers. That dealership sold 19,825 new Chevrolet units in 1987.

In fourth place was Fairway Ford, Latrobe, Pa., one of several high-volume franchises operated by James O'Neal Jr. as part of the Arnold Palmer dealerships. The Fairway store sold 19,452 new Ford vehicles.

The Automotive News Sales Giant with the highest reported sales gross, including all departments in a single dealership, was Polkowitz Motors at $312.5 million.

No. 2 in sales gross was Fairway Ford at $260 million. No. 3 was Friendly Chevrolet, Dallas, at $258.3 million.

While the big-volume dealerships were scattered across the nation, there were highly concentrated pockets in big fleet markets such as Florida, California and the Northeast.

However, the geographical locations of 1987's top sellers for each of the 34 franchises show them positioned in a total of 17 states.

The states of California and Florida each boasted six of the best-of-franchise dealerships.

The state of Georgia had three top-sellers, while Texas, New York, New Jersey, Virginia and Maryland had two each.

Illinois, Massachusetts, Colorado, Connecticut, Rhode Island, Arizona, Washington, South Carolina and Pennsylvania each had one.

Sixteen of the 34 best-sellers were exclusive points; that is, they sold only a single brand of vehicle at their dealerships.

However, the heavy impact of multi-franchise and multi-point dealership organizations was made very clear last year, as the Automotive News Sales Giants included several operators with more than one franchise and more than one dealership.

However, only the powerful billion-dollar Arnold Palmer organization finished as top vehicle seller in two different franchises.

The organization's Fairway Ford dealership in Latrobe, Pa., was the largest-volume Ford franchise; the Arnold Palmer Ford-Lincoln-Mercury store in Hilton Head, S.C., was the largest-volume Lincoln-Mercury franchise.

The Arnold Palmer organization also earned the distinction of having two of the top-volume Ford franchises — again, Fairway Ford and Arnold Palmer Ford-Lincoln-Mercury.

On the following 10 pages are profiles of the Automotive News Sales Giants, the 10 highest-volume franchises for each of 34 domestic and import makes.

There are 340 winners, although some of the stores are multiple winners because they have more than one franchise. ■

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Sales Giants—top 10 for each franchise

(ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employees	Other makes, same location	Best selling model	Total 1987 sales all franchises, depts. at location	Parts & service volume	Retail used units	Retail new units	1987 fleet sales	Total 1987 new units
ALFA ROMEO											
Suburban Auto Imports Maywood, Ill.	Sam Tomaino	9	35	VW	Milano	$ 8.5*	$ 1.0*	N.A.	180	0	180
Wagga Motor Cars Pasadena, Calif.	William A. Wagga III	6	16			4.9	0.6	201	158	0	158
Irvine Imports Irvine, Calif.	James H. Parkinson	34	29		Milano	20.0	1.5	503	132	0	132
Colonial Dodge-Alfa Romeo Rockville, Md.	Dorothy Fitzgerald, John Fitzgerald Jr.	4	150	Dodge, Peugeot	N.A.	75.0*	4.0*	N.A.	124	0	124
Bubser Motors Englewood, N.J.	Dan Farrell, Charlie Jopp	21	20		Milano	4.1	1.5	40	125	0	125
Forest Lane Porsche-Audi Dallas, Texas	Kirk Franceschini	9	85	Porsche, Audi	Spider	36.9	7.7	275	113	0	113
High Performance Cars Waltham, Mass.	Serge Dermanian	24	21	Maserati	N.A.	4.0	0.4*	N.A.	107	0	107
European Motor Sales Towson, Md.	Wayne Berger	21	17	Bertone	N.A.	2.8*	0.7*	N.A.	104	0	104
Paul Sprueill Alfa Chamblee, Ga.	Paul Sprueill	7	18		N.A.	4.4	0.8	N.A.	91	0	91
Woburn Foreign Motors Inc. Woburn, Mass.	George T. Albrecht	10	100	Toyota, Jaguar	Milano	49.4	7.0	460	89	0	89
AUDI											
The Annis Corp. Natick, Mass.	Keene Annis, Sue Annis	29	75	VW, Audi	5000S	35.5	5.1	138	495	54	549
Lynch Imports Ltd. Chicago, Ill.	Richard V. Lynch Jr.	6	125	Porsche, Saab, VW	5000S	56.3	7.6	1,518	513	0	513
HBL Inc. Vienna, Va.	George C. Andreas	17	128	Mercedes, Porsche, Range Rover	5000S	52.8	9.2	248	481	24	505
Jack Daniels Motors Inc. Fairlawn, N.J.	John J. Daniels	16	51	Porsche	5000S	28.8	5.0	263	469	0	469
Plaza Motor Co. Crevecoeur, Mo.	F.A. Pandjris	7	109	Mercedes, Sterling, Porsche, Range Rover	5000S	57.4	8.7	422	418	6	424
Jim Ellis Atlanta Inc. Atlanta, Ga.	James W. Ellis Jr.	18	82	Porsche, Lotus, Sterling	5000S	38.7	7.1	385	416	0	416
Bill Cook Imported Cars Inc. Farmington Hills, Mich.	W.G. Cook	6	49	Porsche	5000S	22.5	3.9	160	416	0	416
Rietzl Corp. Norwell, Mass.	Wolfgang M.G. Rietzl	18	43	Porsche	5000S	17.4	2.8	156	392	0	392
Auto Plaza Inc. Pittsburgh, Pa.	Charles E. Walker Jr.	N.A.	N.A.	N.A.	N.A.	25.0*	4.5*	N.A.	373	0	373
Prestige Imports Inc. Lakewood, Colo.	John W. Hitt, Norman Braman	15	77	Porsche, Sterling	5000 Quattro	27.4	5.4	430	337	36	373

*Estimate

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DEALERS

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BMW											
Weatherford BMW Emeryville, Calif.	Hideaki Yasukochi	1	70		325	$ 36.5	$ 4.4	213	918	0	918
Global Imports BMW Atlanta, Ga.	William M. Whitmire	26	78		325	35.4	6.7	69	877	0	877
Pacific BMW Glendale, Calif.	David L. Ho Jr.	6	75	Mitsubishi, Suzuki	325	32.3	5.4	196	788	84	844
Stevens Creek BMW Motorsport Santa Clara, Calif.	Don Lucas, Steve Schaper	13	85		325	36.7	5.8	340	836	0	836
Braman Motors Miami, Fla.	Norman Braman	18	79	Rolls Royce	325	41.1	6.4	143	825	0	836
Century Motor Sales Alhambra, Calif.	Leon Peskin	34	62		325	30.0	3.5	375	834	0	834
BMW Concord Concord, Calif.	Ralph Day	17	52		325	34.0*	4.0	223	620	201	821
Crevier BMW Santa Ana, Calif.	Robert Crevier	17	92		325	35.0	4.6	216	820	0	820
Saddleback BMW Irvine, Calif.	Klaus Lischer	15	70		325	34.4	2.4	586	812	0	812
Morristown BMW Morristown, N.J.	John Leiser	6	45		N.A.	32.5*	4.3*	N.A.	792	0	792
BUICK											
Reef Buick Inc. Fort Lauderdale, Fla.	Jack Kelley	22	109		LeSabre	89.7	6.3	761	1,200	4,382	5,582
Jim Lupient Buick Minneapolis, Minn.	Gary Lehman, Jim Lupient	N.A.	59		Century	60.3	3.3	539	694	3,761	4,455
Wilkins Buick-Isuzu Glen Burnie, Md.	Maury Wilkins	7	65	Isuzu	Century	70.0	3.0	300	469	3,973	4,442
Orange Buick-GMC Truck Co. Orlando, Fla.	Sonny King	14	107	GMC	Century	69.7	4.4	677	1,316	2,357	3,673
Loren Buick Glenview, Ill.	Irving N. Segal	30	75		LeSabre	35.6	4.3	368	1,008	2,605	3,613
Stillman Automotive Inc. Englewood, N.J.	Walter R. Stillman	16	120	Isuzu	Century	54.7	6.8	392	775	2,711	3,486
William Lehman Buick Miami, Fla.	William Lehman Jr.	18	140	Saab	N.A.	85.0*	4.5*	N.A.	634	2,670	3,304
Bauer Buick Co. Harvey, Ill.	Gordon Walker	5	100	Isuzu, Sterling	LeSabre	60.3	6.2	549	1,140	2,002	3,142
Larry Buick Inc. Long Island City, N.Y.	Lawrence Brostroff	10	30		Regal	43.0*	3.2*	N.A.	672	1,822	2,494
Grant Dean Buick Highland Park, Ill.	Albert Andrea	N.A.	N.A.	N.A.	N.A.	38.0*	3.1*	N.A.	627	1,810	2,437
CADILLAC											
Polkowitz Motors Perth Amboy, N.J.	Regis P. McGuire	1	48	Buick	Sedan DeVille	312.5	3.3	83	163	13,429	13,592
Bayview Cadillac Fort Lauderdale, Fla.	Edward J. Morse	25	185		DeVille	155.3	9.0	1,380	1,933	3,345	5,278
Roger Penske Cadillac Downey, Calif.	William R. Piercey	10	180	Saab	DeVille	122.0	12.9	625	1,742	1,498	3,240
Martin Cadillac Co. Inc. Los Angeles, Calif.	Dana R. Martin	11	180	Sterling	DeVille	96.2	15.5	352	1,583	1,018	2,601
Arnold Palmer Cadillac Charlotte, N.C.	James O'Neal Jr.	N.A.	N.A.		N.A.	66.0*	3.0*	N.A.	857*	1,730*	2,587
Penske Auto Center (Potamkin Cadillac) New York, N.Y.	Walter Czarnecki		131	Chevrolet, Buick	N.A.	185.0*	14.0*	1,500*	1,800*	600*	2,400*
Rodger Meier Cadillac Co. Dallas, Texas	Rodger Meier	19	132	Sterling	DeVille	78.0	10.3	586	886	1,336	2,222
Prospect Motors Inc. Jackson, Calif.	Bill Halvorson	14	52	Chevrolet, Olds, Pontiac, Buick	N.A.	227.9	2.2	161	27	1,555	1,582
Coral Cadillac Inc. Pompano Beach, Fla.	Norman E. Wiese	13	170		N.A.	72.5*	10.1*	N.A.	740*	710*	1,450*
Ram Motors Hailey, Idaho	B.F. Curry, Paul Ramlow	10	21	Buick, Olds, Pontiac, GMC	Seville	64.5	3.1*	100	2	1,200	1,202
CHEVROLET											
Ed Morse Chevrolet Lauderhill, Fla.	Edward J. Morse Jr.	8	185		Celebrity	256.1	10.4	1,094	2,226	22,837	25,063
Friendly Chevrolet Dallas, Texas	Mark A. Eddins	5	254		½-Ton P.U.	258.3	18.5	610	2,490	18,053	20,543

*Estimate

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DEALERS

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The Chevrolet Collection Miami, Fla.	Joseph A. DeMaria, Marc W. Davis	2	197		Celebrity	$126.0	$ 9.6	1,343	1,574	18,251	19,825
Bill Wink Chevrolet Dearborn, Mich.	William J. Wink Jr.	33	85		Cavalier	199.3	4.3	453	1,361	15,618	16,979
Bob Brest Chevrolet Inc. Lynn, Mass.	Robert Brest	3	103		Nova	154.9	5.2	0	2,440	12,070	14,510
Z. Frank Chevrolet Chicago, Ill.	Jack Sayer	52	125		Cavalier	143.3	6.1	1,027	3,477	8,700	12,177
Prospect Motors Inc. Jackson, Calif.	Bill Halvorson	14	52	Pontiac, Cadillac, Olds, Buick	N.A.	227.9	2.2	161	229	10,480	10,709
Bast Chevrolet Inc. Seaford, N.Y.	Charles W. Bast	38	92		Celebrity	125.2	4.6	577	1,859	8,422	10,281
Jim Johnson Chevrolet Inc. Richardson, Texas	Jim Johnson	4	250		Celebrity	170.4	11.0	5,161	7,748	1,569	9,317
Delorme Chevrolet Inc. Inglewood, Calif.	John K. de l'Orme	8	76		Camaro	88.6	4.7	280	841	7,990	8,831
CHRYSLER-PLYMOUTH											
Lake Forest Chrysler-Plymouth Gaithersburg, Md.	John Fitzgerald Jr.	N.A.	N.A.	Isuzu	N.A.	140.0*	4.5*	N.A	2,783*	12,000*	14,783
South Bay Chrysler-Plymouth Torrance, Calif.	James B. Clark	3	120	Jeep, Eagle	LeBaron J	234.3	15.1	744	1,015	8,580	9,595
Agency Chrysler-Plymouth West Salem, Ohio	Samuel Frankino	N.A.	N.A.	N.A.	N.A.	110.0*	4.5*	N.A.	1,990*	6,000*	7,990
Precision Chrysler-Plymouth Winter Haven, Fla.	Frank L. Morsani	17	38	Dodge	Reliant	100.0	1.3	662	380	7,380	7,760
Galeana Chrysler-Plymouth Fort Myers, Fla.	Frank Galeana	14	91	Peugeot	Voyager	102.5	3.8	1,168	1,434	6,134	7,568
Tate Chrysler-Plymouth Inc. Glen Burnie, Md.	Creston G. Tate	28	52		Reliant	20.2	2.8	351	1,194	4,546	5,740
Walser Chrysler-Plymouth Inc. Hopkins, Minn.	R.J. Walser	32	75	Lotus	Voyager	25.9	2.0	877	1,160	3,517	4,677
Hollywood Chrysler-Plymouth Hollywood, Fla.	Russ Everatt	1	60		Fifth Avenue	23.0	4.0	477	930	3,600	4,530
Bloomington Chrysler-Plymouth Bloomington, Minn.	Larry Reid	N.A.	N.A.	N.A.	N.A.	28.5*	3.5*	N.A.	1,500*	2,840*	4,340
Mid City Chrysler-Plymouth Arlington, Texas	T.M. Demarest Jr.	17	N.A.		Voyager	56.8	3.9	425	1,009	2,632	3,641
DODGE											
Lake Potter Dodge Inc. Winter Park, Fla.	Luther D. Potter	23	72		Caravan	135.2	2.4	770	845	8,494	9,339
Freeway Dodge Inc. Bloomington, Minn.	Thane Hawkins	23	53		Caravan	17.1	2.0	782	786	7,793	8,579
Tate Dodge Inc. Glen Burnie, Md.	Creston G. Tate	28	55		Aries	24.6	2.0	916	1,368	4,869	6,237
Colonial Dodge Kensington, Md.	John Fitzgerald Jr.	4	150	Alfa Romeo, Peugeot	N.A.	75.0*	4.0*	N.A.	1,541*	4,000*	5,541
Ed Morse Dodge Fort Lauderdale, Fla.	Rich Danahy	4	65		Shadow	62.7	1.5	266	676	4,556	5,232
Swift Dodge Sacramento, Calif.	Charles O. Swift	22	41	Jeep, Eagle, Rolls Royce	Caravan	68.2*	5.1	N.A.	2,928	1,794	4,722
Del Amo Dodge Torrance, Calif.	James B. Clark	9	90		Caravan	60.4	2.7	750	1,200	3,500	4,700
Warnock Dodge Livingston, N.J.	Don Warnock	12	210		Caravan	54.3	5.5	590	2,202	1,585	3,787
White Bear Dodge Inc. White Bear Lake, Minn.	Jerry Wing	2	65		Caravan	48.0	2.0	794	976	2,761	3,737
Dodgeland Inc. Springfield, N.J.	Donald Toresco	20	144	Yugo	Caravan	63.9	5.5	1,935	3,273	29	3,302
FORD											
Fairway Ford Latrobe, Pa.	James O'Neal Jr.	N.A.	N.A.		N.A.	260.0*	10.0*	N.A.	2,452*	17,000*	19,452
Jordan Ford Mishawaka, Ind.	Jordan Kapson	40	230	Toyota, Volvo	E150	227.1	2.9	1,910	2,324	15,255	17,579
Santa Monica Ford Santa Monica, Calif.	Bob Karlin, Wayne Harding	40	85		Taurus	144.6	4.9	212	2,381	10,421	12,802
Rice and Holman Ford, Mt. Laurel, N.J., Pennsauken, N.J.	Joseph P. Glowacki	64	212	Kenworth	Taurus	157.5	11.5	946	4,277	7,443	11,720

*Estimate

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DEALERS

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McInerney Ford Orlando, Fla.	Hoot McInerney	25	141		Mustang	$177.7	$ 5.0	2,351	1,451	8,005	9,456
Al Piemonte Ford Inc. Melrose Park, Ill.	Alex Piemonte	24	130		Escort	105.7	2.8	1,573	2,786	5,474	8,260
Arnold Palmer Ford-LM Hilton Head Island, S.C.	James O'Neal Jr.	N.A.	N.A.	Peugeot, Lincoln, Mercury	N.A.	150.0*	8.5*	N.A.	800*	7,351	8,151
Ricart Ford Columbus, Ohio	Fred Ricart	15	421		Escort	130.2	5.2	3,503	7,530	243	7,773
Golpin Ford Sepulveda, Calif.	H.F. "Bert" Boeckmann	35	304	Suzuki	Escort	128.5	9.1	1,625	6,369	132	6,501
Dave Sinclair Ford Inc. St. Louis, Mo.	Dave Sinclair	22	138		Escort	84.4	6.4	1,794	6,190	153	6,343
HONDA											
Gardena Honda Automobiles Gardena, Calif.	Alfredo Sheng	9	140		Accord	76.6	7.2	486	5,691	0	5,691
Robertson Honda North Hollywood, Calif.	Jack Robertson	N.A.	N.A.	N.A.	N.A.	65.0*	4.0*	N.A.	4,400*	0	4,400*
Norm Reeves Honda of Cerritos Cerritos, Calif.	Donna L. Reeves	18	140		Accord	56.0	5.4	955	3,319	651	3,970
Penske Honda Downey, Calif.	George Lucas	2	53		Accord	34.3	3.3	349	2,017	718	2,735
Beaverton Honda Beaverton, Ore.	Robert Lanphere	N.A.	N.A.	N.A.	N.A.	33.5*	3.8*	N.A.	2,850*	0	2,850*
Rosenthal Honda Vienna, Va.	Robert Rosenthal	16	169		Accord	49.1	6.1	214	2,545	0	2,545
Pflueger Honda Honolulu, Hawaii	James Pflueger	19	117		Accord	38.5	1.8	1,576	2,278	0	2,278
Honda of Pasadena Pasadena, Calif.	Mary Mann	20	109		Accord	40.8	5.6	1,077	1,943	281	2,224
Honda of Lisle Lisle, Ill.	Horst Guenter Korallus	23	50		Accord	42.5*	4.3*	275	2,000	150	2,150
Mile High Honda Denver, Colo.	John W. Hitt, Norman Braman	3	84	Sterling	Accord	31.0	1.9	715	1,405	81	1,486
HYUNDAI											
Hyundai of Escondido Escondido, Calif.	Charles Ellinwood	6	90		GL	37.5	1.6	1,069	3,308	238	3,546
Golpin Hyundai Sepulveda, Calif.	H.F. "Bert" Boeckmann	35	58		GL	34.0	1.8	0	3,298	15*	3,313
Kim-Hankey Hyundai Los Angeles, Calif.	Richard Kim, Don Hankey	2	75		GL	29.3	2.0	80	3,225	0	3,225
Bill Watson Hyundai New Orleans, La.	William W. Watson Jr.	2	93		GL	30.6	1.5	32	3,158	0	3,158
Jimmy Bryan Hyundai Winter Park, Fla.	James B. Bryan III	2	85		Excel	31.3	2.2	949	2,660	0	2,660
Bay Ridge Hyundai Brooklyn, N.Y.	Carmelo Giuffre	N.A.	N.A.	N.A.	N.A.	31.0*	3.3*	N.A.	2,639	0	2,639
Courtesy Hyundai Tampa, Fla.	Jeffrey I. Wooley	3	86		Excel	28.9	4.5	960	2,599	0	2,599
Herb Chambers Hyundai Hartford, Conn.	Herbert G. Chambers	2	72		Excel	27.1	1.9	389	2,512	0	2,512
North Park Hyundai San Antonio, Texas	Clarence J. Kahlig III	8	48		GLS	22.9	2.2	193	2,429	35*	2,464
Tate Hyundai Claremont, Calif.	Jack Head	N.A.	N.A.	N.A.	N.A.	21.0*	2.3*	N.A.	2,462	0	2,462
ISUZU											
King Motor Co. Fort Lauderdale, Fla.	W. Clay King	50	300	Olds, GMC, Suzuki, Citroen,	I-Mark	79.1	11.7	1,566	1,377	37	1,414
Checkered Flag Isuzu Virginia Beach, Va.	Edward B. Snyder	23	76	Toyota	P'up	29.7	3.5	409	1,079	116	1,195
Dave McIntire Isuzu Center Indianapolis, Ind.	David C. McIntire	25	193	Chevrolet	P'up	63.1	6.8	2,655	1,123	53	1,176
Isuzu of Hillside Inc. Hillside, N.J.	Evangeline Marianino	5	48		Trooper	22.1	0.8	131	1,064	0	1,064
Fountain Motor Co. Orlando, Fla.	Terry Ruppenthal	N.A.	150	Olds, GMC, Mitsubishi	I-Mark	63.6	4.5	399	305	619	924
Sutherlin Isuzu Jacksonville, Fla.	Pete Kirill	7	30		P'up	16.8	1.3	836	654	243	897

*Estimate

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DEALERS

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Rountree Isuzu Shreveport, La.	Frank M. Stinson	7	60	Olds, Mitsubishi, Yugo	I-Mark	$ 69.2	$ 6.7	2,576	735	88	823
Marietta Isuzu Inc. Marietta, Ga.	Larry W. Martin	3	25		P'up	12.5	0.5	410	810	0	810
Atlantic Isuzu West Islip, N.Y.	John Staiuppi	10	N.A.	N.A.	N.A.	16.5*	3.0*	N.A.	727	0	727
Parkway Isuzu Inc. Chesapeake, Va.	Thomas M. Gibbs Jr.	8	140	Pontiac, Volvo, Hyundai, Suzuki	Trooper	38.9	13.4	581	705	5	710
JAGUAR											
Hempstead Auto Co. Hempstead, N.Y.	Hugh J. Weidinger Jr.	50	70		XJ6	47.0	6.0	130	904	0	904
Rallye Motors Inc. Paramus, N.J.	Manny Sicari	28	55		N.A.	32.5*	5.5*	N.A.	790*	0	790*
Hornberg Jaguar Inc. Los Angeles, Calif.	William Gaiy	40	82	Range Rover	XJ6	50.5	7.7	36	755	11	766
Cherry Hill Classic Cars Inc. Cherry Hill, N.J.	Thomas J. Hessert Jr.	9	65	Saab	XJ6	29.5	1.7	88	442	0	442
Jaguar of Darien Darien, Conn.	Frank A. Miller	32	60	Range Rover, Volkswagen	XJ6	35.2	4.7	46	405	36	441
Overseas Motors of Dallas Dallas, Texas	Mike Fisher	30	57	Rolls Royce	XJ6	28.5	4.3	228	438	0	438
Baser Jaguar Anaheim, Calif.	Ron Booz	N.A.	N.A.	N.A.	N.A.	25.0*	2.7*	N.A.	400*	0	400*
Sovereign Jaguar Hicksville, N.Y.	Alan Feldman	23	N.A.		XJ6	21.3	3.5	47	385	0	385
Sportique Motors Ltd. Huntington, N.Y.	Eliot H. Brown	20	42	Peugeot	XJ6	23.1	3.6	51	373	0	373
Main Auto Sales Inc. Madison, N.J.	Saul Ring, Carl Carambio	33	45	Chrysler, Plymouth	XJ6	23.4	2.8	153	359	0	359
JEEP-EAGLE (AMC)											
Jasper Jeep Sales Jasper, Ga.	Michael W. Lowe	12	40		Cherokee	45.3	2.0	642	1,865	991	2,856
Manhattan Jeep-Eagle New York, N.Y.	John Monninger	5	56		Cherokee	33.7	2.9	78	1,559	215	1,774
Buerge Jeep-Eagle West Los Angeles, Calif.	John R. Buerge	42	65		Cherokee	33.7	2.6	300	1,261	418	1,679
Pete Ellis Jeep-Eagle South Gate, Calif.	Pete Ellis	19	120	Dodge	Cherokee	68.4	4.9	604	1,660	0	1,660
Huntington Jeep-Eagle Huntington Beach, Calif.	Gary C. Gray	8	81		Cherokee	27.5	2.5	502	1,275	0	1,275
Broadway Jeep-Eagle Denver, Colo.	Gerald S. Morris	11	85		Cherokee	29.6	2.9	1,050	995	258	1,253
Back Bay Jeep-Eagle Boston, Mass.	Jay Adams	22	72		Cherokee	36.3	5.3	623	1,067	120	1,187
The Jeep-Eagle Collection Miami, Fla.	Tom Butler	3	100		Cherokee	30.8	2.5	1,140	1,143	44	1,187
Royal Jeep-Eagle Fern Park, Fla.	Ray Tatum	14	77		Cherokee	25.9	2.1	563	1,125	0	1,125
Orange Coast Jeep-Eagle Costa Mesa, Calif.	Gary C. Gray	8	73		Cherokee	26.0	3.0	408	1,080	0	1,080
LINCOLN-MERCURY											
Arnold Palmer Ford-LM Hilton Head Island, S.C.	James O'Neal Jr.	N.A.	N.A.	Ford, Peugeot	N.A.	150.0*	8.5*	N.A.	1,527*	11,000	12,527*
Libertyville Lincoln-Mercury Libertyville, Ill.	Julius Marks	16	90		Cougar	211.7	3.1	816	1,820	10,400	12,220
Central Florida Motors Co. Orlando, Fla.	Bob Borst, David McAbee	27	89	Merkur	Grand Marquis	131.5	3.2	615	1,213	5,361	6,574
Elmhurst Lincoln-Mercury Inc. Elmhurst, Ill.	David G. Mears	76	70	Merkur	Sable	73.0	2.4	454	864	3,569	4,433
Tasca Lincoln-Mercury Seekonk, Mass.	Robert F. Tasca	17	102		Sable	69.1	4.3	863	3,517	0	3,517
Northgate Lincoln-Mercury Tampa, Fla.	Jack Parks	14	148		Cougar	76.1	4.5	824	2,184	1,263	3,447
Pompano Lincoln-Mercury Pompano Beach, Fla.	Joseph Chiavaroli	14	122		Grand Marquis	77.9	5.9	884	2,045	1,214	3,259
Stu Evans Lincoln-Mercury Inc. Garden City, Mich.	Stewart Evans, John Evans	43	114		Grand Marquis	66.4	6.3	1,991	3,077	0	3,077

*Estimate

continued →

DEALERS

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North Park Lincoln-Mercury Inc. San Antonio, Texas	Clarence J. Kahlig II	15	131	Merkur	Grand Marquis	$ 72.0	$ 6.8	1,112	2,833	194	3,027
Carlisle Lincoln-Mercury-Merkur Clearwater, Fla.	Dan Carlisle, Steve Carlisle	32	203		Grand Marquis	83.8	7.4	1,309	2,886	45	2,931
MASERATI											
Mark LaPrade Inc. St. Petersburg, Fla.	Mark LaPrade	3	24	Lotus	BiTurbo Coupe	13.0	1.0	475	92	0	92
Wilshire Maserati Beverly Hills, Calif.	Murray Marks	6	9	Lotus, Lamborghini	Spyder	3.5	1.3	30	60	0	60
Suburban Motorsport Hatfield, Pa.	Gary Cohen	15	48	Subaru, Peugeot	BiTurbo Coupe	12.3	1.2	162	42	0	42
Alfredo's Foreign Cars Inc. Larchmont, N.Y.	Alfredo Gulla	24	16	Alfa Romeo	BiTurbo	3.0	1.0	200	55	4	59
Beach Imports Newport Beach, Calif.	James H. Parkinson	34	64	Alfa Romeo, Daihatsu, Saab, Iveco, Peugeot	BiTurbo Spyder	20.0	1.5	503	39	0	39
Spiers Imports Houston, Texas	David Spiers, Michael Spiers	12	32	Lamborghini	BiTurbo Spyder	8.9	0.6	420	39	0	39
Maserati Automobiles Inc. Baltimore, Md.	Donald Morrissey	13	5	N.A.	N.A.	1.4*	0.2*		30	0	30
Grand Touring Motorcars Inc. Englewood, N.J.	Anthony Altomare	2	8		BiTurbo Coupe	4.0	0.4	113	30	0	30
Miller Motorcars Inc. Greenwich, Conn.	Richard Koppelman	10	35	Aston Martin, Lotus	Spyder	12.0	4.0	250	30	0	30
Continental Classic Motors Hinsdale, Ill.	John F. Weinberger	25	16	Ferrari, Rolls Royce	BiTurbo Coupe	8.3	1.2	67	26	0	26
MAZDA											
Ted Britt Mazda Fairfax, Va.	Ted Britt	N.A.	N.A.	N.A.	N.A.	42.0*	3.8*	N.A	2,284	0	2,284
Don Darr Mazda St. Louis, Mo.	Don Darr	N.A.	N.A.	N.A.	N.A.	40.5*	4.5*	N.A	2,231	0	2,231
Oak Tree Mazda San Jose, Calif.	Enide Allison, David Allison	17	87		B2200	34.8	4.6	290	2,139	85	2,224
Maple Shade Mazda Maple Shade, N.J.	Bob Dimmerman	15	75		323	31.0*	3.1*	N.A.	2,099	0	2,099
Puente Hills Mazda City of Industry, Calif.	F.E. Hitchcock, Harry Mehterian	5	79		Trucks	32.8	2.9	585	1,903	181	2,084
Gunther Mazda Fort Lauderdale, Fla.	Joe Gunther	14	138	VW	626	29.1	5.7	1,002	1,868	0	1,868
Freeman Olds-Mazda Irving, Texas	J.W. Freeman	30	171	Hyundai, Olds, Daihatsu	Trucks	60.8	12.1	474	1,705	30	1,735
Frank Bommarito Mazda Ellisville, Mo.	Frank Bommarito	N.A.	N.A.	N.A.	N.A.	42.0*	4.5*	N.A	1,678	0	1,678
128 Mazda Wakefield, Mass.	Thomas McManus Sr.	16	60	Olds, Isuzu	626	41.0	5.0	900	1,640	0	1,640
Rosenthal Mazda Arlington, Va.	Bob Rosenthal	N.A.	N.A.		N.A.	40.0*	3.5*	N.A.	1,619	0	1,619
MERCEDES-BENZ											
House of Imports Buena Park, Calif.	M.B. O'Donoghue	25	160		420 SEL	104.7	12.7	781	1,499	0	1,499
Ray Catena Motor Car Corp. Edison, N.J.	Raymond Catena	7	81		300E	83.9	6.8	156	1,411	0	1,411
Rallye Motors Inc. Roslyn, N.Y.	George K. Moss, Peter G. Terian	29	130	Rolls Royce, BMW	420 SEL	85.0	10.0	150	1,374	0	1,374
Downtown L.A. Motors Los Angeles, Calif.	Nickolas N. Shammas	40	143		420 SEL	77.4	8.2	703	1,353	0	1,353
Jim Slemons Imports Inc. Newport Beach, Calif.	Jim Slemons	30	216		420 SEL	96.7	20.9	1,029	1,261	0	1,261
Mercedes-Benz Manhattan New York, N.Y.	John Wolf	34	N.A.		N.A.	90.0*	10.0*	N.A.	1,100*	0	1,100*
Park Place Motorcars Dallas, Texas	Kenneth Schnitzer Jr.	1	115		300E	65.9	9.6	257	944	0	944
RBM of Atlanta Atlanta, Ga.	John Ellis	26	137		300E	85.0*	10.0*	250	911	0	911
Euro Motorcars Bethesda Inc. Bethesda, Md.	Michael J. Jackson	10	106	—	300E	62.7	7.9	247	907	0	907
Prestige Motors Inc. Paramus, N.J.	Joseph T. Dockery	20	97	Range Rover	N.A.	63.5	7.5	216	851	0	851

*Estimate

continued →

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MITSUBISHI											
Century Mitsubishi Warwick, R.I.	Kenneth L. Hagen, Richard T. Hauke	20	40		Mirage	$ 62.0*	$ 4.5*	N.A.	1,829	3,000	4,829
West Covina Mitsubishi West Covina, Calif.	Tarek Alhassen	3	100		Mighty Max	80.0	3.5*	1,300	4,500	200	4,700
Alhambra Mitsubishi Alhambra, Calif.	Andy Chang	2	77		Mighty Max	37.7	2.3	1,010	1,981	697	2,678
Mitchael Mitsubishi Fresno, Calif.	Michael L. Rosvold	2	210	Cadillac, VW, Porsche, Audi	2wd Pickup	61.4	9.1	1,359	2,391	58	2,449
Arrow Mitsubishi Little Falls, N.J.	Carmen DeMaio	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	2,157	0	2,157
Ramsey Mitsubishi Ramsey, N.J.	Raymond Van Duren	2	38		Montero	21.2	1.4	480	2,021	0	2,021
Jersey City Mitsubishi Jersey City, N.J.	Samuel X. DiFeo	4	34		Precis	21.8	3.0	250	1,558	176	1,734
Crabtree-Bass Mitsubishi Shelton, Conn.	David Shafman	1	60		Mirage	21.2	1.6	299	1,593	0	1,593
Potamkin Mitsubishi N. Plainfield, N.J.	Robert Potamkin	N.A.	N.A.		N.A.	24.5*	3.3*	N.A.	1,593	0	1,593
Wantagh Mitsubishi Wantagh, N.Y.	Robert Hassett, Charles W. Bast	7	40		Galant	23.4	3.3	286	1,549	0	1,549
NISSAN											
ABC Nissan Phoenix, Ariz.	Larry Van Tuyl	13	260		Sentra	91.8	10.2	2,744	4,186	735	4,923
Nissan of Downey Downey, Calif.	Carmen Koosa	5	117		Sentra	66.2	4.9	784	3,186	1,426	4,616
Autoplaza Nissan Inc. Westbury, N.Y.	Tony Panebianco, John Branham	30	126		Sentra	56.0	6.0	639	4,077	0	4,077
Harbor Nissan Inc. Harbor City, Calif.	Don Graves	17	61		Sentra	42.0*	3.5*	743	3,613	397	4,010
Rosenthal Nissan Vienna, Va.	Bob Rosenthal	N.A.	N.A.	N.A.	N.A.	36.0*	3.5*	N.A.	3,488	15	3,503
Burnsville Nissan Inc. Burnsville, Minn.	Denny Hecker	17	50		Sentra	38.9	1.6	620	775	2,668	3,443
Moon Nissan Cerritos, Calif.	Robert B. Stephens III	21	171		Sentra	54.4	7.9	821	3,001	157	3,158
West Covina Nissan West Covina, Calif.	Orval Paul, Tim Valles	4	106		Trucks	46.1	5.1	707	2,966	0	2,966
Torrance Nissan Torrance, Calif.	William J. Adkins	25	100		Sentra	49.5	3.9	946	2,405	544	2,949
Performance Nissan San Diego, Calif.	Jim Blanton	N.A.	N.A.	N.A.	N.A.	37.5*	3.3*	N.A.	2,735	202	2,937
OLDSMOBILE											
Anderson Oldsmobile Inc. Baltimore, Md.	William R. Mortimer	18	112	Sterling	Cutlass Ciera	118.0*	3.8	471	1,756	4,709	6,465
Larry Paul Oldsmobile-GMC Schaumburg, Ill.	Frederick J. Frazier	40	131	GMC	Cutlass Ciera	93.2	7.8	477	1,135	4,983	6,118
Jim Lupient Oldsmobile Minneapolis, Minn.	Jim Lupient	19	284	Sterling	Cutlass Ciera	115.9	16.5	1,092	2,107	3,819	5,926
Z. Frank Oldsmobile Des Plaines, Ill.	Jack Sayer	4	95		Cutlass Ciera	66.7	4.8	640	1,450	3,560	5,010
King Motor Co. Fort Lauderdale, Fla.	W. Clay King	50	262	GMC, Isuzu, Suzuki	Cutlass Ciera	122.0	11.7	1,566	2,155	2,002	4,157
Henry Faulkner Inc. Philadelphia, Pa.	Henry Faulkner Jr., Joseph Faulkner	31	200		Cutlass Ciera	59.6	10.8	674	2,227	1,814	4,041
Wally McCarthy's Oldsmobile Minneapolis, Minn.	Wally McCarthy	30	145		Cutlass Ciera	60.1	6.6	2,423	2,247	1,422	3,669
Prospect Motors Inc. Jackson, Calif.	Bill Halvorson	14	52	Chevrolet, Cadillac, Pontiac, Buick	N.A.	227.9	2.2	161	66	2,879	2,945
Mossy Oldsmobile Inc. Houston, Texas	Wiley L. Mossy Jr.	30	165		Cutlass Ciera	60.2	12.1	1,045	2,183	713	2,896
Arnold Palmer Motors Latrobe, Pa.	James O'Neal Jr.	6	40	Cadillac, Pontiac, Buick	N.A.	132.0*	4.0*	N.A.	525*	2,250*	2,775*
PEUGEOT											
Exotic Motors Inc. Bellevue, Wash.	Nick P. Diafos, Stauros G. Michelakis	9	30	Alfa Romeo, Isuzu, Bertone	505 Turbo	11.5	1.7	251	225	0	225
Peugeot of Westfield Westfield, N.J.	Joseph Gayer	2	22		505 Turbo	6.1	1.1	124	180	0	180

*Estimate

continued →

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Autos Vega Inc. San Juan, Puerto Rico	Ramon Vega Perez	48	80	Ford, Lincoln, Mercury	505	$ 30.9	$ 1.7	706	175	0	178
Maplewood Peugeot Maplewood, N.J.	Alan Castroll	7	18		505 STX	6.0	1.5	100	175	0	175
Tenafly Peugeot Tenafly, N.J.	Robert Engel	19	13		505 Turbo	4.0	1.3	40	120	33	153
Fred's Foreign Cars Service Philadelphia, Pa.	David Fellner	18	18		Station Wagon	4.5	1.1	67	127	0	127
Foreign Motors West Natick, Mass.	Thomas R. Mix	28	115	Rolls Royce, Mercedes, Range Rover, BMW	505 STI	50.3	9.5	893	110	0	110
Clair Peugeot West Roxbury, Mass.	James E. Clair	N.A.	N.A.		N.A.	3.5*	1.1*	N.A.	109	0	109
Doran Chevrolet-Peugeot Inc. Dallas, Texas	Ed Doran	8	164	Chevrolet	505	36.9	10.8	444	107	0	107
Liccardi Motors Inc. Green Brook, N.J.	Clemente J. Liccardi	34	87	Chrysler, Plymouth	505 GLS	42.8	1.7	1,081	98	0	98
PONTIAC											
Stephen World of Wheels Bristol, Conn.	Stephen Barberino Sr., Stephen Barberino Jr.	30	300	Jaguar, Nissan, GMC, Cadillac, Toyota, Suzuki, Ford	Grand Am	236.4	10.9	2,320	500	12,117	12,626
Jill Pontiac Hollywood, Fla.	John McNally	20	191		Grand Am	126.3	8.7	2,796	2,562	6,273	8,835
Penn Pontiac Inc. Baltimore, Md.	Stanley Z. Penn	18	58		Grand Am	24.8	3.2	184	926	7,806	8,736
Patrick Pontiac-GMC Libertyville, Ill.	Hanley Dawson III	2	100	GMC	Grand Am	65.0*	4.0*	900	1,000	3,600*	4,600*
Faulkner Pontiac-GMC Inc. Trevose, Pa.	Henry Faulkner III	14	175	GMC	Grand Am	70.3	8.4	813	2,327	1,774	4,101
Prospect Motors Inc. Jackson, Calif.	Bill Halvorson	14	52	Chevrolet, Cadillac, Olds, Buick	Grand Am	227.9	2.2	181	63	3,972	4,035
Jim Fresard Pontiac Royal Oak, Mich.	Jim Fresard	17	100		Grand Am	52.0	5.0	1,200	3,000	670	3,670
Grosinger Pontiac-GMC Skokie, Ill.	Gary Grosinger	65	70	GMC	Grand Am	30.0*	2.5*	660	1,500	2,000	3,500
Arnold Palmer Motors Latrobe, Pa.	James O'Neal Jr.	6	40	Cadillac, Olds, Buick	N.A.	132.0*	4.0*	N.A.	300*	2,575*	2,875
Ridge Motors Inc. Des Plaines, Ill.	Edward Mize	25	89		Grand Am	38.1	3.3	358	1,015	1,536	2,551
PORSCHE											
Forest Lane Porsche-Audi Dallas, Texas	Kirk Franceschini	9	85	Alfa Romeo, Audi	944	36.9	7.7	275	365	0	365
Semersky Enterprises Inc. Highland Park, Ill.	Ernie Semersky, Bruce Semersky	12	82		944	55.5	8.1	180	280	0	280
The Porsche Collection Miami, Fla.	Joseph DeMaria	31	N.A.	Audi	N.A.	20.0*	3.0*	N.A.	279	0	279
Braman European Imports Inc. North Miami, Fla.	Norman Braman	16	56	Audi, Sterling	911	27.8	4.7	340	267	0	267
Lynch Imports Ltd. Chicago, Ill.	Richard V. Lynch Jr.	6	125	Audi, Saab, VW	944	56.3	7.6	1,518	261	0	261
Jack Daniels Motors Inc. Fairlawn, N.J.	John J. Daniels	16	51	Audi	944	28.8	5.0	263	257	0	257
Schneider & Nelson Inc. Longbranch, N.J.	Philip C. Schneider, R. Jerry Nelson	11	40	Audi, Sterling, Range Rover	911	23.9	3.4	194	252	0	252
Jim Ellis Atlanta Inc. Atlanta, Ga.	James W. Ellis Jr.	18	82	Audi, Sterling, Lotus	944	38.7	7.1	385	248	0	248
Brumos Atlanta Porsche-Audi Smyrna, Ga.	Deborah Gregg	7	75	Audi	944	27.0	6.0	283	229	0	229
Paul Miller Inc. Parsippany, N.J.	Paul T. Miller II	12	75	Audi, Range Rover	944	28.8	5.6	221	229	0	229
RANGE ROVER											
MIL Inc. Vienna, Va.	George C. Andreas	17	128	Mercedes, Porsche, Audi		52.8	9.2	248	118	0	118
Volvo/Ilo USA Inc. Massapequa, N.Y.	Michael Lazarus, Bryan Lazarus	24	104	Volvo		48.9	7.1	450	115	0	115
Foreign Motors West Inc. Natick, Mass.	Thomas R. Mix	28	115	Rolls Royce, BMW, Mercedes, Peugeot		50.3	9.5	893	115	0	115
Range Rover of Darien Darien, Conn.	Frank A. Miller	32	60	Jaguar, VW		35.2	4.7	48	101	0	101

*Estimate

continued →

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Prestige Motors Inc. Paramus, N.J.	Joseph T. Dockery	20	97	Mercedes		$ 63.5	$ 7.5	216	86	0	86
Autohaus Tischer Inc. Laurel, Md.	Christian Von Berg	17	80	VW, Saab, Honda		35.0	3.0	320	75	0	75
Palm Beach Motor Cars Ltd. W. Palm Beach, Fla.	Robert Simpson	37	71	Jaguar, Saab, Aston Martin		40.0	7.5	180	75	0	75
Warren Henry Motors Inc. Miami, Fla.	Warren Henry Zinn	12	45	Jaguar		12.0*	1.5*	N.A.	71	0	71
Zumbach Sports Cars Ltd. New York, N.Y.	Werner G. Maeder Jr.	15	65	Alfa Romeo, Saab, Peugeot		19.8	4.1	100	62	0	62
Hennessy Cadillac-Jaguar Atlanta, Ga.	Robert D. Hennessey	3	95	Cadillac, Jaguar		25.0*	3.0*	400	60	0	60
ROLLS-ROYCE											
Carriage House Motor Car, New York, N.Y., Greenwich, Conn.	Michael Schudroff	4	N.A.		N.A.	24.5*	2.2*		186	0	186
Gregg Motors Rolls Royce Beverly Hills, Calif.	Howard Schneider	N.A.	N.A.	N.A.	N.A.	20.0*	2.5*	N.A.	115*	0	115*
Terry York Motor Cars Ltd. Encino, Calif.	Terry York	19	68	Range Rover, Jaguar	Silver Spur	28.5*	3.5*	70	85	0	85
Newport Beach Auto Center Newport Beach, Calif.	Steve Bren	27	130	Porsche, Audi, Chevrolet	N.A.	23.0*	2.8*	N.A.	80*	0	80*
Lauderdale Imports Fort Lauderdale, Fla.	Larry K. Oden	2	13		N.A.	11.5	0.9	50	52	0	52
Braman Motor Cars W. Palm Beach, Fla.	Richard Hellawell, Norman Braman	3	85	Sterling, BMW, Maserati	N.A.	31.0*	4.5*	N.A.	45*	0	45
F.C. Kerbeck & Sons Palmyra, N.J.	Frank R. Kerbeck	20	95	Saab	N.A.	18.0*	2.2*	N.A.	40*	0	40*
Rusnak/Pasadena Pasadena, Calif.	Paul Rusnak	28	95	Porsche, Audi, Jaguar, Sterling	Silver Spur	28.0*	2.5*	20	35	0	35
Steve Foley Cadillac Inc. Northbrook, Ill.	Steve Foley	44	13	Cadillac, Bentley	Silver Spur	39.5	5.7	273	35	0	35
Rallye Motors Inc. Roslyn, N.Y.	George K. Moss, Peter G. Terian	25	130	Mercedes, BMW	Silver Spur	85.0	10.0	150	34	0	34
SAAB											
Ramsey Saab Ramsey, N.J.	Raymond VanDuren	9	40		9000 Turbo	19.4	2.3	82	752	0	752
Zumbach Sports Cars Ltd. New York, N.Y.	Werner G. Maeder Jr.	15	65	Alfa Romeo, Peugeot, Range Rover	9000 Turbo	19.8	4.1	100	529	0	529
Stohlman Saab Alexandria, Va.	Edwin L. Stohlman III		157	Nissan	N.A.	55.4	2.4	838	421	63	484
Saab of Westport Westport, Conn.	Ralph Frascatore	3	36		900 Turbo	15.8	2.1	166	472	0	472
Wigmore Inc. North Providence, R.I.	William H. Gregson Jr., Thomas J. Casey	42	36		900S	11.2	1.7	73	455	0	455
Mark Singleton Saab Smyrna, Ga.	Mark Singleton	4	42		900S	12.9	2.0	188	439	0	439
Hanley Dawson Toyota-Saab Chicago, Ill.	Hanley Dawson Jr.	6	N.A.	Chrysler, Plymouth, Toyota	N.A.	12.0*	2.0*	N.A.	394	0	394
Saab Atlanta Roswell, Ga.	Douglas Klee	1	45		900S	13.9	2.0	262	392	0	392
Charles River Saab Watertown, Mass.	Felix Bosshard	32	50		900S	12.0	4.0	275	375	0	375
Patrick Motors Worcester, Mass.	James Patrick	17	58	Subaru	900S	17.8	1.1	216	374	0	374
STERLING											
Lou Ehlers Cadillac-Sterling Los Angeles, Calif.	L.W. Ehlers	41	126	Cadillac	825S	42.2	10.3	234	185	74	259
Martin Cadillac-Sterling Los Angeles, Calif.	Dana R. Martin	27	200	Cadillac	825SL	110.0*	15.0*	0	221	0	221
Motorwerks of Barrington Barrington, Ill.	Paul Tamraz	15	180	Mercedes, BMW, Lotus, Porsche, Suzuki, Cadillac	825SL	35.0*	6.0*	400	215	0	215
Don Massey Cadillac-Sterling Plymouth, Mich.	Don Massey	30	150	Cadillac, Rolls Royce	N.A.	80.0*	6.0*	N.A.	170	0	170
Douglas Sterling Corp. Summit, N.J.	Peter T. Liebman	23	58	VW	825SL	30.7	3.7	70	167	0	167
Braman Motor Cars W. Palm Beach, Fla.	Richard Hellawell, Norman Braman	3	85	BMW, Maserati, Rolls Royce	825SL	31.0*	4.5*	N.A.	160	0	160

*Estimate

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DEALERS

(ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employes	Other makes, same location	Best selling model	Total 1987 sales all franchises, depts. at location	Parts & service volume	Retail used units	Retail new units	1987 fleet sales	Total 1987 new units
Meier Cadillac-Sterling Dallas, Texas	Todd Meier	19	132	Cadillac	825SL	$ 78.0	$10.5	685	158	0	158
Jim Ellis Atlanta Inc. Atlanta, Ga.	James W. Ellis Jr.	18	80	Porsche, Audi, Lotus	825SL	38.7	7.1	385	151	0	151
Sewell Village Cadillac-Sterling Dallas, Texas	Carl Sewell	77	250	Cadillac	N.A.	98.0*	20.0*	N.A.	142	0	142
Coral Sterling Pompano Beach, Fla.	Norman E. Wiese	35	3		825SL	3.9	0.2	N.A.	136	0	136
SUBARU											
Ken Sanders Subaru Morrow, Ga.	Ken Sanders	N.A.	N.A.	N.A.	N.A.	26.5*	3.2*	N.A.	261	2,375	2,636
Browning Olds-Subaru Cerritos, Calif.	Kent Browning	15	150	Olds	GL Wagon	66.1	10.9	1,059	1,050	296	1,346
Heritage Olds-Subaru Plano, Texas	Bob Guenther	3	225	Olds, Bertone	GL Wagon	72.0	8.5	900	720	580	1,300
Burt Subaru Englewood, Colo.	A.J. Guanella Jr., Lloyd Chavez	16	87		4wd Wagon	25.4	4.3	1,325	1,197	86	1,283
Blackstone Subaru Seekonk, Mass.	Al Dosanjos	9	80		GL Wagon	14.5	4.4	425	935	0	935
Norwood Subaru Inc. Norwood, Mass.	Edmund H. Gendreau	15	38		4wd Wagon	14.4	1.9	102	930	0	930
Manhattan Subaru Rockville, Md.	Joseph Herson	42	41		4wd Wagon	13.7	1.3	156	890	0	890
Continental Motors Anchorage, Alaska	Peter Adolph, Bahne Martensen	17	63	Volvo, Mazda	GL Wagon	21.5	3.8	684	826	22	848
Goldstein Motors Inc. Colonie, N.Y.	Clifford D. Coddington	14	50		4wd Wagon	15.7	2.0	393	835	0	835
Stohlman VW and Subaru Vienna, Va.	Richard H. Stohlman	18	102	VW, Excalibur	4wd Wagon	29.7	5.3	289	791	0	791
SUZUKI											
Red Bird Suzuki Duncanville, Texas	Tony Gullo, Ted Heas	8	100	Nissan, Jeep, Eagle		23.8*	4.4	895	1,075	100	1,175
Totem Lake Suzuki Kirkland, Wash.	Bill Wright	25	100	Ford, Toyota		53.8	1.0	1,091	1,011	68	1,079
Stillman Suzuki Englewood, N.J.	Walter R. Stillman	80	12			11.3	0.9	0	1,010	0	1,010
Superior Suzuki Tampa, Fla.	Jeffrey I. Wooley	13	21			10.6	1.1	0	952	39	991
Vista Suzuki Woodland Hills, Calif.	Steve Shuken	14	175	Ford, Isuzu		68.7	7.0	938	968	0	968
Century Suzuki Inc. Wallingford, Conn.	Michael Ferranti	1	17			11.3	0.5	199	952	0	952
Worthington Suzuki Huntington Beach, Calif.	Cal Worthington	37	100	Dodge		38.5	4.0	801	940	0	940
Earnhardt Suzuki Tempe, Ariz.	Hal J. Earnhardt III	N.A.	25			13.1	1.2	408	924	0	924
Bob Ciasulli Suzuki Little Falls, N.J.	Robert Ciasulli	18	22			9.5*	0.8*	0	901	0	901
Martin Suzuki Ardmore, Pa.	Martin Lustgarten	12	16			8.3	0.7	50	860	0	860
TOYOTA											
Longo Toyota El Monte, Calif.	John Clark	3	261		Camry	224.9	14.9	2,185	12,744	6,708	19,452
Kendall Toyota Miami, Fla.	Gerald F. Bean	N.A.	N.A.		N.A.	130.0*	10.0*	N.A.	4,000*	8,511*	12,511
Gateway Toyota Toms River, N.J.	Kenneth L. Hagen	15	175		Camry	150.1	4.7	993	11,198	901	12,099
Covington Pike Toyota Inc. Memphis, Tenn.	John A. Reddell	5	229		2wd Truck	130.8	5.6	1,505	9,304	0	9,304
Toyota of Orange Orange, Calif.	David W. Wilson	5	123		Camry	92.1	6.9	1,779	5,646	638	6,284
Toyota of Hollywood Hollywood, Fla.	Craig Zinn	6	193		Corolla	100.7	6.8	1,874	5,702	3	5,705
Elmore Toyota Westminster, Calif.	Lester P. Elmore	25	100		Camry	76.9	4.4	1,663	5,066	0	5,066
Sterling McCall Toyota Houston, Texas	Sterling B. McCall Jr.	19	120		Camry	71.9	7.0	1,097	2,288	2,505	4,793

*Estimate

continued →

DEALERS

(ALL DOLLAR FIGURES IN MILLIONS)	Principal or top official	Years in business	Employes	Other makes, same location	Best selling model	Total 1987 sales all franchises, depts. at location	Parts & service volume	Retail used units	Retail new units	1987 fleet sales	Total 1987 new units
Toyota of Cerritos Cerritos, Calif.	Lewis M. Webb	12	140		Camry	$ 93.7	$10.2	1,512	4,394	312	4,706
Toyota of Garden Grove Garden Grove, Calif.	Jan Goodrow	6	125		Corolla	78.3	6.9	2,399	3,622	1,630	5,252
VOLKSWAGEN											
Tynan Volkswagen Inc. Aurora, Colo.	Ed Tynan	25	40	Isuzu	Jetta	24.2	2.3	847	447	1,200	1,647
Jim Ellis Volkswagen Inc. Atlanta, Ga.	James W. Ellis Jr.	18	85		Jetta	31.9	6.1	742	1,523	0	1,523
South County Motors Huntington Beach, Calif.	Daniel J. McKenna	5	80	Isuzu	Jetta	28.9	3.8	1,083	1,341	0	1,341
Ganley Inc. Cleveland, Ohio	Tom Ganley	17	48	Mazda	Jetta	26.3	2.0	1,568	188	979	1,167
Volkswagen Santa Monica Inc. Santa Monica, Calif.	W. H. Sullivan		120	Hyundai	Jetta	36.1	7.6	267	1,134	0	1,134
Douglas Motors Corp. Summit, N.J.	Peter T. Liebman	23	58	Sterling	Jetta	30.7	3.7	70	1,041	0	1,041
DiFeo Volkswagen Inc. Jersey City, N.J.	Joseph C. DiFeo	6	37		Jetta	14.2	1.5	28	1,004	0	1,004
Stohlman VW and Subaru Vienna, Va.	Richard H. Stohlman	18	102	Subaru, Excalibur	Jetta	29.7	5.3	289	969	0	969
Volkswagen of Downtown L.A. Los Angeles, Calif.	Nickolas N. Shammas	40	49		Jetta	14.3	2.6	187	965	0	965
Sonnen Motors (Leon Felton Co.) San Rafael, Calif.	Peter Sonnen	25	40	Audi	Jetta	15.0	2.3	176	480	442	922
VOLVO											
Dyer & Dyer Inc. Chamblee, Ga.	Richard S. Dyer Jr.	9	180	Yugo	DL Sedan	87.4	11.1	2,441	1,861	0	1,861
Volvoville USA Inc. Massapequa, N.Y.	Michael Lazarus, Bryan Lazarus	24	104	Range Rover	740 GLE	48.9	7.1	450	1,500	47	1,547
Warren Henry Volvo Inc. Miami, Fla.	Warren Henry Zinn	12	217		DL Sedan	44.3	7.1	781	1,218	0	1,218
The Volvo Collection Miami, Fla.	Joseph A. DeMaria	25	121		740 GLE	42.9	6.6	467	923	280	1,203
San Diego Volvo Inc. San Diego, Calif.	Manny Jardin, Wes Hinkle	12	108		740 GLE	34.4	6.5	482	1,120	0	1,120
Martin Motors New York, N.Y.	Martin Schlanger	26	150	BMW	740 Turbo	28.0*	3.5*	90	820	0	820
Don Beyer Volvo Falls Church, Va.	Donald S. Beyer Jr.	14	88		740 GLE	26.8	7.1	380	817	0	817
Kramer Volvo Santa Monica, Calif.	Robert Kramer	37	80		740	25.5*	8.6	N.A.	701	0	701
Autobahn Volvo Fort Worth, Texas	John Chase	9	58		740 GLE	20.0	4.0	250	662	0	662
Orange County Volvo Garden Grove, Calif.	Charles K. Patterson	N.A.	75		240	21.1	4.8	125	632	21	653
YUGO											
Yugo of Pensacola Pensacola, Fla.	Warren Taylor	N.A.	N.A.	N.A.	GV	10.0*	1.5*	N.A.	799	0	799
Dyer & Dyer Inc. Chamblee, Ga.	Richard S. Dyer Jr.	9	180	Volvo	GV	87.4	11.1	2,441	734	0	734
Merideth Yugo Daphne, Ala.	Robert L. Merideth	2	22		GV	4.9	0.4	144	691	0	691
Westway Yugo Irving, Texas	Joe Tigue	7	185	Ford	GV	20.0*	3.2*	1,400	590	0	590
Kelley Yugo Brewer, Maine	Richard Kelley	23	19		GV	3.7*	0.6*	300	573	0	573
Perillo Pontiac-Yugo Chicago, Ill.	Joseph Perillo, Anthony C. Scala	9	52	Pontiac	GV	18.4	1.9	452	510	0	510
Lossman Motors Lakewood, Ohio	Jerry Tenhover	5	50	VW	GV	8.5	1.8	300	496	0	496
Liberty Buick Co. Libertyville, Ill.	Sidney Oko	23	70	Buick, Jeep, Eagle	GV	27.5	3.7	494	427	0	427
Caviness Motors Ocala, Fla.	Rupert Caviness	43	75	Buick	GV	21.4	1.4	924	421	0	421
Eastside Nissan-Yugo Columbus, Ohio	Phil Siefke	10	103	Nissan	GV	21.9	3.8	690	415	0	415

*Estimate

DEALERS

U.S.-car retail outlets

1947 to 1988

Date	No. of retail outlets	Pct. gain or loss from previous year
Jan. 1, 1947	45,580	
Jan. 1, 1948	46,092	+1.12
Jan. 1, 1949	49,173	+6.66
Jan. 1, 1950	46,821	−4.78
Jan. 1, 1951	47,543	+1.54
Jan. 1, 1952	46,014	−3.22
Jan. 1, 1953	45,191	−1.79
Jan. 1, 1954	41,910	−7.26
Jan. 1, 1955	40,374	−3.66
Jan. 1, 1956	41,018	+1.60
Jan. 1, 1957	37,982	−7.40
Jan. 1, 1958	37,188	−2.09
Jan. 1, 1959	35,077	−5.68
Jan. 1, 1960	33,658	−4.05
Jan. 1, 1961	32,482	−3.49
Jan. 1, 1962	31,331	−3.54
Jan. 1, 1963	30,853	−1.53
Jan. 1, 1964	30,827	−0.08
Jan. 1, 1965	30,691	−0.44
Jan. 1, 1966	30,278	−1.35
Jan. 1, 1967	28,422	−6.14
Jan. 1, 1968	27,784	−2.24
Jan. 1, 1969	27,486	−1.07
Jan. 1, 1970	27,071	−1.51
Jan. 1, 1971	26,126	−3.49
Jan. 1, 1972	25,621	−1.93
Jan. 1, 1973	25,441	−0.70
Jan. 1, 1974	25,349	−0.36
Jan. 1, 1975	24,980	−1.46
Jan. 1, 1976	24,453	−2.11
Jan. 1, 1977	24,268	−0.76
Jan. 1, 1978	24,147	−0.50
Jan. 1, 1979	24,051	−0.40
Jan. 1, 1980	23,379	−2.79
Jan. 1, 1981	21,772	−6.87
Jan. 1, 1982	20,834	−4.31
Jan. 1, 1983*	19,985	−4.08
Jan. 1, 1984	20,076	+0.46
Jan. 1, 1985	20,152	+0.38
Jan. 1, 1986	19,946	−1.02
Jan. 1, 1987	19,700	−1.23
Jan. 1, 1988	19,530	−0.86

*Figures for Jan. 1, 1983 through Jan. 1, 1988 include Renault.

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The number of dealership points selling new automobiles in the United States dropped below the 25,000 level during 1987. Nonetheless, these fewer dealerships represented more new-car franchises per store than in preceding year 1986.

According to Automotive News' annual dealership census, there were 24,938 new-car outlets in the United States in 1987. This represented a decline of 818 from 25,156 dealerships counted in 1986.

There were 19,530 dealerships selling U.S.-built cars on Jan. 1, compared with 19,700 dealerships retailing domestic vehicles one year earlier.

On Jan. 1, a third more dealerships were selling import makes than a year previously. This year on Jan. 1 there were 23,436 import outlets or 5,883 more dealerships selling imported makes than last year when 17,553 stores sold imports.

There are fewer stores retailing domestic-only makes because all domestic divisions — except for General Motors' Buick, Oldsmobile and Cadillac divisions — sell captive imports. Many dealerships selling these three makes also sell imports or they are dualed with Chevrolet and/or Pontiac, which offer captive import makes.

Although there were fewer dealerships this year, according to the Automotive News census, these outlets averaged 2.89 franchises per store or nearly one more franchise per store than 10 years previously when there was an average of 2.07 franchises per outlet.

The 24,938 dealerships held 72,191 franchises from 12 domestic and 39 import makes. A decade earlier there were 28,656 dealerships holding 59,455 franchises. Last year there were 25,156 dealerships holding 61,216 franchises for an average of 2.43 franchises per outlet. ■

Car-truck sales per outlet

Final 1987	1987	1986
1. Hyundai	1,369	1,431
2. Toyota	857	947
3. Mitsubishi	831	791
4. Honda	693	716
5. Nissan	673	697
6. Ford	612	585
7. Acura	595	352
8. Suzuki	579	589
9. Chevrolet	541	588
10. Mazda	424	494
11. Dodge	369	339
12. Volvo	257	276
13. Pontiac	234	283
14. Isuzu	229	236
15. Oldsmobile	226	334
16. Subaru	220	226
17. Volkswagen	219	247
18. Mercedes	213	236
19. BMW	20[illegible]	226
20. Buick	189	260
21. Mercury	174	184
22. Yugo	166	173
23. Cadillac	162	188
24. Jaguar	150	150
24. Jeep	150	146
25. GMC	129	126
26. Saab	124	137
27. Plymouth	112	178
27. Lincoln	102	110
29. Audi	101	146
30. Chrysler	99	117
31. Sterling	85	—
31. Porsche	74	94
33. Range Rover	53	—
34. Alfa Romeo	42	54
35. Peugeot	34	51
36. Eagle	33	—
37. Maserati	14	20

Retail outlets, U.S. makes of passenger cars

1988 vs. 1987

	Jan. 1, 1988 Exclusives (Within Corp.)	Jan. 1, 1988 Multiples (Within Corp.)	Jan. 1, 1988 Total Franchises	Jan. 1, 1988 Net Dealers	Jan. 1, 1987* Exclusives (Within Corp.)	Jan. 1, 1987* Multiples (Within Corp.)	Jan. 1, 1987* Total Franchises	Jan. 1, 1987* Net Dealers
AMERICAN MOTORS/RENAULT	0	0	0	0	131	2,436	2,567	1,349
AMC	0	0	0		91	1,218	1,309	
Renault	0	0	0		40	1,218	1,258	
CHRYSLER MOTORS	906	9,593	10,499	5,194	959	8,098	9,057	4,023
Chrysler	0	3,106	3,106		0	3,064	3,064	
Dodge	898	2,113	3,011		950	2,010	2,960	
Eagle	0	1,303	1,303		0	0	0	
Plymouth	8	3,071	3,079		9	3,024	3,003	
FORD MOTOR CO.	2,688	6,287	8,975	5,436	2,719	6,265	8,984	5,460
Ford	2,677	1,903	4,580		2,708	1,908	4,616	
Lincoln	0	1,637	1,637		0	1,617	1,617	
Mercury	11	2,747	2,758		11	2,740	2,751	
GENERAL MOTORS	4,835	10,750	15,585	9,535	4,970	10,720	15,690	9,680
Buick	680	2,255	2,935		700	2,250	2,950	
Cadillac	250	1,360	1,610		250	1,365	1,615	
Chevrolet	2,785	2,125	4,910		2,865	2,110	4,975	
Oldsmobile	595	2,560	3,155		625	2,550	3,175	
Pontiac	525	2,450	2,975		530	2,445	2,975	
Totals	**8,429**	**26,630**	**35,059**	**20,165**	**8,779**	**27,519**	**36,298**	**20,512**
Minus Intercorporate duals				635				812
Net dealers				**19,530**				**19,700**

*—Revised.

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Import franchises

	Jan. 1, 1988	Jan. 1, 1987
JAPAN	19,865	19,301
Chevrolet Sprint, Spectrum	4,910	4,975
Chrysler Conquest	3,106	3,064
Plymouth Colt	3,079	3,033
Dodge Colt	3,011	2,960
Nissan	1,108	1,109
Toyota	1,090	1,087
Honda	916	900
Subaru	806	801
Mazda	794	771
Isuzu	547	338
Acura	218	150
Mitsubishi	148	113
Daihatsu	132	—
KOREA	7,779	161
Pontiac LeMans	2,975	—
Ford Festiva	4,580	—
Hyundai	224	161
WEST GERMANY	3,187	3,201
Volkswagen U.S.	872	878
Merkur	747	744
Mercedes-Benz	423	422
BMW	419	423
Audi	409	412
Porsche	317	322
MEXICO	2,759	—
Mercury Tracer	2,759	—
FRANCE	1,537	272
Eagle Medallion	1,265	—
Peugeot	272	272
SWEDEN	782	773
Volvo	415	414
Saab	367	359
ITALY	417	432
Bertone	150	150
Alfa Romeo	141	158
Maserati	65	73
Ferrari	42	42
Lamborghini	19	9
UNITED KINGDOM	464	453
Sterling	179	153
Jaguar	146	160
Lotus	67	65
Rolls-Royce/ Bentley	57	59
Aston Martin/ Lagonda	15	16
YUGOSLAVIA	327	260
Yugo	327	260
MISCELLANEOUS	15	65
Total	**37,132**	**24,918**

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U.S. new-car outlets

Domestic and import

	No. of Retail Outlets	Pct. Gain or Loss from Previous Year
Jan. 1, 1958	39,108	−0.1%
Jan. 1, 1959	37,558	−4.0%
Jan. 1, 1960	36,336	−3.3%
Jan. 1, 1961	34,803	−4.2%
Jan. 1, 1962	33,461	−3.9%
Jan. 1, 1963	33,308	−0.4%
Jan. 1, 1964	33,291	−0.1%
Jan. 1, 1965	33,380	+0.2%
Jan. 1, 1966	33,114	−0.7%
Jan. 1, 1967	31,584	−4.6%
Jan. 1, 1968	31,101	−1.5%
Jan. 1, 1969	31,076	−0.1%
Jan. 1, 1970	30,842	−0.8%
Jan. 1, 1971	30,314	−1.8%
Jan. 1, 1972	30,150	−0.5%
Jan. 1, 1973	30,094	−0.2%
Jan. 1, 1974	29,998	−0.3%
Jan. 1, 1975	29,701	−1.0%
Jan. 1, 1976	29,309	−1.3%
Jan. 1, 1977	28,744	−1.9%
Jan. 1, 1978	28,656	−0.3%
Jan. 1, 1979	28,512	−0.5%
Jan. 1, 1980	27,891	−2.2%
Jan. 1, 1981	26,333	−5.6%
Jan. 1, 1982	25,703	−2.4%
Jan. 1, 1983	24,729	−3.8%
Jan. 1, 1984	24,721	−0.0%
Jan. 1, 1985	24,724	+0.0%
Jan. 1, 1986	25,104	+1.5%
Jan. 1, 1986	24,823	−1.1%
Jan. 1, 1987	25,156	+1.3%
Jan. 1, 1988	24,938	−0.9%

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Import outlets

1957 to 1988

Jan. 1, 1957	2,930
Jan. 1, 1958	11,409
Jan. 1, 1959	14,031
Jan. 1, 1960	14,674
Jan. 1, 1961	13,135
Jan. 1, 1962	11,894
Jan. 1, 1963	7,138
Jan. 1, 1964	5,249
Jan. 1, 1965	5,856
Jan. 1, 1966	6,013
Jan. 1, 1967	6,588
Jan. 1, 1968	7,156
Jan. 1, 1969	7,869
Jan. 1, 1970	8,311
Jan. 1, 1971	9,860
Jan. 1, 1972	12,375
Jan. 1, 1973	13,332
Jan. 1, 1974	11,246
Jan. 1, 1975	11,489
Jan. 1, 1976	10,414
Jan. 1, 1977	11,387
Jan. 1, 1978	17,374
Jan. 1, 1978	17,700
Jan. 1, 1979	17,114
Jan. 1, 1980	16,919
Jan. 1, 1981	16,681
Jan. 1, 1982	12,116
Jan. 1, 1983	10,825*
Jan. 1, 1984	10,861
Jan. 1, 1985	13,177
Jan. 1, 1986	17,119
Jan. 1, 1987	17,553
Jan. 1, 1988	23,436

*—Renault counted as domestic 1983-1987.

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New-truck dealer total rises by 482

The number of new-truck dealer outlets in the U.S. increased by 482 in 1987, bringing the Jan. 1, 1988 truck dealer population to 26,337. Eighteen makers increased their dealer totals; seven showed declines; two remained unchanged.

Figures for 1988 were collected from manufacturers and the American Truck Dealers Division of the National Automobile Dealers Association.

Truck sales per outlet

	1987	1986
Chevrolet	243	251
Dodge	185	186
Ford	310	292
Freightliner	135	105
GMC	146	142
Hino	21	12
Isuzu	123	166
Isuzu (commercial)	25	21
Iveco	19	N.A.
Jeep	149	149
Kenworth	105	94
Mack	98	107
Mazda	156	204
Mercedes-Benz	22	27
Mitsubishi	267	248
Mitsubishi-Fuso	18	N.A.
Navistar	95	94
Nissan	195	201
Nissan Diesel	11	4
Peterbilt	112	93
Plymouth	46	36
Range Rover	43	N.A.
Scania	7	5
Suzuki	479	430
Toyota	279	353
Volvo-White*	63	64
Western Star	13	N.A.

Note: *—Volvo-White Truck Corp., stopped operations Dec. 31, 1987 and the new venture, Volvo GM Heavy Truck Corp., began operations with 197 WhiteGMC dealers selling WhiteGMC and Volvo heavy trucks.

Truck retail outlets*

	Jan. 1, 1988	Jan. 1, 1987+
Chevrolet	4,910	4,975
Dodge	3,062	3,019
Ford	4,689	4,729
Freightliner	173	166
GMC	2,414	2,423
Hino	95	90
Isuzu	708	534
Isuzu (commercial)	228	231
Iveco	145	175
Jeep	1,396	1,390
Kenworth	135	111
Mack	241	211
Mazda	794	771
Mercedes-Benz	176	150
Mitsubishi	194	141
Mitsubishi Fuso	96	51
Navistar	768	686
Nissan	1,108	1,109
Nissan Diesel	160	190
Peterbilt	114	107
Plymouth**	3,079	3,033
Range Rover	60	37
Scania	20	16
Suzuki	170	111
Toyota	1,090	1,087
Western Star	112	112
Volvo-White***	200	200
Totals	26,337	25,855
Adjustments for multiple franchising	9,117	8,755
Net Totals	17,220	17,100

NOTES: *—Retail outlets include dealerships, distributorships and factory-owned outlets.
+—Revised.
**—Plymouth trucks are compact Voyager vans.
***—Volvo-White Truck Corp., which sold White, Autocar and Volvo heavy trucks, ceased operations on Dec. 31, 1987. On Jan. 1, 1988, Volvo GM Heavy Truck Corp. began operations with 197 WhiteGMC dealers selling WhiteGMC and Volvo heavy trucks. These trucks include vehicles formerly marketed as White, Autocar, GMC and Volvo models.

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New-car dealerships in United States

	Jan. 1, 1988		Jan. 1, 1987*	
Domestic cars only:		1,502		7,503
Imported cars only:				
Exclusives	3,964		3,686	
Duals	1,444		1,466	
		5,408		5,152
Domestic-import duals:				
Domestics with captive imports	16,880		9,738	
Domestics with other imports	1,148		2,663	
		18,028		12,401
Total New-Car Dealers in United States		**24,938**		**25,156**

NOTES: Captive imports are: Chevrolet Sprint and Spectrum; Chrysler Conquest, Dodge Colt; Eagle Medallion Plymouth Colt; Ford Festiva; Mercury Tracer; Merkur; and Puntiac LeMans.
*—Revised.

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DEALERS

Car sales per outlet by make for 5 years

	1987	1986	1985	1984	1983
Hyundai	1,369	1,431	—	—	—
Honda*	693	716	640	610	494
Acura	595	352	—	—	—
Toyota*	578	582	572	515	511
Mitsubishi	521	489	598	477	435
Nissan*	477	495	520	439	479
Ford	308	301	295	276	230
Chevrolet	304	343	362	305	261
Mazda*	266	290	277	223	226
Volvo	257	276	257	246	220
Pontiac	234	283	265	235	187
Oldsmobile	226	334	334	331	320
Volkswagen*	219	247	246	197	177
Subaru	219	226	219	196	198
Mercedes-Benz	213	236	207	190	177
BMW	209	226	204	170	145
Buick	189	260	285	318	288
Mercury	174	184	192	195	156
Yugo	166	173	—	—	—
Cadillac	162	188	185	200	189
Jaguar	150	150	120	98	81
Dodge	136	178	168	148	135
Saab	124	137	115	102	81
Plymouth	112	141	122	111	112
Lincoln	102	110	104	97	67
Audi	101	146	182	172	115
Chrysler	99	117	124	110	94
Isuzu	89	134	118	80	98
Stirling	85	—	—	—	—
Porsche	74	94	78	61	66
Alfa Romeo	42	54	31	27	17
Peugeot	34	51	53	64	47
Eagle	33	—	—	—	—
Maserati	14	20	24	—	—
Renault*	—	51	87	135	135
AMC	—	6	9	14	23

*Domestic plus imports.
Note: Captive imports are included in totals for domestic makes.

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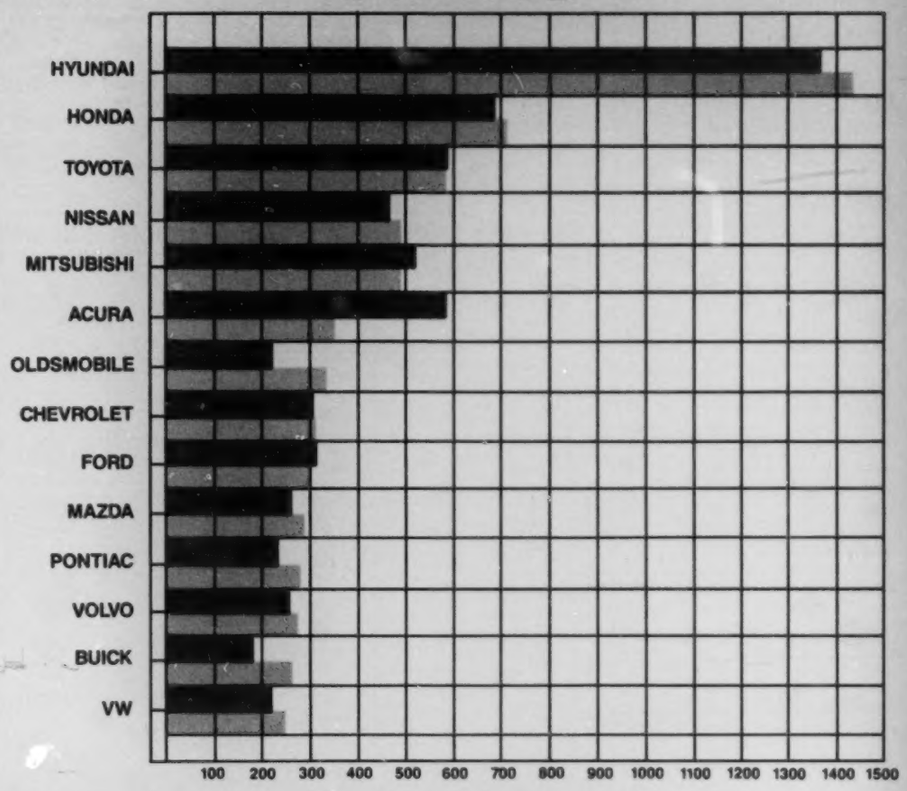
AVERAGE SALES PER OUTLET
1986 vs. 1987



Used vehicle, service departments' sales rise over 10%; new vehicle department sales remain stable in '87

(Average U.S. dealership profile in dollars.)

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	% Change 1986-'87
Total Dealership Sales	4,717,718	5,005,359	4,757,557	5,524,971	6,136,755	7,706,694	9,330,045	10,481,683	11,269,652	11,303,529	0.30
Total Dealership Gross	676,521	725,277	731,237	817,143	851,782	1,058,129	1,258,623	1,497,832	1,599,164	1,712,485	7.09
As % of Total Sales	14.34	14.49	15.37	14.79	13.88	13.73	13.49	14.29	14.19	15.15	
Total Dealership Expense	584,054	662,209	702,215	753,054	772,004	893,206	1,055,228	1,267,235	1,355,739	1,499,978	10.64
As % of Total Sales	12.38	13.23	14.76	13.63	12.58	11.59	11.31	12.09	12.03	13.27	
Net Profit Before Taxes	92,467	63,068	29,021	64,090	79,778	164,923	203,395	230,597	243,424	212,506	−12.70
As % of Total Sales	1.96	1.26	0.61	1.16	1.30	2.14	2.18	2.20	2.16	1.88	
(Net Pre-tax Profit in Constant '67 Dollars)	47,312	29,005	11,758	23,531	27,593	55,265	65,379	71,570	74,124	62,428	−15.78
New Vehicle Department Sales	3,024,057	3,178,403	2,930,655	3,375,757	3,767,967	4,886,044	6,101,850	7,075,136	7,584,476	7,200,348	−5.06
As % of Total Sales	64.10	63.50	61.60	61.10	61.40	63.40	65.40	67.50	67.30	63.70	
Used Vehicle Department Sales	986,003	1,016,088	999,087	1,265,218	1,399,180	1,734,006	1,987,300	2,054,410	2,242,661	2,509,384	11.89
As % of Total Sales	20.90	20.30	21.00	22.90	22.80	22.50	21.30	19.60	19.90	22.20	
Service and Parts Sales	707,658	810,868	827,815	883,995	969,607	1,086,644	1,240,896	1,352,137	1,442,515	1,593,798	10.49
As % of Total Sales	15.20	16.20	17.40	16.00	15.80	14.10	13.30	12.90	12.80	14.10	
New Vehicle Average Selling Price	6,470	6,950	7,530	8,850	9,910	10,725	11,100	11,925	12,950	13,450	3.86
Average Net Worth (As of 12/31)	353,123	397,566	378,786	385,015	421,480	556,440	569,600	653,064	646,566	750,566	16.08
Net Profit as % of Net Worth	26.19	15.86	7.66	16.65	18.93	29.64	35.71	35.31	37.65	28.31	

SOURCE: NADA Industry Analysis Division

Fourth quarter finance rates by finance companies, commercial banks

Year	Prime Rate	Rates on New Autos: Commercial Banks	Rates on New Autos: Finance Companies	Used Autos	New Auto Sales* (Millions of Units)
1978	10.9	11.3	13.2	17.9	11.19
1979	15.5	12.9	13.8	18.4	9.89
1980	16.1	14.3	15.3	19.4	8.92
1981	17.0	17.4	16.5	20.5	7.27
1982	12.0	16.0	12.8	20.7	8.45
1983	11.0	13.5	13.5	18.2	10.04
1984	11.8	13.9	15.2	18.3	10.35
1985	9.5	12.4	11.4	17.2	10.28
1986	7.5	10.6	11.8	15.2	11.48
1987	8.5	10.9	12.2	14.9	10.23

*—Seasonally adjusted annual rate. SOURCES: Board of Governors of the Federal Reserve System; MVMA.

Local advertising by new car dealers

Media used	Millions spent, '87
Newspaper	$2,028
Radio	714
TV	651
Direct mail	144
Outdoor (billboards, signs)	69
Programs (Theatre, sports, school, etc.)	31
Handouts or handbills	10
Displays, demonstrations	37
Other	29
Total	$3,713
Type of advertising	
New vehicle	$1,968
Used vehicle	1,040
Institutional	408
Service	297
Total	$3,718

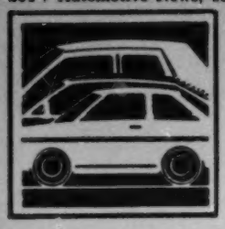
SOURCE: Nada Industry Analysis Dept.

Used vehicle sales by franchised new car & truck dealers in U.S.

(In thousands)

Year	Retail	Wholesale	Total
1978	9,666	2,887	12,553
1979	8,374	2,530	10,904
1980	7,424	2,293	9,717
1981	7,762	2,425	10,187
1982	7,555	2,385	9,940
1983	8,082	2,723	10,805
1984	8,676	3,613	12,289
1985	9,209	3,817	13,026
1986	9,476	3,740	13,216
1987	9,477	3,667	13,144

SOURCE: NADA Industry Analysis Department



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Retail prices, 1988 light trucks, domestic and import

These tables show the prices of domestic and imported light trucks, sport-utility vehicles and vans as of May 2, 1988. Prices are manufacturers' suggested retail prices. Import prices include ocean freight and U.S. import duty. None of the vehicle prices include destination charges, state and local taxes, optional equipment or any charges that may be passed on to the retail buyer. Vehicle prices are for the base vehicle with the base engine. In the equipment section, "Std." means standard equipment; "N.A." means the item is not available on the model mentioned. On some models, the standard-equipment radio is a delete option.

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	Base Price	Automatic Trans.	Power Steering	AM/FM Stereo	Air Cond.
CHEVROLET S-10 pickup (2wd) Fleetside EL (108.3-inch w.b.)	$ 6,795	N.A.	N.A.	N.A.	N.A.
Fleetside (108.3-inch w.b.)	7,890	$735	$275	$148	$781
Fleetside (117.9-inch w.b.)	8,062	735	275	148	781
Extended Cab Fleet (122.9-inch w.b.)	8,815	735	275	148	781
S-10 pickup (4wd) Fleetside (108.3-inch w.b.)	10,019	735	275	148	781
Fleetside (117.9-inch w.b.)	10,192	735	275	148	781
Extended Cab Fleet (122.9-inch w.b.)	10,802	735	275	148	781
C-K pickup (2wd) C-1500 Sport (117.5-inch w.b.)	9,977	565	std.	268	781
C-1500 Fleet (117.5-inch w.b.)	9,769	565	std.	268	781
C-1500 Fleet (131.5-inch w.b.)	9,959	565	std.	268	781
C-1500 Extended Cab Fleet (155.5-inch w.b.)	10,983	565	std.	268	781
C-2500 Fleet (131.5-inch w.b.)	10,671	565	std.	268	781
C-2500 Extended Cab Fleet (155.5-inch w.b.)	11,976	565	std.	268	781
C-3500 Fleet (131.5-inch w.b.)	11,860	565	std.	268	781
C-3500 Extended Cab Fleet (155.5-inch w.b.)	12,587	565	std.	268	781
C-K pickup (4wd) K-1500 Sport (117.5-inch w.b.)	12,051	565	std.	268	781
K-1500 Fleet (117.5-inch w.b.)	11,846	565	std.	268	781
K-1500 Fleet (131.5-inch w.b.)	12,037	565	std.	268	781
K-1500 Extended Cab Fleet (155.5-inch w.b.)	13,125	565	std.	268	781
K-2500 Fleet (131.5-inch w.b.)	12,223	565	std.	268	781
K-2500 Extended Cab Fleet (155.5-inch w.b.)	13,491	565	std.	268	781
K-3500 Fleet (131.5-inch w.b.)	13,879	565	std.	268	781
K-3500 Extended Cab Fleet (155.5-inch w.b.)	14,888	565	std.	268	781
R-V pickup (2wd; 164.5-inch w.b.) R-20 Fleet Bonus Cab	12,922	565	std.	208	781
R-20 Fleet Crew Cab	13,358	565	std.	208	781
R-30 Fleet Bonus Cab	13,118	565	std.	208	781
R-30 Fleet Crew Cab	13,558	565	std.	208	781
R-V pickup (4wd) V-30 Fleet Bonus Cab (164.5-inch w.b.)	15,669	565	std.	208	781
V-30 Fleet Crew Cab (164.5-inch w.b.)	16,112	565	std.	208	781
V-30 Fleet (131.5-inch w.b.)	16,657	565	std.	208	781
DODGE Ram 50 pickup (2wd) Base model (105.1-inch w.b.)	7,053	671	247	265	678
Sport (105.1-inch w.b.)	8,757	530	std.	412*	678
Base model (116.1-inch w.b.)	7,676	671	247	265	678
Custom (116.1-inch w.b.)	8,170	671	247	265	678
Extended Cab (116.1-inch w.b.)	8,021	671	247	265	678
Extended Cab Sport (116.6-inch w.b.)	9,656	671	std.	412*	678
Ram 50 pickup (4wd) Base model (105.1-inch w.b.)	9,926	677	247	265	678
Sprot (105.1-inch w.b.)	11,322	536	std.	412*	678
Base model (116.1-inch w.b.)	10,477	677	247	265	678
Extended Cab Custom (116.1-inch w.b.)	11,003	677	247	265	678
Extended Cab Sport (116.1-inch w.b.)	12,198	677	std.	412*	678
Dakota pickup (2wd) Sweptline (111.9-inch w.b..)	8,244	735	275	137	781
Sweptline (123.9-inch w.b.)	8,407	735	275	137	781
Dakota pickup (4wd) Sweptline (111.9-inch w.b.)	10,964	735	std.	137	781
Sweptline (123.9-inch w.b.)	11,138	735	std.	137	781
Dakota (2wd) Sweptline (111.9-inch w.b.)	6,875	N.A.	275	282	781
Dakota Sport (111.9-inch w.b.) Sweptline (2wd)	9,995	735	std.	std.	781
Sweptline (4wd)	12,700	735	std.	std.	781
2wd pickups D-100 Sweptline (115-inch w.b.)	8,853	565	std.	268	781
D-100 Sweptline (131-inch w.b.)	9,030	565	std.	268	781
D-150 Sweptline (115-inch w.b.)	9,988	565	std.	123	781
D-150 Sweptline (131-inch w.b.)	10,179	565	std.	123	781
D-250 Sweptline (131-inch w.b.)	11,031	565	std.	123	781
D-350 Sweptline (131-inch w.b.)	12,096	565	std.	123	781
4wd pickups W-100 Sweptline (115-inch w.b.)	11,603	565	std.	268	781
W-100 Sweptline (131-inch w.b.)	11,784	565	std.	268	781
W-150 Sweptline (115-inch w.b.)	12,773	565	std.	123	781
W-150 Sweptline (131-inch w.b.)	12,967	565	std.	123	781
W-250 Sweptline (131-inch w.b.)	13,035	565	std.	123	781
W-350 Sweptline (131-inch w.b.)	14,115	565	std.	123	781

	Base Price	Automatic Trans.	Power Steering	AM/FM Stereo	Air Cond.
*—Ram 50 Sport radio includes cassette player.					
FORD Ranger (2wd) S Styleside (108-inch w.b.)	7,093	896	N.A.	154	N.A.
Styleside (108-inch w.b.)	8,396	896	274	93	744
Styleside (114-inch w.b.)	8,558	896	274	93	744
Supercab Styleside (125-inch w.b.)	9,691	896	std.	93	744
Ranger (4wd) Styleside (108-inch w.b.)	10,836	896	std.	93	744
Styleside (114-inch w.b.)	11,000	896	std.	93	744
Supercab Styleside (125-inch w.b.)	11,956	896	std.	93	744
F-150 (2wd) S Styleside (117-inch w.b.)	9,676	626	std.	N.A.	787
S Styleside (133-inch w.b.)	9,865	626	std.	N.A.	787
Styleside (117-inch w.b.)	10,038	626	std.	84	787
Styleside (133-inch w.b.)	10,227	626	std.	84	787
Supercab Styleside (139-inch w.b.)	11,550	626	std.	84	787
Supercab Styleside (155-inch w.b.)	11,739	626	std.	84	787
F-150 (4wd) Styleside (117-inch w.b.)	11,839	626	std.	84	787
Styleside (133-inch w.b.)	12,033	626	std.	84	787
Supercab Styleside (139-inch w.b.)	13,421	626	std.	84	787
Supercab Styleside (155-inch w.b.)	13,615	626	std.	84	787
F-250 — under 6,000 pounds GVW Styleside (2wd; 133-inch w.b.)	10,849	626	std.	84	787
Styleside (4wd; 133-inch w.b.)	12,299	626	std.	84	787
F-250 HD — over 6,500 pounds GVW Styleside (2wd; 133-inch w.b.)	11,288	626	std.	84	787
Styleside (4wd; 133-inch w.b.)	14,235	626	std.	84	787
Supercab Styleside (2wd; 155-inch w.b.)	12,898	626	std.	84	787
Supercab Styleside (4wd; 155-inch w.b.)	15,734	626	std.	84	787
F-350 Styleside (2wd; 133-inch w.b.; dual-rear-wheels)	13,480	626	std.	84	787
Styleside (4wd; 133-inch w.b.; single-rear-wheels)	15,476	626	std.	84	787
Crew Cab Styleside (2wd; 168-inch w.b.; single-rear-wheels)	15,087	626	std.	84	787
Crew Cab Styleside (2wd; 168-inch w.b.; dual-rear-wheels)	15,673	626	std.	84	787
Crew Cab Styleside (4wd; 168-inch w.b.; single-rear-wheels)	17,601	626	std.	84	787
Supercab Styleside (2wd; 155-inch w.b.; dual-rear-wheels)	15,580	626	std.	84	787
GMC S-15 pickup (2wd) Wideside Sierra (108.3-inch w.b.)	7,937	735	292	208	745
Wideside Special (108.3-inch w.b.)	6,840	N.A.	N.A.	N.A.	N.A.
Wideside (117.9-inch w.b.)	8,109	735	292	208	745
Wideside Extended Cab (122.9-inch w.b.)	8,862	735	292	208	745
S-15 pickup (4wd) Wideside (108.3-inch w.b.)	10,666	735	292	208	781
Wideside (117.9-inch w.b.)	10,239	735	292	208	781
Wideside Extended Cab (122.9-inch w.b.)	10,849	735	292	208	781
Half-ton pickup (2wd) Wideside (117.5-inch w.b.)	9,945	565	std.	333	781
Fenderside (117.5-inch w.b.)	10,153	565	std.	333	781
Wideside (131.5-inch w.b.)	10,135	565	std.	333	781
Wideside Extended Cab (155.5-inch w.b.)	11,034	565	std.	333	781
Half-ton pickup (4wd) Wideside (117.5-inch w.b.)	11,897	565	std.	333	781
Fenderside (117.5-inch w.b.)	12,102	565	std.	333	781
Wideside (131.5-inch w.b.)	12,0[illegible]	565	std.	333	781
Wideside Extended Cab (155.5-inch w.b.)	13,[illegible]76	565	std.	333	781
Three-quarter-ton pickup (2wd) Wideside (131.5-inch w.b.)	10,722	565	std.	333	781
Wideside Extended Cab (155.5-inch w.b.)	12,027	565	std.	333	781
Crew Cab Wideside (164.5-inch w.b.)	13,409	565	std.	208	781
Bonus Cab Wideside (164.5-inch w.b.)	12,973	565	std.	208	781
Three-quarter-ton pickup (4wd) Wideside (131.5-inch w.b.)	12,274	565	std.	333	781
Wideside Extended Cab (155.5-inch w.b.)	13,542	565	std.	333	781
One-ton pickup (2wd) Wideside (131.5-inch w.b.)	11,860	565	std.	333	781
Wideside (155.5-inch w.b.)	12,857	565	std.	333	781
Bonus Cab Wideside (164.5-inch w.b.)	13,118	565	std.	208	781
Crew Cab Wideside (164.5-inch w.b.)	13,558	565	std.	208	781
One-ton pickup (4wd) Wideside (131.5-inch w.b.)	13,879	565	std.	333	781
Wideside (155.5-inch w.b.)	14,888	565	std.	333	781
Wideside DRW (131.5-inch)	16,661	565	std.	208	781
Crew Cab Wideside (164.5-inch)	16,112	565	std.	208	781
Bonus Cab Wideside (164.5-inch w.b.)	15,669	565	std.	208	781
ISUZU half-ton (2wd) S Std. bed, 2.3 liter	7,199	N.A.	250	185	665
S Long bed, 2.3-liter	7,729	N.A.	250	185	665
S Std. bed, 2.6-liter	7,649	650	250	185	665
LS Std. bed, 2.6-liter	10,249	N.A.	std.	185	665
S Long bed, 2.6-liter	8,799	std.	250	185	665
LS Spacecab, 2.6-liter	11,399	650	250	185	665
One-ton (2wd) S Long bed, 2.6-liter	8,999	N.A.	std.	185	665
Half-ton (4wd) S Std. bed, 2.6-liter	9,949	N.A.	std.	185	665
LS Spacecab, 2.6-liter	13,499	N.A.	std.	185	665
JEEP Comanche (2wd) pickup, short bed	7,114	922	290	187	820

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	Base Price	Automatic Trans.	Power Steering	AM/FM Stereo	Air Cond.
Pickup, Long bed	7,906	731	290	187	820
Comanche (4wd) pickup, short bed	9,996	819	290	187	820
Pickup, Long bed	10,343	628	290	187	820
Jeep Pickup (4wd) J-10 Townside	13,128	336	std.	222	851
J-20 Townside	13,525	std.	std.	222	851
MAZDA B-2200 (2wd) Std. Short bed	7,549	650	N.A.	*	725
Std. Long bed	8,049	650	N.A.	*	725
Std. Cab Plus	8,849	600	N.A.	*	725
SE-5 Short bed	7,849	670	275	250	725
SE-5 Long bed	8,349	670	275	250	725
SE-5 Cab Plus	9,149	600	275	250	725
LX Short bed	9,449	600	275	std.	725
LX Long bed	9,949	600	275	std.	725
LX Cab Plus	10,499	600	275	std.	725
B-2600 (4wd) Std. short bed	10,199	N.A.	N.A.	*	725
Std. long bed	10,699	N.A.	N.A.	*	725
Std. Cab Plus	11,599	N.A.	N.A.	*	725
SE-5 Short bed	10,699	640	N.A.	250	725
SE-5 Long bed	11,199	640	N.A.	250	725
SE-5 Cab Plus	12,099	530	N.A.	250	725
LX Short bed	12,399	530	N.A.	std.	725
LX Long bed	12,899	600	N.A.	std.	725
LX Cab Plus	13,449	530	N.A.	std.	725

*—Radio on standard-series trucks is dealer-installed. Mazda does not quote a price.
Prices are for Mazda Central. Mazda East prices may vary.

MITSUBISHI half-ton (2wd) Mighty Max, 2.0-liter	6,999	800	281	286	658
Mighty Max Macrocab, 2.6-liter	8,109	N.A.	281	286	658
Mighty Max Sport short bed, 2.6-liter	7,919	N.A.	281	286	658
Mighty Max Sport long bed, 2.6-liter	8,469	N.A.	281	286	658
SPX Macrocab, 2.6-liter	9,589	N.A.	281	489*	658
One-ton (2wd) Mighty Max, 2.6-liter	8,159	N.A.	std.	286	658
Half-ton (4wd) Mighty Max, 2.6-liter	9,999	N.A.	std.	286	658
Mighty Max Sport, 2.6-liter	11,269	N.A.	std.	286	658
SPX, 2.6-liter	11,469	N.A.	std.	489*	658
SPX Macrocab, 2.6-liter	12,329	N.A.	std.	489*	658

*—Radio price for SPX models includes cassette player.

NISSAN Regular bed (2wd) Standard	7,399	N.A.	N.A.	**	735
Standard E	7,999	1,090*	290*	**	735
Long bed (2wd) Standard E	8,699	1,090*	290*	**	735
Heavy Duty E	9,499	900	std.	**	735
King Cab Standard	8,999	1,090*	290*	**	735
XE	10,399	800	std.	**	735
SE V-6	11,599	900	std.	std.	735
Regular bed (4wd) Standard E	10,399	N.A.	290	**	735
Standard E V-6	11,399	945	std.	**	735
SE V-6	13,099	945	std.	std.	735
Long bed (4wd) Standard E	11,199	N.A.	290	**	735
King Cab (4wd) Standard E	11,499	N.A.	290	**	735
XE	12,899	N.A.	std.	**	735
SE V-6	14,099	945	std.	std.	

*—Automatic transmission price includes power steering.
**—Radio is dealer-installed; Nissan does not quote a price.
Nissan pickup trucks are built in the United States and also are imported from Japan.

TOYOTA half-ton (2wd) Standard bed (4-speed)	7,698	N.A.	275	210	*
Standard bed (5-speed)	8,078	800	275	210	*
Long bed	8,608	800	275	210	*
Long bed Deluxe	8,818	800	275	210	*
Xtracab half-ton (2wd) Long bed	9,068	800	275	210	*
Long bed Deluxe	9,358	800	275	210	*
SR-5	10,758	650	std.	std.	*
SR-5 Turbo	11,918	N.A.	std.	std.	*
One-ton (2wd) Pickup	9,478	650	275	210	*
Half-ton (4wd) Standard bed	10,698	N.A.	275	190	890
Regular cab SR-5	12,598	N.A.	std.	190	890
Standard bed V-6	11,808	N.A.	std.	190	890
Regular cab SR-5 V-6	13,406	N.A.	std.	190	890
Long bed Deluxe	11,568	1,170	275	190	890
Long bed Deluxe V-6	12,626	1,170	std.	190	890
Xtracab (4wd) Deluxe	11,798	1,170	275	190	890
SR-5	13,088	1,120	std.	190	890
Deluxe V-6	12,858	1,170	std.	190	890
SR-5 V-6	13,898	1,120	std.	190	890

*—Air conditioning is port-installed on 2wd trucks; Toyota does not quote a price.

Retail prices, 1988 sport-utility vehicles, domestic and import

	Base Price	Automatic Trans.	Power Steering	AM/FM Stereo	Air Cond.
CHEVROLET S-10 Blazer (100-inch w.b.) Tailgate (2wd)	$10,505	$735	$275	$248	$745
Tailgate (4wd)	12,590	std.	275	248	745
V Blazer (106.5-inch w.b.) Utility (4wd)	14,691	735	std.	208	781
Suburban (129.5-inch w.b.) R-10 Panel doors (2wd)	13,945	std.	std.	208	781
R-10 Tailgate (2wd)	13,988	std.	std.	208	781
V-10 Panel doors (4wd)	14,870	735	std.	208	781
V-10 Tailgate (4wd)	14,912	735	std.	208	781
R-20 Panel doors (2wd)	14,559	565	std.	208	781
R-20 Tailgate (2wd)	14,602	565	std.	208	781
V-20 Panel doors (4wd)	16,251	565	std.	208	781
V-20 Tailgate (4wd)	16,293	565	std.	208	781
DODGE Raider (4wd, 92.5-inch w.b.)	11,702	716	std.	241	758
Ramcharger (106-inch w.b.) AD-100 (2wd)	11,776	std.	std.	103	781
AD-150 (4wd)	13,640	std.	std.	103	781
AW-100 (2wd)	12,816	565	std.	103	781
AW-150 (4wd)	14,734	565	std.	103	781
FORD Bronco II (94-inch w.b.) 4-passenger (2wd)	11,707	896	std.	93	750
4-passenger (4wd)	13,178	896	std.	93	750
Bronco (105-inch w.b.) 5-passenger (4wd)	12,279	626	std.	146	787
GMC Jimmy (105.5-inch w.b.) Tailgate (2wd)	10,552	735	292	308	745
Tailgate (4wd)	12,637	735	std.	308	745
V Jimmy (106.5-inch w.b.) Utility (4wd)	14,742	735	std.	208	781
Suburban (half-ton, 129.5-inch w.b.) Panel doors (2wd)	13,997	std.	std.	208	781
Tailgate (2wd)	14,040	std.	std.	208	781
Panel doors (4wd)	14,922	735	std.	208	781
Tailgate (4wd)	14,964	735	std.	208	781
Suburban (three-quarter ton; 129.5-inch w.b.) Panel doors (2wd)	14,611	565	std.	208	781
Tailgate (2wd)	14,654	565	std.	208	781
Panel doors (4wd)	16,303	565	std.	208	781
Tailgate (4wd)	16,345	565	std.	208	781
ISUZU Trooper (4wd) S 2-door	11,909	N.A.	std.	185	850
S 4-door	12,639	1,000	std.	185	850
XS 2-door	12,909	N.A.	std.	std.	850
XS 4-door	13,439	1,000	std.	std.	850
LS 4-door	14,799	1,000	std.	std.	850
Limited 4-door	14,499	1,000	std.	std.	850
LX Limited 4-door	15,399	1,000	std.	std.	850
JEEP Wrangler S 2-door (4wd)	8,995	N.A.	294	265	N.A.
Wrangler 2-door (4wd)	10,595	449	294	265	861
Wrangler Sahara 2-door (4wd)	11,995	449	294	std.	861
Wrangler Laredo 2-door (4wd)	13,395	449	294	std.	861
Cherokee 2-door wagon (2wd)	11,186	819	290	187	820
Cherokee 4-door wagon (2wd)	11,798	819	290	187	820
Cherokee Sport 2-door wagon (2wd)	12,265	628	std.	187	820
Cherokee 2-door wagon (4wd)	12,538	819	290	187	820
Cherokee 4-door wagon (4wd)	13,150	819	290	187	820
Cherokee Sport 2-door wagon (4wd)	13,727	628	std.	187	820
Cherokee Limited 2-door wagon (4wd)	22,260	std.	std.	std.	std.
Cherokee Limited 4-door wagon(4wd)	23,153	std.	std.	std.	std.
Wagoneer Limited 4-door wagon (4wd)	21,926	std.	std.	std.	std.
Grand Wagoneer 4-door wagon (4wd)	24,623	std.	std.	std.	std.
MITSUBISHI Montero SP 3-door (4wd)	11,929	680	std.	314	786
Montero Sport 3-door (4wd)	14,259	700	std.	std.	786
NISSAN Pathfinder XE 2-door (4wd)	15,399	1,150	std.	*	795
Pathfinder SE 2-door (4wd)	17,499	900	std.	std.	795
SUZUKI Samurai (2-door; 4wd) Standard Convertible	8,495	N.A.	N.A.	340	595
Standard Hardtop	8,595	N.A.	340	595	
Deluxe Convertible	9,195	N.A.	N.A.	340	595
Deluxe Hardtop	9,495	N.A.	N.A.	340	595
Range Rover 4-door wagon (4wd)	34,400	std.	std.	std.	std.
TOYOTA 4Runner (4wd) Deluxe (2-passenger)	13,618	1,120	275	210	795
Deluxe (5-passenger)	14,278	N.A.	275	210	795
SR-5 (2-passenger)	14,718	1,020	std.	std.	795
SR-5 V-6 (5-passenger)	16,698	1,070	std.	std.	795
Land Cruiser 4-door wagon (4wd)	20,398	std.	std.	190	890

*—Dealer-installed; Nissan does not quote a price.

ET CETERA

Retail prices, 1988 vans, domestic and import

	Base Price	Automatic Trans.	Power Steering	AM/FM/ Stereo	Air Cond. (Front)	Air Cond. (Front and Rear)
CHEVROLET Astro Cargo van	$ 9,190	$735	$292	$253	$781	N.A.
Astro CS passenger van	10,696	550	292	293	736	$1,320
Astro CL passenger van	11,489	550	292	293	736	1,320
Astro LT passenger van	12,828	550	292	293	736	1,320
Chevy van G-10 (110-inch w.b.)	10,240	255	292	228	904	1,499
G-10 (125-inch w.b.)	10,488	255	292	228	904	1,499
G-20 (110-inch w.b.)	10,865	255	std.	228	904	1,499
G-20 (125-inch w.b.)	11,117	255	std.	228	904	1,499
G-30 (125-inch w.b.)	12,595	std.	std.	228	904	1,499
G-30 Heavy-duty (125-inch w.b.)	12,705	std.	std.	228	904	1,499
Sport van G-10 sport van (110-inch w.b.)	11,922	425	std.	228	904	1,499
G-10 sport van (125-inch w.b.)	12,173	425	std.	228	904	1,499
G-10 Bonaventure (125-inch w.b.)	13,081	425	std.	248	904	1,499
G-10 Beauville (125-inch w.b.)	13,489	425	std.	248	904	1,499
G-20 Sport van (125-inch w.b.)	12,423	425	std.	228	904	1,499
G-20 Bonaventure	13,330	425	std.	248	904	1,499
G-20 Beauville	13,736	425	std.	248	904	1,499
G-30 Sport van (125-inch w.b.)	14,663	std.	std.	228	904	1,499
G-30 Bonaventure	15,571	std.	std.	248	904	1,499
G-30 Beauville	15,976	std.	std.	248	904	1,499
G-30 Heavy-duty sport van (125-inch w.b.)	14,093	std.	std.	—	904	1,499
G-30 H.D. Bonaventure	14,988	std.	std.	248	904	1,499
G-30 H.D. Beauville	15,388	std.	std.	248	904	1,499
DODGE Mini Ram van (112-inch w.b.)	9,717	549	292	155	840	N.A.
Mini Ram van (119-inch w.b.)	10,399	549	292	155	840	N.A.
Long Range Ram van B-150 (109.6-inch w.b.)	10,244	255	std.	N.A.	951	N.A.
Long Range Ram van B-150 (127.6-inch w.b.)	11,440	std.	std.	N.A.	951	N.A.
Ram valve wagon B-150	12,705	255	—	123	951	N.A.
Dodge van B-150 (109-inch w.b.)	10,839	255	std.	123	951	N.A.
B-150 (127.6-inch w.b.)	11,424	std.	std.	123	951	N.A.
B-250 (109.6-inch w.b.)	11,215	255	std.	123	951	N.A.
B-250 (127.6-inch w.b.)	11,828	std.	std.	123	951	N.A.
B-250 Maxivan (127.6-inch w.b.)	12,665	std.	std.	123	951	N.A.
B-350 (127.6-inch w.b.)	12,733	std.	std.	123	951	N.A.
B-350 Maxivan (127.6-inch w.b.)	13,570	std.	std.	123	951	N.A.
Dodge wagon B-150 (109.6-inch w.b..)	12,781	255	std.	123	951	N.A.
B-150 (127.6-inch w.b.)	13,284	std.	std.	123	951	1,753*
B-250 (127.6-inch w.b.)	13,714	std.	std.	123	951	1,753*
B-250 Maxiwagon (127.6-inch w.b.)	14,812	std.	std.	123	951	1,753*
B-350 (127.6-inch w.b.)	14,585	std.	std.	123	951	1,753*
B-350 Maxiwagon (127.6-inch w.b.)	15,788	std.	std.	123	951	1,753*
Caravan	10,887	**	std.	155	840	N.A.
Caravan SE	11,587	**	std.	std.	840	N.A.
Caravan LE	13,462	**	std.	std.	std.	N.A.
Grand Caravan SE	12,502	**	std.	std.	840	1,400
Grand Caravan LE	15,509	**	std.	std.	std.	560
*—V-8 models only						
**—Part of option package; not priced separately.						
FORD Aerostar Cargo van	10,540	607	std.	221	876	N.A.
Aerostar window van	10,924	607	std.	221	876	N.A.
Aerostar wagon	11,165	607	std.	211	846	1,422
Club wagon E-150 (138-inch w.b.)	14,621	std.	std.	146	927	1,627
E-250 (138-inch w.b.)	15,462	std.	std.	146	927	1,627
E-350 Super (138-inch w.b.)	16,901	std.	std.	146	927	1,627
Econoline E-150 Cargo van (124-inch w.b.)	10,949	626	std.	101	927	1,627
E-150 Cargo van (138-inch w.b.)	11,196	626	std.	101	927	1,627
E-150 Super cargo van (138-inch w.b.)	12,724	std.	std.	101	927	1,627
E-250 Cargo van (138-inch w.b.)	12,102	std.	std.	101	927	1,627
E-250 Super cargo van (138-inch w.b.)	12,810	std.	std.	101	927	1,627
E-350 Cargo van (138-inch w.b.)	12,907	std.	std.	101	927	1,627
E-350 Super cargo van (138-inch w.b.)	14,205	std.	std.	101	927	1,627
GMC Safari (cargo)	9,239	735	292	308	781	N.A.
Safari SLX (passenger)	10,745	550	292	347	736	1,320
Safari SLE (passenger)	11,538	550	292	347	736	1,320
Safari SLT (passenger)	12,877	550	292	347	736	1,320
Vandura/Rally (half-ton) Vandura (110-inch w.b.)	10,291	255	292	288	904	1,499
Rally (110-inch w.b.)	11,973	425	std.	288	904	1,499
Vandura (125-inch w.b.)	10,539	255	292	288	904	1,499
Rally STX (125-inch w.b.)	13,540	425	std.	288	904	1,499
Rally Custom (125-inch w.b.)	13,132	425	std.	288	904	1,499
Rally (125-inch w.b.)	12,224	425	std.	288	904	1,499
Vandura/Rally (three-quarter-ton) Vandura (110-inch w.b.)	10,916	255	std.	288	904	1,499
Vandura (125-inch w.b.)	11,168	255	std.	288	904	1,499
Rally STX (125-inch w.b.)	13,787	425	std.	288	904	1,499
Rally custom (125-inch w.b..)	13,381	425	std.	288	904	1,499
Rally (125-inch w.b.)	12,474	425	std.	288	904	1,499
Vandura/Rally (one-ton) (125-inch w.b.) H.D. Vandura	12,705	std.	std.	288	904	1,499
Vandura	12,595	std.	std.	288	904	1,499
H.D. Rally STX	15,388	std.	std.	288	904	1,499
H.D. Rally custom	14,988	std.	std.	288	904	1,499
H.D. Rally	14,093	std.	std.	288	904	1,499
Rally	14,633	std.	std.	288	904	1,499
Rally STX	15,976	std.	std.	288	904	1,499
Rally custom	15,571	std.	std.	288	904	1,499
MITSUBISHI cargo van	10,789	std.	260	440	N.A.	N.A.
CC cargo van	11,549	std.	260	440	N.A.	1,385
Wagon	14,269	std.	260	497	N.A.	1,385
LS wagon	15,789	std.	std.	std.	N.A.	1,385
NISSAN XE van	14,799	945	std.	*	std.	std.
GXE van	17,099	std.	std.	std.	std.	std.
*—Dealer installed; Nissan does not quote a price						
PLYMOUTH Voyager	10,887	*	std.	155	840	N.A.
Voyager SE	11,587	*	std.	std.	840	N.A.
Voyager LE	13,462	*	std.	std.	std.	N.A.
Grand Voyager SE	12,502	*	std.	std.	840	1,400
Grand Voyager LE	15,509	*	std.	std.	std.	560
*—Part of option package; not priced separately.						
TOYOTA cargo van-Window	10,808	640	335*	**	**	**
Cargo van-Panel	10,508	640	335*	**	**	**
Cargo van-Panel (4-wd)	12,928	750	std.	**	**	**
Deluxe passenger van	13,198	650	335*	360	N.A.	1,420
LE passenger van	15,258	650	std.	std.	N.A.	1,420
LE passenger van (4-wd)	17,328	760	std.	std.	N.A.	1,420
*—Power steering price includes tilt steering wheel.						
**—Dealer or port-installed; Toyota does not quote a price.						

Price average by month and car model year at auctions, 1987 and 1986

1987

Car Model year	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1987	$13,158	$13,406	$13,443	$13,266	$11,046	$11,113	$11,512	$11,726	$11,357	$ 11,220	$ 10,564	$ 10,140
1986	11,481	10,038	9,609	9,460	9,287	9,187	9,032	8,934	8,808	8,624	8,454	8,322
1985	7,054	7,382	7,305	7,236	7,194	7,191	7,394	7,385	7,321	7,257	7,199	7,127
1984	5,811	5,940	5,825	5,732	5,718	5,727	5,756	5,754	5,764	5,711	5,640	5,574
1983	4,995	4,443	4,860	4,842	4,873	4,852	5,081	5,016	4,940	4,897	4,844	4,791
1982	3,599	3,628	3,755	3,727	3,705	3,687	3,684	3,648	3,607	3,549	3,504	3,441
1981	2,614	2,537	2,643	2,635	2,705	2,680	2,642	2,632	2,583	2,549	2,542	2,516
1980	1,997	2,167	2,155	2,170	2,141	2,134	2,068	2,072	2,044	2,022	1,996	1,896
Overall Average	$ 5,494	$ 5,711	$ 5,829	$ 5,832	$ 5,871	$ 5,900	$ 6,030	$ 6,070	$ 6,043	$ 6,001	$ 5,951	$ 5,898

1986

Car model year	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1986	$8,769	$10,059	$10,173	$11,490	$11,292	$12,183	$12,574	$12,136	$11,846	$11,574	$11,299	$11,149
1985	8,509	8,655	8,774	8,803	8,650	8,558	8,522	8,520	8,472	8,414	8,286	8,144
1984	5,943	6,158	6,248	6,363	6,384	6,342	6,259	6,242	6,221	6,215	6,186	6,142
1983	5,206	5,232	5,370	5,515	5,516	5,530	5,501	5,502	5,459	5,442	5,420	5,386
1982	4,136	4,089	4,213	4,308	4,361	4,363	4,358	4,337	4,261	4,216	4,190	4,141
1981	3,163	3,302	3,382	3,458	3,423	3,422	3,395	3,388	3,333	3,277	3,244	3,177
1980	2,402	2,478	2,477	2,516	2,560	2,561	2,528	2,505	2,463	2,424	2,387	2,349
1979	1,954	2,348	2,246	2,199	2,195	2,172	2,164	2,145	2,109	2,086	2,069	2,035
Overall Average	$ 4,651	$ 4,811	$ 4,932	$ 5,093	$ 5,143	$ 5,194	$ 5,196	$ 5,237	$ 5,206	$ 5,196	$ 5,181	$ 5,129

ET CETERA

Auto dealers step up TV advertising by 9.6%

	1988	1987	Percent Change
Cal Worthington, Los Angeles	4,020,000	4,585,600	+ 14.1
Wilson Ford, Los Angeles	2,508,200	3,423,200	+ 36.5
Foothill Nissan, Los Angeles	1,066,200	2,778,500	+160.6
Frontier Ford, Dallas	2,874,900	2,541,600	– 11.6
Pete Ellis Motors, Los Angeles	1,550,000	2,517,800	+ 62.4
Cal Worthington, Seattle	2,538,800	2,433,800	– 4.1
Rosenthal Autos, Washington	798,900	2,319,700	+190.4
Cal Worthington, Sacramento	2,515,600	1,978,000	– 21.4
Sonoya Subaru, Phoenix	1,089,400	1,803,500	+ 65.5
Piemonte Ford, Chicago	904,100	1,559,300	+ 72.5
Celozzi-Ettleson Chevrolet, Chicago	1,635,200	1,502,600	– 8.1
Ocean Cadillac, Miami	1,128,000	1,308,100	+ 16.0
Nationwide Motor Sales, Baltimore	189,400	1,299,900	+586.3
Long-Lewis Ford, Birmingham	1,580,500	1,239,700	– 21.6
Jerry's Chevrolet, Baltimore	1,018,300	1,225,200	+ 20.3
Kott Ford, Los Angeles	265,600	1,215,600	+357.3
Tousley Ford Subaru, Minneapolis	935,000	1,162,300	+ 24.3
Potamkin Enterprises, Miami	735,000	1,117,900	+ 52.1
Ken Johns Motors, Albuquerque	582,200	1,107,700	+ 90.3
Ed Mullinax Ford, Cleveland	1,012,000	1,060,600	+ 4.8
Category Total	**$339,691,500**	**$371,418,700**	**+ 9.6**

SOURCE: Television Bureau of Advertising from analysis of Broadcast Advertisers Reports data in the top 75 markets.

Advertising agencies for importers and domestic automakers

General Motors
- Buick: McCann-Erickson, Troy, Mich.
- Buick Hispanic advertising: La Agencia De Orci and Associates, Los Angeles
- Cadillac: D'Arcy, Masius, Benton & Bowles, Bloomfield Hills, Mich.
- Chevrolet: Lintas:Campbell-Ewald Co., Warren, Mich.
- Chevrolet Hispanic advertising: Campbell-Ewald Latina, Miami
- GM Truck & Bus Group: McCann-Erickson, Troy, Mich.
- Oldsmobile: Leo Burnett, Southfield, Mich.
- Pontiac: D'Arcy, Masius, Benton & Bowles, Bloomfield Hills, Mich.
- AC-Delco: Lintas:Campbell-Ewald Co., Warren, Mich.
- Corporate: N W Ayer, Detroit
- General Motors Acceptance Corp.: Campbell-Ewald Co., Warren, Mich.
- GM Parts: D'Arcy Masius Benton & Bowles, Bloomfield Hills, Mich.
- GMF Robotics: D'Arcy Masius Benton & Bowles, Bloomfield Hills, Mich.
- Minority corporate advertising: Mingo Jones Advertising Inc., New York

Ford Motor Co.
- Ford Division: J. Walter Thompson, Detroit
- Ford Division black advertising: Burrell Advertising Inc., Chicago
- Ford Division Hispanic advertising: Hispania, New York (owned by J. Walter Thompson)
- Lincoln-Mercury Division: Young & Rubicam, Detroit
- Lincoln-Mercury black and Hispanic advertising: Uniworld Group, New York
- Corporate: Wells, Rich, Greene, New York
- Ford Motor Credit Co.: Wells, Rich, Greene, New York
- Ford New Holland (Tractors): Meldrum & Fewsmith, Southfield, Mich.
- Ford Parts & Service: Ogilvy & Mather, Dearborn, Mich.

Chrysler Corp.
- Chrysler-Plymouth Division: Bozell, Jacobs, Kenyon & Eckhardt, Birmingham, Mich.
- Dodge Division: BBDO, Southfield, Mich.
- Jeep/Eagle Division: William Esty, Southfield, Mich.
- Chrysler Credit: Ross Roy Inc., Detroit
- Chrysler Marine: Ross Roy Inc., Detroit
- Chrysler Motors minority advertising: Lockart & Pettus Inc., New York
- Chrysler Parts and Service Operation: Ross Roy Inc., Detroit
- Corporate: Bozell, Jacobs, Kenyon & Eckhardt, Birmingham, Mich.

Alfa Romeo: The Bloom Cos., New York

American Isuzu: Della Femina, Travisano & Partner, Los Angeles

Austin Rover of North America: Hal Riney and Partners, San Francisco

BMW of North America: Ammirati & Puris, New York

Bellanca Motors of America: Admarketing, Los Angeles

Ferrari North America: Hank Tonsberg Advertising, Hanlemsack, N.J.

Honda of America (Acura cars): Ketchum Advertising, Los Angeles

Honda of America (Honda cars): Rubin Postaer and Associates, Los Angeles

Hyundai Motor America: Becker Spielvogel Bates, New York

Jaguar Cars Inc.: Geer, DuBois Inc., New York

Lotus Performance Cars: McCann-Erickson, New York

Maserati Automobiles Inc.: The Martin Agency, Richmond Va.

Mazda Motors of America: Foote, Cone & Belding, Santa Ana, Calif.

Mercedes-Benz: McCaffrey & McCall, New York

Mitsubishi Motor Sales of America: Grey Advertising, New York

Nissan Motor Corp. in U.S.A.: Chiat/Day, Los Angeles

Peugeot Motors of America: HDM, New York

Porsche Cars North America Inc.: Fallon McElligot, Minneapolis

Range Rover of North America Inc.: Grace and Rothschild, New York

Rolls-Royce Motor Cars Inc.: Della Femina, Travisano & Partners, New York

Saab-Scania of America (cars): Lord, Einstein, Orville & Partners, New York

Subaru of America: Levine, Huntley Schmidt & Beaver Advertising, New York

Suzuki of America Corp.: Keye/Donna/Pearlstein, Los Angeles

Toyota Motor Sales U.S.A.: Saatchi & Saatchi DFS, Torrance, Calif.

Volkswagen of America (Volkswagen and Audi cars): DDB Needham Worldwide, Troy, Mich.

Volvo Cars of North America: Scali, McCabe, Sloves, New York

Yugo America Inc.: Lambert/Dale Advertising, New York

U.S. new-car inventories over 10 years

(Compiled by Automotive News)

	Unit Count	Days' Supply
1978		
January 1	1,730,914	70
February 1	1,887,540	86
March 1	1,951,780	74
April 1	1,991,003	61
May 1	2,007,914	61
June 1	1,970,221	58
July 1	1,911,089	53
August 1	1,724,195	52
September 1	1,510,410	57
October 1	1,606,309	54
November 1	1,629,382	48
December 1	1,717,908	56
1979		
January 1	1,729,221	67
February 1	1,872,697	76
March 1	1,957,340	69
April 1	1,974,082	62
May 1	1,913,597	62
June 1	2,033,997	66
July 1	2,152,834	80
August 1	2,026,315	73
September 1	1,752,661	67
October 1	1,751,694	70
November 1	1,743,012	65
December 1	1,767,097	73
1980		
January 1	1,661,718	75
February 1	1,598,548	71
March 1	1,610,544	68
April 1	1,567,187	61
May 1	1,584,804	76
June 1	1,597,866	83
July 1	1,627,857	80
August 1	1,506,681	72
September 1	1,336,595	69
October 1	1,373,383	71
November 1	1,389,549	56
December 1	1,439,998	65
1981		
January 1	1,448,450	80
February 1	1,421,023	78
March 1	1,334,919	59
April 1	1,216,068	44
May 1	1,348,836	66
June 1	1,471,656	70
July 1	1,664,871	83
August 1	1,675,193	87
September 1	1,485,692	64
October 1	1,426,922	69
November 1	1,480,768	81
December 1	1,491,078	83
1982		
January 1	1,471,053	107
February 1	1,431,983	97
March 1	1,325,073	70
April 1	1,246,648	58
May 1	1,260,633	66
June 1	1,212,727	52
July 1	1,364,214	78
August 1	1,377,130	83
September 1	1,379,434	88
October 1	1,350,366	69
November 1	1,295,704	69
December 1	1,164,338	52
1983		
January 1	1,125,989	65
February 1	1,180,291	71
March 1	1,248,384	68
April 1	1,235,313	55
May 1	1,193,296	53
June 1	1,194,510	47
July 1	1,209,000	47
August 1	1,102,103	48
September 1	1,108,570	55
October 1	1,195,755	55
November 1	1,224,092	48
December 1	1,307,756	55
1984		
January 1	1,357,995	63
February 1	1,477,399	63
March 1	1,537,290	59
April 1	1,579,155	56
May 1	1,541,985	53
June 1	1,467,214	47
July 1	1,445,799	52
August 1	1,297,864	47
September 1	1,277,484	57
October 1	1,266,201	54
November 1	1,296,182	51
December 1	1,405,417	58
1985		
January 1	1,417,164	63
February 1	1,565,456	65
March 1	1,603,527	59
April 1	1,572,998	53
May 1	1,615,026	52
June 1	1,546,188	50
July 1	1,576,762	58
August 1	1,579,595	65
September 1	1,413,483	51
October 1	1,242,071	36
November 1	1,433,567	65
December 1	1,605,832	78
1986		
January 1	1,629,649	73
February 1	1,767,086	72
March 1	1,867,265	73
April 1	1,906,998	76
May 1	1,945,048	70
June 1	1,866,853	62
July 1	1,859,576	63
August 1	1,725,524	69
September 1	1,557,291	63
October 1	1,291,280	35
November 1	1,412,637	68
December 1	1,531,295	71
1987		
January 1	1,506,557	58
February 1	1,734,299	105
March 1	1,869,591	81
April 1	1,945,438	74
May 1	1,912,132	72
June 1	1,910,805	77
July 1	1,900,096	75
August 1	1,657,974	71
September 1	1,436,835	57
October 1	1,396,454	57
November 1	1,558,931	80
December 1	1,686,501	83
1988		
January 1	1,682,600	79
February 1	1,676,858	79
March 1	1,608,461	62
April 1	1,574,529	58

Light-duty truck sales reach 4.67 million

	1987	1988
Vans	184,413	180,395
Aerostar	159,149	150,049
Club Wagon	27,300	27,374
Ranger	305,295	269,490
Bronco	51,782	49,588
Bronco II	120,905	103,020
Pickups	550,125	544,969
Ford	**1,398,969**	**1,324,885**
Vans	114,835	134,977
Sportsvan	11,979	15,614
Astro	148,205	147,932
S-10	224,807	203,416
S-10 Blazer	153,064	159,820
El Camino	13,743	21,508
Blazer	30,859	41,893
Suburban	57,962	61,226
Pickups	418,221	443,051
Chevrolet	**1,173,675**	**1,229,437**
Vans	64,265	73,706
Ram Wagon	30,505	39,843
Voyager	140,799	110,083
Caravan	153,191	115,964
Mini Ram Van	13,851	14,587
Ram 50	65,593	78,706
Raider	19,539	4,768
Ramcharger	23,667	23,006
Dakota	99,045	29,045
Pickups	97,670	106,451
Chrysler	**706,125**	**596,159**
Vans	38,565	39,622
Safari	32,232	31,178
S-15	49,191	46,084
S-15 Jimmy	38,841	
Jimmy	8,598	9,390
Caballero	1,705	2,542
Suburban	19,110	19,981
Pickups	115,839	112,799
P Model	5,602	4,665
W-4	1,534	1,292
GMC	**311,217**	**306,580**
Wrangler/CJ	30,663	35,267
Wagoneer	12,305	12,800
Cherokee	112,005	107,225
Grand Wagoneer	14,079	17,254
Comanche	38,061	33,453
J-10/J-20	1,327	1,515
Jeep	**208,440**	**207,514**
Toyota	303,783	384,150
Nissan	216,514	223,406
Mazda	123,699	157,127
Isuzu	86,990	88,720
Mitsubishi	51,862	34,985
Suzuki	81,349	47,732
Subaru	1,274	4,142
Range Rover	2,586	—
Imports	**868,057**	**940,262**
Industry Total	**4,668,483**	**4,604,837**

NOTE: *—Nissan includes domestic units built in Tennessee.

U.S. car production by months

1982-1987

	1982	1983	1984	1985	1986	1987
January	266,858	452,949	670,687	761,921	759,222	639,238
February	311,926	511,981	695,171	673,582	702,646	696,161
March	455,808	589,394	783,807	747,433	668,838	742,780
April	474,222	549,322	672,200	757,752	741,584	655,867
May	499,242	627,517	712,979	776,811	697,077	623,265
June	546,807	692,046	684,381	694,122	722,608	654,307
July	436,644	473,239	524,872	618,537	512,588	355,015
August	353,656	536,421	557,060	550,489	480,857	413,076
September	425,047	663,210	541,792	635,329	640,760	571,768
October	415,197	717,972	701,686	760,970	731,245	671,316
November	404,542	684,263	678,927	668,083	587,724	584,322
December	383,921	614,038	554,159	541,031	584,548	487,877
Yearly Totals	4,973,870	7,112,352	7,777,721	8,186,040	7,829,697	7,094,992

ET CETERA

Total TV ad spending by vehicle makers, dealers climbs 19.2% in 1987

	1986			1987			
	Network TV	Spot TV*	Total TV	Network TV	Spot TV*	Total TV	% Change
General Motors	$204,320,000	$197,045,900	$ 401,365,900	$238,425,600	$ 261,474,200	$ 499,899,800	+ 24.5
Ford Motor Co.	183,512,400	117,643,600	301,156,000	161,158,400	143,386,900	304,545,300	+ 1.1
Chrysler Corp.	96,450,700	65,714,200	162,164,900	151,569,300	113,910,600	265,479,900	+ 15.0
American Motors	50,585,200	18,103,100	68,688,300		(included in Chrysler whole year)		
Toyota Motor Sales	33,104,000	127,189,900	160,293,900	46,298,300	118,368,700	164,667,000	+ 2.7
Nissan Motor Co.	46,266,200	91,813,700	138,079,900	46,679,500	95,518,200	142,197,700	+ 3.0
Honda Motor Co.	35,706,500	34,787,200	70,493,700	62,496,400	51,526,400	114,022,800	+ 61.7
Mazda Motor Corp.	39,143,900	32,238,100	71,382,000	51,623,200	44,044,700	95,667,900	+ 34.0
Hyundai Corp.	4,077,300	39,519,600	43,596,900	13,205,200	65,509,400	78,714,600	+ 80.6
Volkswagen	49,418,300	36,696,500	86,114,800	49,628,100	28,410,300	78,038,400	– 9.4
Subaru	14,072,000	27,918,500	41,990,500	31,603,100	34,672,700	66,275,800	+ 57.8
BMW	17,559,600	16,560,600	34,120,200	27,474,900	18,023,800	45,498,700	+ 33.3
Mitsubishi Corp.	3,382,700	23,862,800	27,245,500	8,373,400	35,930,100	44,303,500	+ 62.6
Isuzu Motor Co.	5,931,400	23,167,100	29,098,500	5,853,000	28,283,200	34,136,200	+ 17.3
Daimler-Benz	25,182,800	3,567,000	28,749,800	19,546,200	8,643,300	28,189,500	+ 1.9
Suzuki Motor Co.	—	12,377,200	12,377,200	4,400,800	23,607,100	28,007,900	+126.3
Austin Rover Group	—	—	—	639,600	15,054,300	15,693,900	
Bricklin Industries	7,630,500	3,622,100	11,252,600	12,446,600	2,154,100	14,600,700	+ 29.8
Volvo	3,986,800	10,805,400	14,792,200	1,007,600	13,177,300	14,184,900	+ 4.1
Porsche	1,959,600	8,486,800	10,446,400	81,000	11,991,500	12,072,500	+ 15.6
Category Total	$824,921,100	$915,941,000	$1,740,862,100	$932,510,200	$1,143,094,400	$2,075,604,600*	+ 19.2

SOURCE: Television Bureau of Advertising from analysis of Broadcast Advertisers Reports data.

NOTES: *—Spot TV includes national syndication advertising.
Table includes new passenger cars, trucks and vans, leasing. Excluded is non-car, non-truck TV advertising. Exclusions are: Chrysler $10,300 in 1986 (Gulfstream), $42,000 in 1987 (concerts); Ford $5,836,400 in 1986 and $3,193,800 in 1987 (First Nationwide, Motorcraft, parts & service, used cars, tractors, Sperry Holland, financing, races); General Motors $32,424,700 in 1986 and $38,775,800 in 1987 (financing, AC Delco, parts & service, used cars); Honda $31,275,700 in 1986, $20,261,200 in 1987 (all terrain vehicles, generators, mowers, motorcycles, scooters); Mitsubishi $15,000 in 1986, $2,638,800 in 1987 (color TVs, tractors); Nissan $28,800 in 1987 (parts & service); Suzuki $2,925,800 in 1986 and $1,212,200 in 1987 (all terrain vehicles, motorcycles; Toyota $199,700 in 1986 and $1,376,800 in 1987 (used cars, parts & service).

Ford Div. tops 1987 list of leading TV advertisers by nameplate

	1986			1987			
	Network TV	Spot TV*	Total TV	Network TV	Spot TV*	Total TV	% Change
Chevrolet	$54,172,300	$38,876,700	$93,049,000	$58,218,400	$58,357,200	$116,575,600	+ 25.3
Ford	75,433,400	42,192,600	117,626,000	62,036,800	52,602,100	114,638,900	– 2.5
Pontiac	31,413,800	41,144,400	72,558,200	44,256,400	53,087,700	97,344,100	+ 34.2
Toyota	19,818,200	56,595,300	76,413,500	31,246,600	64,857,400	96,104,000	+ 25.8
Nissan	26,273,700	39,295,300	65,569,000	23,001,600	57,109,700	80,111,300	+ 22.2
Honda	30,797,300	25,920,000	56,717,300	38,877,900	40,666,400	79,544,300	+ 40.2
Hyundai	4,077,300	39,519,600	43,596,900	13,205,200	65,509,400	78,714,600	+ 80.6
Mazda	21,479,500	18,913,400	40,392,900	39,828,500	33,853,500	73,682,000	+ 82.4
Oldsmobile	26,222,600	39,705,700	65,928,300	21,048,700	52,067,200	73,115,900	+ 10.9
Subaru	14,072,000	25,687,200	39,759,200	31,603,100	34,672,700	66,275,800	+ 66.7
Buick	23,042,400	24,720,300	47,762,700	37,699,700	27,747,900	65,447,600	+ 37.0
Volkswagen	33,812,400	19,063,600	52,906,000	32,842,000	22,212,300	55,054,300	+ 4.1
Mercury	31,433,600	15,797,900	47,231,500	28,305,400	26,222,000	54,527,400	+ 15.4
Dodge	22,538,800	20,257,800	42,796,600	25,541,100	20,420,400	46,781,500	+ 9.3
BMW	17,559,600	15,560,600	34,120,200	27,474,900	18,023,800	45,498,700	+ 33.3
Cadillac	14,084,700	12,565,100	26,649,800	17,088,700	18,245,600	35,334,300	+ 32.6
Acura	4,903,300	8,867,200	13,776,500	23,618,500	10,860,000	34,478,500	+150.3
Chrysler	16,078,300	4,912,300	20,990,600	17,797,300	13,733,500	31,530,800	+ 50.2
Mitsubishi	—	14,219,900	14,219,900	1,476,800	27,144,700	28,621,500	+101.3

NOTES: *—Spot TV includes national syndication advertising.
Table includes leasing. Expenditures for television commercials advertising two nameplates or vehicle types are divided between the two brands.
SOURCE: Television Bureau of Advertising from analysis of data compiled by Broadcast Advertisers Reports.

Truck, van, sport-utility TV ad spending rises $27.96 million

	1986			1987			
	Network TV	Spot TV*	Total TV	Network TV	Spot TV*	Total TV	% Change
Ford	$35,260,000	$34,339,100	$69,599,100	$34,282,800	$43,293,800	$77,576,600	+ 11.5
Chevrolet	35,870,600	25,428,900	61,299,500	43,319,200	30,377,100	73,696,300	+ 20.2
Toyota	13,285,800	69,552,000	82,837,800	14,566,800	52,909,600	67,476,400	– 18.5
Dodge	19,467,100	19,421,600	38,888,700	30,170,500	28,006,100	58,176,600	+ 49.6
Nissan	19,992,500	52,365,800	72,358,300	15,899,100	37,726,800	53,625,900	+ 25.9
Jeep	27,955,400	9,857,100	37,812,500	20,704,500	14,822,300	35,526,800	– 6.0
Suzuki	—	12,377,200	12,377,200	4,400,800	23,607,100	28,007,900	+126.3
GMC	3,144,500	10,258,200	13,402,700	6,792,800	18,117,500	24,910,300	+ 85.9
Mazda	17,664,800	13,324,700	30,989,500	11,794,700	10,191,200	21,985,900	+ 29.1
Isuzu	4,870,100	12,738,800	17,608,900	3,535,500	12,665,900	16,201,400	– 8.0
Mitsubishi	3,382,700	9,545,300	12,928,00	6,896,600	8,785,400	15,682,000	+ 21.3

NOTES: *—Spot TV includes national syndication advertising.
Expenditures for television commercials advertising two nameplates or vehicle types are divided between the two brands.
SOURCE: Television Bureau of Advertising special analysis of data compiled by Broadcast Advertisers Reports.

Imported new-car inventories

(Compiled by Automotive News)

	Unit Count	Days' Supply
1983		
January 1	380,316	54
February 1	355,603	49
March 1	316,745	41
April 1	287,408	35
May 1	294,703	40
June 1	275,411	33
July 1	251,787	28
August 1	227,819	27
September 1	195,418	25
October 1	200,939	30
November 1	217,965	29
December 1	224,290	29
1984		
January 1	223,527	30
February 1	205,337	26
March 1	207,683	28
April 1	212,315	27
May 1	221,547	32
June 1	213,780	23
July 1	216,815	25
August 1	197,688	24
September 1	184,513	24
October 1	179,171	24
November 1	186,567	24
December 1	232,152	27
1985		
January 1	259,033	33
February 1	262,990	33
March 1	250,216	31
April 1	221,179	29
May 1	262,444	34
June 1	297,000	29
July 1	310,221	31
August 1	291,871	29
September 1	293,268	31
October 1	280,248	29
November 1	276,006	28
December 1	304,079	31
1986		
January 1	338,315	28
February 1	329,798	36
March 1	333,893	37
April 1	338,084	37
May 1	346,487	38
June 1	387,911	37
July 1	400,106	40
August 1	443,244	40
September 1	437,297	41
October 1	391,724	36
November 1	425,608	42
December 1	455,303	41
1987		
January 1	473,165	38
February 1	471,547	62
March 1	531,520	58
April 1	539,759	57
May 1	567,879	61
June 1	606,583	58
July 1	650,508	60
August 1	628,337	54
September 1	606,500	51
October 1	547,966	48
November 1	565,743	56
December 1	583,128	57
1988		
January 1	677,306	61
February 1	661,940	72
March 1	702,748	75
April 1	670,608	67

Data Sources

Most of the information in the 1988 Market Data Book has been researched and compiled by the staff of Automotive News. Permission to reprint may be obtained from the editorial offices, 1400 Woodbridge, Detroit, MI 48207. Phone: (313) 446-6000.

Following are addresses of outside firms that have supplied other data for this year's book. Permission to reprint these tables must be obtained from them.

Advertising Age
Crain Communications Inc.
740 Rush Street
Chicago, IL 60611
Phone: (312) 649-5200

Automotive Industry Data Ltd.
34 St. John St.
Lichfield, Staffordshire WS13 6PB
England
Phone: (44) 5432 57295
or contact Bemco Inc.
P.O. Box 586
Windsor, CT 06095
Phone: (203) 683-0035

Japan Automobile Manufacturers Assn.
1050 17th St. N.W.
Washington, D.C. 20036
Telex: 248-493 (248-493 JAMA UR)
Phone: (202) 296-8537

Motor Vehicle Manufacturers Assn.
300 New Center Bldg.
Detroit, MI 48202
Phone: (313) 872-4311

Motor Vehicle Manufacturers Assn.
25 Adelaide St. E., Suite 1602
Toronto, Ontario M5C IY7
Canada
Phone: (416) 364-9333

National Automobile Dealers Assn.
8400 Westpark Dr.
McLean, VA 22102
Phone: (703) 821-7000

R.L. Polk Co.
431 Howard St.
Detroit, MI 48231
Phone: (313) 961-9470

R.L. Polk Co. of Canada
220 Bartley Dr.
Toronto, Ontario M4A 1G2
Canada
Phone: (416) 755-7761

Recreation Vehicle Industry Assn.
1896 Preston White Dr.
P.O. Box 2999
Reston, VA 22091
Phone: (703) 620-6003

Strategy Support Associates
12305 Oak Park Blvd.
Garfield Heights, OH 44125
Phone: (216) 581-6323

Television Bureau of Advertising
477 Madison Ave.
New York, NY 10022
Phone: (212) 486-1111 ■

5/31/88 C 2700-1

Automotive News

May 30, 1988

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63rd year—$55.00 per year, $1.50 per copy

Vector postpones stock sale

New Jersey blocks car firm's plans

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Vector Aeromotive Corp., a new California company with a decade-old dream of building a 200-mph sports car, has postponed a bid to raise $6 million through a public stock offering.

The initial registration statement ran aground in New Jersey when the New Jersey Bureau of Securities recommended denial of the company's application.

Vector had hoped to market 60 million common shares at 10 cents a share beginning May 12. However, the sale has now been delayed until at least late June, the underwriter said.

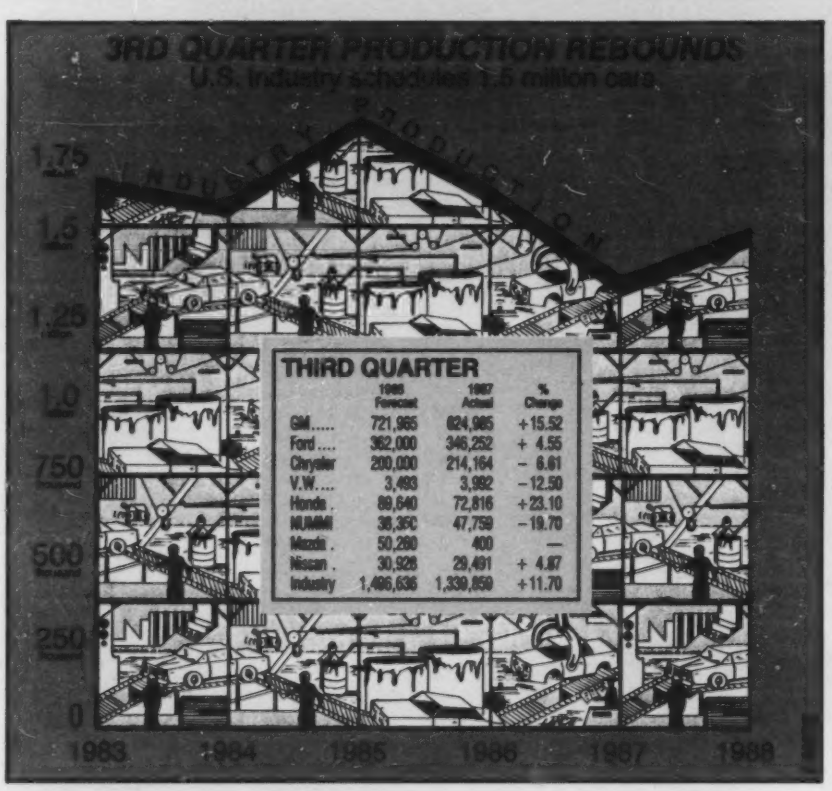
"The company has some issues to resolve with regulators in New Jersey," said securities analyst Cary Polevoy, with the company's underwriter, Blinder, Robinson & Co., Englewood, Colo. "The preliminary prospectus is being revised to satisfy them."

James Smith, New Jersey Bureau of Securities chief, said the state agency issued a summary order postponing the offering's effectiveness in the state. The agency rejected certain exemptions and recommended denying the application altogether.

"The basis was insolvency," he said. "Vector Aeromotive had a predecessor company called Vector Car, and the bureau alleges Vector Car is insolvent and, according to the documents, has 47 percent ownership of Vector Aeromotive."

He said the company asked for a

see VECTOR, page 47



MORE CARS: *3rd-quarter output slated to climb 12%*

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

U.S. auto production for the third quarter is scheduled to increase almost 12 percent from last year's total if car sales continue at their current strong pace.

Output for the three-month span is targeted at 1,496,636, 11.70 percent more than last year's 1,339,859. Most of the increase comes from General Motors, which had two plants down for extended changeover periods last year.

Increases also are slated at Ford Motor Co., Honda, Nissan and Mazda. Third-quarter schedules at Chrysler Motors, Volkswagen of America and New United Motor Manufacturing Inc. call for fewer cars than last year.

Currently, several GM and Ford plants are working daily and Saturday overtime and are expected to continue if sales hold up.

Through mid-May, sales for each of the Big 3 were ahead of last year, and the production schedule reflects that.

The Big 3 also have increased their overall share of the total U.S. market. It was 70.76 percent for the first four months of this year vs. 69.82 percent last year. The Japanese share is down slightly: 20.92 percent this year compared with 21.12 percent last year. This, too, portends continued strong production schedules.

Detroit analyst Arvid Jouppi thinks the economy is strong enough to top 1987's 15.3 million new-car and truck sales.

Ford analyst Ray Windecker pointed out

see OUTPUT, page 48

Chrysler TC may miss big ragtop time

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Chrysler's long-delayed, Maserati-built TC luxury two-seater that was due in California dealerships in mid-May will be at least two months late as Chrysler engineers complete last-minute quality fixes.

The late launch cuts into warm weather sales for the convertible, especially in northern locales that apparently won't get the car until late summer at the earliest.

A $30,000 price has been announced to dealers, significantly less than company insiders said was likely when the Chrysler-Maserati hybrid was shown to the press last winter, but on target with the company's original price forecasts.

The TC had been slated for a mid-May debut on the West Coast, with supplies moving gradually to other parts of the country.

West Coast shipments are now slated to arrive "at the end of July," said Anthony P.G. Richards, Chrysler's director of Lamborghini and Maserati programs.

The TC is already more than a year late in coming to U.S. showrooms. The car was originally slated for an early 1987 debut.

Low-volume production at Maserati's Innocenti plant in Milan began earlier this month. Richards said two production cars have been sent to Chrysler's Chelsea (Mich.) Proving Grounds for final pre-launch verification testing. Assuming no further problems emerge, production cars will be released for dealer shipments.

The latest delay is traced to the hardtop roof offered as a no-cost option.

"We experienced a bit of difficulty with the hardtop," said Richards. "We had to get the part right, the fit and finish."

A Chrysler spokesman last week cited "some minor refinements and changes," some of which grew out of suggestions made during press previews. For example, he said Chrysler decided to outfit the TC with a wooden steering wheel and gearshift lever.

After the initial launch, the cars will be introduced in East Coast locations, such as metropolitan New

see CHRYSLER TC, page 47

Today's issue has ballot for auto All-Stars

It's All-Star time.

No, not like in Major League Baseball All-Star time. That's coming up at Riverfront Stadium in Cincinnati, July 12.

We're talking Automotive News All-Star time — which is now.

As an Automotive News reader, you are eligible to vote for the men and women of the automotive world you believe deserve special recognition for jobs well done.

Your choices should be made on the basis of exceptional individual achievement during the past year.

There are 30 "positions" to vote for on the ballot that appears on page 11, including Rookie of the Year. There is no list of nominees.

see ALL-STAR, page 44

AUTOMOTIVE NEWS/JOE WILSSENS

Mugg: (The auto industry) is no different than Procter & Gamble: We have got to earn shelf space; we've got to earn dealer share of mind every day."

Mugg — Audi healer

New U.S. chief charts slow, steady cure

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

TROY, Mich. — Dick Mugg poured himself a glass of wine, spotted an approaching reporter and promptly voiced a wish to spend the San Francisco late afternoon away from spotlights.

"Isn't there another story in town?" asked the newly appointed head of Audi of America.

Not in the Audi hospitality suite there wasn't. Hours earlier, he had been cast before dozens of impatient faces at the Audi dealer meeting during the National Automobile Dealers Association convention.

For two years the dealer body had watched the company fall to its knees because of charges of unintended acceleration in Audi cars. And now, on this February morning, they were aiming their pent-up wrath at a guy who had been on the job for two weeks.

Mugg listened, empathized, and won some allies. "I'd be asking tough questions, too," he said.

Mugg could afford to say that because he had been perched elsewhere in the Volkswagen of America organization during Audi's dramatic sales slide. For eight years, the former Marine had been working in VWoA's corporate sales and marketing office. There he focused

see MUGG, page 50

NEWSPAPER

Toyota weighs U.S. truck output Page 2
Riney agency wins Saturn ad account Page 3
Chrysler charts Lamborghini upturn Page 7

Jaguar eyes mechanical air bags

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Safety sources here say Jaguar Cars Ltd. plans to offer an all-mechanical air-bag system in its 1990 models.

A Jaguar spokesman confirmed the company is working on an all-mechanical air-bag system with Breed Automotive Corp. of Boonton, N.J., but said, "We have nothing further to announce at this time." Jaguar's use of the Breed system would mark the debut of all-mechanical air bags in production vehicles.

Breed has been touting the simplicity and low cost of its design for several years. Early estimates from the company put high-volume production costs at $40 per unit compared with $800 for competing systems.

Breed's system is a departure from rival designs in that it does not use electrical sensors. Instead, a single module is located in the steering wheel hub for the driver and another similar module is placed in the instrument panel for the front passenger.

In a crash, the displacement of a ball within each module releases a firing pin, which impacts a primer and ignites the gas-generating material needed to inflate the air bag. Wiring is not required and there is no electrical diagnostic equipment or backup electrical power.

Late last year, NHTSA completed an evaluation of the Breed system and said, "The air-bag system was demonstrated to be timely and effective in its protective function in frontal pole and angular barrier crashes and to protect the driver, who was otherwise unrestrained, in perpendicular barrier crashes up to 35 mph."

The report said Breed's mathematical predictions about the system's operation "compared favorably with results measured in tests. Sled test dummy injury measures indicate good protection for the range of driver sizes, both with and without supplementary belt restraints."

Breed has licensed the all-mechanical air-bag system and other Breed sensor technology to Tokai-Rika Co., a wholly owned subsidiary of Toyota Motor Corp.

GLENN TWEST

Greenwald finds some safety pals
Chrysler Motors Chairman Gerald Greenwald, left, and Muppet creator Jim Henson launch a traffic safety show for children that will tour more than 100 of the nation's largest shopping centers during the next three years. Plymouth is sponsoring the "Play It Safe!" show, which features a musical ride for youngsters around a miniature movie lot. Stars are Muppets Kermit, Miss Piggy, Gonzo and Fozzie.

More help for Allante

Top rebate for dealers rises to $9,000

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

Determined to revive interest in its beleaguered $56,533 Allante model, Cadillac is offering dealers up to $9,000 on certain Allantes sold until the end of the model year and is increasing the amount of national advertising for the car.

Meanwhile, American Isuzu announced a $1,500 dealer incentive program, and Ford Motor Co. and Chrysler Motors are continuing programs on certain models.

Norman Jay, Cadillac assistant manager of sales promotion, said the division is extending both dealer cash incentives and consumer programs such as a special leasing program and a guaranteed resale offer in order to create awareness for the car.

"We're entering into a different arena — a competitive arena — with a $56,000 car and we need to keep the momentum going," Jay said.

Cadillac is offering its dealers $7,500 on new 1987 Allantes and $9,000 on 1987 models used as dealer demonstrators until the end of the model year. It previously offered $2,500 on 1987 Allantes and $4,000 on 1987 Allante demonstrators; those incentives were scheduled to expire May 31.

In addition, Cadillac is giving dealers $5,000 on new 1988 Allantes and $8,000 on 1988 Allantes used as demonstrators. In order for 1988 Allante demonstrators to be eligible, the dealer must classify the car as a demonstrator at least 90 days before it is sold.

Cadillac is hoping the dealers will use the money to advertise the Allante in their local area and support increased efforts to advertise the car nationally.

The division also extended its Ultra Lease program and guaranteed resale program for Allante buyers until the end of the model year.

The Ultra Lease program offers 6.5 annual-percentage-rate financing on 12- to 60-month loans for the 1987 Allante. The capitalized cost of the Allante (invoice price plus dealer profit) cannot exceed $43,505 to qualify for the low-interest loan.

The guaranteed resale program for the Allante, retroactive to the beginning of the model year, offers a guarantee that the resale price of the Allante as a percentage of the retail price will not fall below that of the Mercedes-Benz 560-SL.

The customer must trade the Allante for a current-model Cadil-

see INCENTIVES, page 48

Riney agency wins Saturn ad account

By John A. Russell
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — The advertising plum of the decade — Saturn Corp.'s estimated $100 million account — was awarded to Hal Riney & Partners last week after a search that started last October.

The announcement could sound the death knell for the most revered of the advertising world's sacred cows: the 15 percent agency commission. Riney will work under a "non-traditional" compensation package, which probably means cost plus performance bonuses.

Also, advertising for Saturn will break sooner than most realize. The biggest near-term project is positioning Saturn as a corporation separate from General Motors. The advertising could break nearly one year before the car is introduced in the fall of 1990.

At a press conference last week, Donald W. Hudler, Saturn vice president for sales, service and marketing, announced the appointment of San Francisco-based Riney as its "communications partner."

As for the compensation, Hudler said it "will not be the traditional arrangement."

Though neither party would reveal any details about the specific compensation the agency will receive, it was clear in talking with the agency's chairman, Hal Riney after the press conference, that the standard 15 percent agency fee, a tradition in the advertising business, is dead.

Riney called the 15 percent commission "a stupid system" that is not fair to the agency or the client.

Apparently the advertising world does not view this action as an immediate threat. Harry Paster, executive vice president of the American Association of Advertising Agencies, said in a prepared statement that this "isn't the first time for General Motors to break ranks with the 15 percent commission."

Paster added, "I don't think Saturn spells the end (of the 15 percent commission). It is still a well established arrangement."

Riney denied reports that the compensation would be tied to sales. However, the compensation package will be incentive-based. Riney said it would probably "be based on cost" with additional money to be paid out by Saturn "based on excellence."

What emerges, and Riney did not disagree, is a cost plus performance bonus system. He said details of the compensation package are being developed.

Saturn is only the second automotive account for Hal Riney & Partners. Only recently, it obtained its first auto client, Austin Rover Cars of North America (ARCONA).

ARCONA, which sells the Sterling automobile, terminated its relationship with Riney last week.

Riney was the smallest agency among the final three in the Saturn selection process. Other contenders were N W Ayer of New York, which billed approximately $1.18 billion in 1987; and Hill, Holliday, Connors, Cosmopulos of Boston, which billed bout $260 million. Riney had about $200 million in billings last year.

Saturn executives and Riney declined to reveal anything about the strategic plan that won the account.

One of the toughest challenges facing the agency will be to create an identity for Saturn separate from parent GM. When it formed the subsidiary, GM said it intended to build and market its car as an import killer. In effect, GM formed a new corporation, rather than a division, and that enabled it to negotiate new contracts with the UAW and develop new franchise agreements for dealers.

Jim Travis, president of Riney, said he viewed this as a challenge that would have to be met by working to position Saturn in the marketplace almost a year before the car is launched.

Riney's major coup was its work for Gallo Winery, including its famous ads for the Bartels & Jaymes wine coolers. Riney resigned the Gallo account last year.

Hal Riney said last week that "automotive advertising has a certain sameness." He also said there will "never be a picture of a car going down a wet, windy road with pylons" in an ad done by his company.

His work for ARCONA demonstrated that theory although those efforts met with mixed reviews.

INDEX

Around the world	18-20
Auction dates	34
Classifieds	35-43
Coming events	30
Dealing with dealers	46
Legal briefs	45
Marketing and media	26
News briefs	8
Obituaries	48
Opinion	10
Personnel	44
Production	51
Recreation on wheels	14
Sales, car	43

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3 GM executives join World Congress faculty

DETROIT — In addition to General Motors President Robert C. Stempel, who will be the keynoter, three other GM executives will address the 13th annual Automotive News World Congress, which will be held at the Westin Hotel, July 17-20.

They are: Robert J. Eaton, vice president and group executive, technical staffs group; Marina v.N. Whitman, vice president and group executive, public affairs staffs group; and Thomas J. Davis, chief engineer of the Buick-Oldsmobile-Cadillac Group's Lansing automotive division.

Eaton, who joined GM in 1963 as a college-graduate-in-training with Chevrolet, moved into his current post on May 1, 1986. Previously, he had served as vice president in charge of the advanced engineering staffs.

Eaton's technical staffs group includes the advanced engineering, current engineering and manufacturing services, design and research staffs and the patent section.

He is chairman of the Metropolitan Center for High Technology in Detroit and the advisory committee for the Stanford Institute for Manufacturing and Automation. He is active in the SAE and serves on several committees.

Before becoming head of the public affairs staffs group on April 1, 1985, Whitman was vice president and chief economist of GM.

Prior to joining GM, she achieved academic recognition for her expertise in international economics as a faculty member of the University of Pittsburgh.

She is a former member of the President's Council of Economic Advisors. Appointed in 1970, she advised members on a variety of international issues, such as trade agreements and foreign exchange rates.

The president subsequently appointed her to the Federal Price Commission, where she helped administer Phase II wage-price controls.

Whitman's public affairs staffs group is made up of GM's economics, environmental activities, industry-government relations and public relations staffs.

Davis was named chief engineer of B-O-C's Lansing product team (now the Lansing automotive division) on Aug. 5, 1986. Prior to that, he served as a product development program manager for GM's Chevrolet-Pontiac-Canada Group.

He began his GM career as an hourly rate employee at Pontiac in 1964. Following graduation from GM Institute, he was assigned to Pontiac's product engineering activities.

In 1982, Davis was named a Sloan Fellow at the Massachusetts Institute of Technology, receiving an MBA the following year. He then returned to Pontiac as manager of industrial engineering and manufacturing staff operations, and was appointed program manager for C-P-C in 1984.

Whitman and Davis will address the World Congress on Monday, July 18, at 9 a.m. and 3:45 p.m., respectively. Eaton will speak on Tuesday, July 19, at 9:45 a.m.

The World Congress will begin with Stempel's State of the Industry keynote address on Sunday, July 17, at 7:45 p.m.

Co-keynoter Dieter Spethmann, chairman of the executive board of Thyssen AG of West Germany, will deliver the State of the Supplier Industry address at 8:30 p.m.

For further information, write Automotive News World Congress, 1400 Woodbridge, Detroit, MI 48207 or telephone 313-446-6047. The cable address is TWX 810-221-5122 AUTNEW DET.

Wholesale shipments up for quarter

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Wholesale RV shipments in the first quarter of 1988 were at their highest quarterly level in nine years, and van conversion deliveries were slightly ahead of last year.

RV manufacturers wholesaled 105,000 units in the first three months of this year, up 2.74 percent from 102,200 a year earlier, according to the Recreation Vehicle Industry Association.

In March, the industry shipped 39,900 units, up 2.05 percent from 39,100 a year earlier, RVIA reported.

The initial decline in consumer sentiment following last October's stock market crisis has been offset by subsequent gains in overall consumer perceptions of future economic events. The Index of Consumer Sentiment was up to 94.6 in March, its highest level since 1986, the RVIA said.

Recreational Vehicle Wholesale Deliveries

Travel trailers	6,500	6,200	+ 4.8	15,800	16,600	– 4.8
Park Trailers	800	500	+20.0	1,900	1,700	+11.8
Travel trailers—fifth wheel	3,000	2,500	+20.0	7,900	6,400	+21.9
Folding camping trailers	4,900	4,400	+11.4	11,800	10,400	+13.5
Truck campers	1,200	1,200	+00.0	2,000	2,000	+ 4.8
Towable RV total	16,200	14,800	+ 9.5	39,900	37,200	+ 8.0
Conventional (type A)	3,700	3,500	+ 5.7	10,200	9,600	+ 6.3
Van Campers (type B)	500	600	–00.0	1,200	1,600	–25.0
Chopped vans (all)	2,500	2,600	+ 3.8	6,297	6,300	– 0.6
Motor home total	6,700	6,800	+ 1.5	17,600	18,000	– 2.2
Van conversions	17,000	17,700	– 4.0	47,900	46,400	+ 2.4
TOTAL ALL RVs	39,900	39,100	+ 2.0	105,000	102,200	+ 2.7

Source: Recreation Vehicle Industry Association

Consumers adopted a "wait-and-see" attitude in th final months of 1987, but they now appear to have adjusted their frame of reference as to how economic events might affect them personally and overall consumer confidence has overcome earlier losses, RVIA said.

This renewed confidence indicates consumer spending will remain favorable throughout the year ahead.

Deliveries of van conversions slowed a bit in March after a red-hot February.

Converters wholesaled 17,000 units, off 3.95 percent from 17,700 a year earlier. Three-month shipments of 47,500 van conversions were up 2.37 percent from last year's 46,400.

Shipments of vans with the seat-delete option by the four major domestic manufacturers to converters were up in March, however, signaling future increases in wholesale shipments by converters to dealers.

Detroit van manufacturers shipped 23,000 van chassis to converters in March, up 4.55 percent from 22,000 a year ago.

For three months of this year, manufacturers shipped 52,000 van chassis to converters, nearly equal to the 52,300 of a year ago.

Positioning boosts sales for converter

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

RENO, Nev. — Proper positioning is a key to success in the van conversion business, even though many competitors pay scant attention to it, following whatever is currently hot.

U.S. Conversions Inc., Elkhart, Ind., with the aid of Hills, Hills & Associates, a San Francisco research firm, mapped out a positioning strategy that helped it boost sales 62 percent in the first half of the 1988 model year.

It positioned itself in the mid to upper end of the market, where higher-volume, more-profitable and stable converters are concentrated, according to Michael Hills, president of Hills & Hills.

That segment, the fastest-growing and least vulnerable to change, includes conversion packages wholesale priced at $4,500 and up.

Proper positioning dictates not only products and prices, but the entire wholesale/retail marketing strategy behind selling them.

For example, it means using "feature/benefit" oriented dealers, those used to selling mid to upscale automotive products, rather than "price/value" oriented dealers. It means using salesmen with high ego drives, good closing skills, reasonable product knowledge and good-to-high profit-per-sale averages.

"If you as a converter are selling upscale products in downscale dealerships, typically they won't have the types of salespeople who can sell your product effectively," Hills said.

By carefully watching the dealerships it uses and providing them with the right mix of products, U.S. Conversions managed to increase its average price-per-unit sale by $400, said G.R. Soos, U.S. Conversions vice president and general manager.

Many converters are wholesale oriented, stuffing dealers with inventory on the theory that, once loaded up, a dealer will find some way to move it. They also continually seek new dealers, rather than cultivating and honing the sales skills of those they already have, he said.

Proper retail training is all-important because Hills' study found, for example, that 87 percent of van conversion buyers have no preference for any particular brand and 75 percent have no loyalty to any manufacturer, whether Ford, Chevrolet or Dodge.

"That tells us that when working with our dealerships, we have to prepare them to sell — or train their salespeople to sell — against competitive dealerships across the street," Hills said.

"If a customer is shopping five or six dealers, it also shows he's seeking information." He said half of the buyers rely on dealers for their information and 87 percent buy units out of stock.

LOTTERY: *RVIA schedules space drawing; 2 safety seminars slated for July*

RESTON, Va. — The Recreation Vehicle Industry Association has been busy. It has announced a drawing date for exhibit space at its show in Louisville, Ky.; has teamed a set of July safety-standard seminars with regional midyear membership meetings; and has developed new advertising and promotional materials.

The drawing for exhibit space at the 1988 National RV Trade Show will be held June 15 at RVIA's headquarters here.

Manufacturer space will be assigned by lottery, starting at 9:30 a.m. The first draw will go to RVIA members with six or more years of consecutive exhibit participation in the show, the second draw to all other RVIA members and the third to non-member exhibitors.

The initial offering of space for manufacturers earlier this year brought requests from 100 exhibitors for 536,900 square feet of space. Currently, manufacturer space is sold out.

Due to heavy demand, space will be allocated. Each maker's allocation will be based on the amount of its contribution to the total revenue RVIA received in fiscal 1987 from membership dues and the purchase of seals and manufacturer certificates of origin.

Non-RVIA members and new members are limited to 1,000 net square feet of space.

Suppliers received initial space offerings in mid-May. Their space assignments will be made after all manufacturer space is assigned, using the seniority system combined with the lottery system.

To participate in the space drawing, manufacturer exhibitors must submit a deposit for 40 percent of their space request no later than June 10. Supplier exhibitors must submit a 50 percent deposit by then.

The National RV Trade Show, in its 26th year, is the largest trade-only show in the RV industry. It is expected to draw more than 10,000 RV dealers and industry officials to the Kentucky Fair and Exposition Center in Louisville, Nov. 29-Dec. 2.

Meanwhile, RVIA has teamed a set of July seminars on the federal motor vehicle safety standards with regional midyear membership meetings.

The seminars are aimed at production managers, engineers, purchasing agents, legal counsel, marketing directors and parts suppliers. Participation is one of several requirements for a new van converter to qualify for RVIA membership.

The first set of events, consisting of a daytime seminar and an evening membership meeting, is scheduled for July 19 at the Embassy Suites Hotel, Santa Ana, Calif.

A second seminar is planned for July 21 at the Bendix Theater-Century Center, South Bend, Ind., with a subsequent membership meeting in Elkhart, Ind.

On the promotion side, RVIA's agency, Burson-Marsteller, has developed lifestyle advertising and promotion materials, featuring spokespersons Pat and Shirley Boone, for use by RV manufacturers, dealers, show promoters and campground operators.

Colorful promotional posters and an ad kit including photos are available for distribution.

Aviator's new entry-level model
Aviator Van Conversions, Wakarusa, Ind., introduced this new entry-level Navigator model, designed to undercut competition by $1,000 to $2,000. To go with the standard exterior shown here, it also offers a color-coordinated TV, oak veneer table, sidewall console with chrome beverage holders, four reclining captain's chairs and matching sofa, oak-accented door panels, thicker automotive carpeting and other items.

Warmer weather means it's show time for RV industry

With the onset of warm weather, RV shows are flourishing.

The South Bend, Ind., show, traditionally among the three largest annual events, will be minus a few of its usual participants this year, however.

One division of Coachmen Industries, Coachmen RV, won't be there, according to Sue Bartee, show manager for the 34th annual Midwest Manufactured Housing and RV Show. She added that Coachmen's other four divisions will be in attendance.

Also absent from the event this year will be Travel Craft and Fleetwood, Bartee confirmed.

The South Bend show will run Aug. 9-14, with Aug. 9-11 being trade days and Aug. 12-14 public days.

The show is sponsored by the Indiana Manufactured Housing Association and the Recreation Vehicle Indiana Council.

One of the show's highlights this year will be an appearance by country and western singer Janie Fricke on Wednesday evening, Aug. 10. Admittance is free.

Meanwhile, the South Florida RV & Camping Show, a five-day event in Miami, ended May 1 with a a good attendance gain over last year.

The exposition spotlighted nearly 45 RV lines and camping products from 30 major suppliers, according to show coordinator Cliff Ray.

Sponsored by the South Florida Auto-Truck Dealers Association, the show featured a variety of RVs, such as van conversions, trailers, campers and motor homes.

RV TRENDS

JOSEPH BOHN

Participants are planning a similar event for next spring.

Meanwhile, the National Van Conversion Association, Greenfield, Ind., claimed a big success for its Supplier Showcase '88 show, based on reports from exhibitors who accounted for 75 percent of the spaces.

The trade show will expand in 1989 to the lower level of the South Bend, Ind., Century Center, which will accommodate 37 additional booths.

The 1988 trade show recorded a 22 percent increase, with van conversion companies from 33 states and Canada attending, according to the association.

Greenville, S.C., will host the National Van Conversion Association's Southern Supplier Showcase Aug. 24-25 at the Palmetto International Exposition Center.

The show will be a combined supplier and certified van manufacturers' show.

The association believes that relocating to Greenville will make the show more accessible for attendance by van manufacturers, dealers and RV centers.

The timing for the show, it added, will put suppliers and manufacturers together during late summer in anticipation of the new model year.

The Supplier Showcase will have space for 77 suppliers and 10 van manufacturers.

RV Expo '89, a yearly event in Harrisburg, Pa., will run as a trade event Sept. 12-14 and will be open to the public Sept. 14-18.

Theme of this year's show, which is going into its 20th year, is "Puttin' on the Ritz."

The show is sponsored by the Pennsylvania Recreational Vehicle and Camping Association.

AROUND THE WORLD

European sales falter; 1st drop in 15 months

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — New-car sales in Western Europe dipped in April, the first decline in 15 months for the booming European industry.

The April results — reflecting lower sales in four of Europe's six largest markets — may be the first evidence of a widely predicted downturn that failed to materialize in the first quarter of 1988. The last monthly decline was in January 1987.

April sales in Western Europe's 17 markets dropped 3.2 percent from April 1987. Volume totaled 1,183,700 last month, down from 1,222,400 a year ago, according to industry estimates compiled by Automotive News.

Fiat Group remained No. 1 in European year-to-date sales with 15.7 percent of the market. However, Volkswagen's successful launch of the Passat enabled it to outsell its Italian competitor in April.

Through the first four months, European sales were 6.2 percent ahead of the record 1987 pace, when sales topped 12.4 million. Most analysts had forecast at least a slight drop-off in 1988, though most expect another year well in excess of 12 million units.

West Germany, Europe's largest single market and the third biggest in the world, was down 7.4 percent in April and was virtually flat for the first four months. Sales through April totalled 951,900, compared to 947,400 during the same period last year.

Sales also declined in France, the Netherlands and Spain in April. It was the first hint of a slowdown in Spain, which has been by far Europe's most buoyant single market in the past 22 months.

Fiat Auto, which includes Alfa Romeo and Lancia, was 10.1 percent ahead of its 1987 rate. Fiat sales of 717,100 through April were boosted by a healthy Italian home market.

Alfa was up 15.8 percent in Italy due to strong early response to its new 164 model. There were more than 20,000 orders for the big Alfa sedan as of last month, delaying the planned introduction of the car elsewhere in Europe.

The Fiat market share could go even higher as its new Fiat Tipo subcompact and the 164 are introduced in more European markets this year. The new models could enable Fiat to end VW's three-year reign as Europe's sales leader. Still, VW narrowed the gap in April as its new Passat intermediate got off to a fast start.

VW ranked No. 2 through April, with sales of 652,300, an increase of 3.9 percent over 1987 and a 15.4 percent share. However, introduction of the Passat, for which September-October delivery times are now being promised in Germany, helped VW outsell Fiat in Europe last month.

Peugeot S.A. was third in the four-month standings with 12.8 percent of the market and posted the largest growth in 1988 among Europe's six full-range manufacturers.

The French maker, including the Peugeot and Citroen brands, sold 582,000 new cars through April, an increase of 14 percent. Peugeot SA was up 32 percent in the United Kingdom and increased sales 11.2 percent in France, compared with growth of 5.9 percent in the French market overall.

Ford was fourth through April with an 11.3 percent share and a sales increase of 3.4 percent to 515,400. General Motors followed at 10.6 percent on volume of 486,100, a 2.2 percent increase.

Renault ranked sixth with sales of 475,200, a 4.2 percent improvement over last year and a 10.4 percent share.

Among other manufacturers, BMW benefited from the launch of its new 5 series in Europe. Four-month sales were up 13.4 percent to 116,800, and European market share climbed to 2.6 percent from 1987's 2.4 percent.

Combined sales of Japanese manufacturers were up 7.3 percent for the year to 494,700, however, market share slipped to 10.8 percent from 11.3 percent for all of 1987 in Western Europe. Nissan remained the top Japanese brand in Europe with four-month sales of 126,600, an increase of 13.2 percent.

After West Germany, Italy was Europe's second-largest market through April. Italian sales totaled 832,800, up 11.4 percent over last year's figures. Sales in Italy rose 2 percent in April.

Volume in the United Kingdom improved 8 percent in April — the best performance among Europe's big national markets — and was up 10.3 percent for the year. The United Kingdom counted a record 2 million sales in 1987.

France slumped 1 percent in April, but sales for the first four months rose 5.9 percent to 728,300. New-car sales in the Netherlands plummeted 22.6 percent for the month and were down 11.2 percent for the year to 223,200.

Spain was off 5.1 percent in April, the first monthly decline since the summer of 1986. For four months, Spain was 16.6 percent ahead of last year's record pace, which brought sales of well over 900,000 units. Spanish sales through April totaled 348,100.

Sales also declined in Portugal, Norway, Ireland, Denmark, Belgium and Luxembourg during April.

Easter break cuts S. Africa sales

JOHANNESBURG, South Africa — Auto sales here maintained their momentum in April despite negative seasonal factors. However, recent government measures to cool the economy and accelerating vehicle prices indicate the market's current buoyancy may be short-lived.

April's sales of 18,822 passenger cars were down 14.57 percent from March's four-year high of 22,032. But the decline was not unexpected, due to the reduced number of selling days because of the Easter holiday.

April's total was still 15.81 percent above the year-ago month's count of 16,253. The same pattern held in sales of light, medium and heavy commercial vehicles.

With waiting lists of up to four months on some models, industry sources expect sales to hold up well in the short term. However, recent measures to limit the availability of credit and the closing of a loophole that allows long-term auto rental programs for private individuals are expected to deflate sales in the second half of the year.

Another factor is an upturn in the rate of vehicle price increases, fueled by sliding exchange rates. Most makers are due to hike prices about 4 percent in June.

Cut in Subaru shipments to U.S. reported in Japan

TOKYO — Nihon Keizai Shimbum reported that Fuji Heavy Industries plans a 20 percent reduction in the number of Subarus it ships to the United States between April and September of this year.

The newspaper said the company is cutting shipments in an effort to control inventory in the United States until it introduces new models toward the end of the year.

Fuji spokesmen said the news reports were simply speculation.

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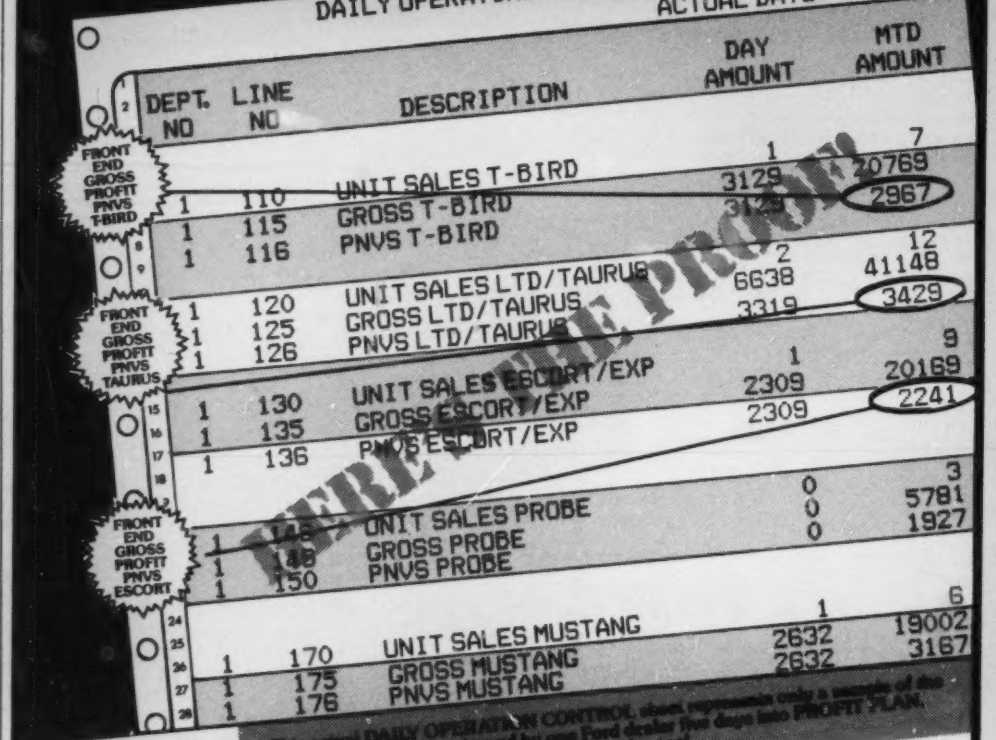
DAILY OPERATING CONTROL
FORECAST
ACTUAL DAYS: 8 DAYS:
DEPT. NO
LINE NO
DESCRIPTION
DAY AMOUNT
MTD AMOUNT
FRONT END GROSS PROFIT PNVS T-BIRD
1 110 UNIT SALES T-BIRD 1 7
1 115 GROSS T-BIRD 3129 20769
1 116 PNVS T-BIRD 3129 2967
FRONT END GROSS PROFIT PNVS TAURUS
1 120 UNIT SALES LTD/TAURUS 2 12
1 125 GROSS LTD/TAURUS 6638 41148
1 126 PNVS LTD/TAURUS 3319 3429
FRONT END GROSS PROFIT PNVS ESCORT
1 130 UNIT SALES ESCORT/EXP 1 9
1 135 GROSS ESCORT/EXP 2309 20169
1 136 PNVS ESCORT/EXP 2309 2241
1 UNIT SALES PROBE 0 3
1 GROSS PROBE 0 5781
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AUCTION DATES

Model Breakdown
Auction Averages

	MAY 1988	APR 1988	MAR 1988
1988	$12,495	$12,483	$12,283
1987	$8,661	$8,638	$8,682
1986	$7,400	$7,190	$6,927
1985	$5,711	$5,904	$5,837
1984	$4,525	$4,438	$4,380
1983	$3,776	$3,792	$3,765
1982	$2,475	$2,398	$2,534
1981	$1,983	$1,937	$1,906
Overall Average	$5,798	$5,722	$5,589

Used Car Sales
Auction Averages

May 88	$5,798
Month ago	$5,712
Year ago	$5,871

Chrysler Motors

May 31 — Florida Auto Auction of Orlando, Ocoee, Fla.; Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; and Riverside Auto Auction, Riverside, Calif.

June 1 — Columbus Fair Auto Auction, Obetz, Ohio, and Southern Auto Auction, Warehouse Point, Conn.

June 2 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Salt Lake Auto Auction, Salt Lake City

June 3 — St. Louis Auto Auction, Bridgeton, Mo.

June 7 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Aptco Auto Auction, Taylor, Mich.; Denver Auto Auction, Aurora, Colo.; South Seattle Auto Auction, Kent, Wash.; Golden Gate Auto Auction, Fremont, Calif.; and Nashville Auto Auction, Nashville, Tenn.

June 8 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; and Minneapolis Auto Auction, Plymouth, Minn.

June 9 — Northway Exchange, Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Big Sky Auto Auction Inc., Billings, Mont.; and Ark-La-Tex Auto Auction, Shreveport, La.

June 10 — Manheim Auto Auction, Manheim, Pa.

Ford Motor Co.

June 1 — Atlanta Auto Auction, Red Oak, Ga.; Columbus Fair Auto Auction, Obetz, Ohio; Concord Auto Auction, Acton, Mass.; and Southern California Auto Auction, Fontana, Calif.

June 2 — Albuquerque Auto Auction, Albuquerque, N.M.; Greater Chicago Auto Auction, Chicago; and Minneapolis Auto Auction, Plymouth, Minn.

June 7 — Bay Cities Auto Auction, Hayward, Calif.

June 8 — Mississippi Auto Auction, Hattiesburg, Miss.; Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Lakeland Auto Auction, Lakeland, Fla.

June 9 — Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; and Skyline Auto Exchange, Fairfield, N.J.

June 14 — South Seattle Auto Auction, Kent, Wash.

General Motors

June 1 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

June 2 — Butler Auto Auction, Gibsonia, Pa.; Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; and Nashville Auto Auction, Nashville, Tenn.

June 7 — Southern Auto Auction, East Windsor, Conn.; and Dallas Auto Auction, Grand Prairie, Texas

June 8 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha; and Southern California Auto Auction, Fontana, Calif.

June 9 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah

'89 Colt
An all-new shape for the 1989 Colt three-door hatchback gives new style and interior room to the four Colt models. The Colt GT, featured here, has a monochromatic "dipped-look" paint treatment and is distinguished by its body-color bumpers, color-keyed door handles and grille and wide body-color side moldings accented with a red stripe. The car is imported from Mitsubishi for Dodge and Plymouth.

Former leaders rap EPA test cuts

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — EPA's cutback in real-world testing of vehicle emissions has so disturbed two former top EPA officials that they have decided to speak out to lawmakers holding the pursestrings.

Eric Stork, a former head of EPA's motor-vehicle program, and Michael Walsh, who succeeded him, contend that EPA has failed to carry out basic testing of vehicle emissions — an essential part of dealing with the nation's severe ozone and carbon monoxide nonattainment areas.

Stork and Walsh, now private consultants who disagree often, are in agreement on that point.

In a letter to a House Appropriations Subcommittee considering money for EPA, they called for a "substantial expansion" of real-world vehicle testing, especially since automakers are using more diverse control technology than they have in the past. Instead, they noted, the volume of cars tested has "decreased dramatically."

Between fiscal 1976 and fiscal 1982, EPA tested an average of 1,670 vehicles per year. In fiscal 1983, the number dropped to 469, followed by 349 the next year. The numbers for 1986 and 1987 were 242 and 333, respectively. However, in 1988, EPA plans to test only 175 vehicles.

Unlike tests made by EPA in its field surveillance program to ensure compliance during the emissions warranty period, those vehicles are not checked for proper maintenance but rather are a sample of real-world cars and their impact on air quality in local areas.

Stork and Walsh noted that the first phase of data in 1978, designated Mobile 1, was based on tests of 5,300 individual vehicles. Mobile 2 in 1981 added the result of 3,400 individual vehicles; Mobile 3 in 1984 added 2,500 more vehicles. But Mobile 4 — due to be released soon to guide states and localities in their plans to reach attainment by the end of August 1988 — will use test results from only 700 more vehicles.

Stork and Walsh argued that the data is needed by all parties — EPA, local planners, the auto industry and environmentalists. But, they added, EPA's fiscal 1989 budget as it stands will not enable the agency to provide by the early 1990s more reliable estimates of vehicle emission rates for air quality than are possible now.

They figured that restoring the data program to its 1976-1982 level would cost about $4.6 million per year (1,670 vehicles per year, each at $2,750 to procure and test).

They added that $4.6 million is about 60 cents for each new car sold in the United States each year compared with a much higher cost that might be added to each new car by even the most minor new emission standard.

While Stork and Walsh have made some difference, they have not succeeded in restoring their "modest proposal." On May 12, the House Appropriations Subcommittee voted $2.4 million for EPA's Mobile 4 program. That is expected to be retained by the full House Appropriations Committee and probably be part of the House bill. Senate action awaits completion of the House measure.

Camaro heads '86 theft list; Firebird 2nd

WASHINGTON — NHTSA has released its 1986 data on vehicle theft rates and is seeking public comment on the figures. General Motors accounted for eight of the top 10 vehicles, with Toyota's MR2 two-seat sports car in fifth place and Dodge's imported Conquest sport coupe in eighth.

GM's F-body Chevrolet Camaro and Pontiac Firebird finished 1-2, swapping positions from the 1985 standings. Of the 178,870 1986 Camaros built, 5,275 were stolen for a theft rate of more than 29 per 1,000 vehicles. Of the 100,210 Firebirds built, 2,789 were stolen for a theft rate of 27.8 vehicles per thousand.

Chevrolet Monte Carlo and Buick Regal were third and fourth, respectively, followed by the Toyota MR2, which had 485 thefts for the 34,084 sold in the United States. That amounted to a theft rate of just over 14 per thousand.

Rounding out the top 10, in order, were Pontiac Grand Prix, Oldsmobile Cutlass Supreme, Dodge Conquest (a Mitsubishi-built captive import), Pontiac Fiero and Chevrolet Corvette.

The car with the lowest theft rate in 1986, excluding those models with no thefts, was Toyota's Tercel, which logged 74 thefts out of 83,749 sold in the United States for a rate of 0.88 per thousand units.

Comments on NHTSA's theft data will be accepted through June 16.

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Mid-May auto sales dip 2% from year-ago

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Mid-May sales of cars built in the United States slipped 2.17 percent from the year-earlier period, although four of the eight domestic carmakers reported gains.

Car sales totaled 216,325 units during May 11-20, down 4,802 from the 221,127 that were sold in the same period a year earlier. The Big 3's cutback in incentives early in the month may have dampened mid-May sales.

Sales, however, were above the May 1-10 rate when 204,270 units were sold. During that period, all U.S. car manufacturers except Volkswagen of America reaped healthy gains.

During the May 11-20 sales period, Toyota sales increased 43.37 percent. The company delivered 1,805 cars in mid-May compared with 1,259 cars in the year-earlier period.

Honda delivered 8,046 cars, a 37.19 percent boost over last year's 5,865.

Ford Motor Co.'s deliveries edged up 2.63 percent to 66,691 compared with 64,984 last year.

Chrysler Motors' sales rose 3.08 percent to 30,348, compared with 29,440 units in the year-earlier period.

General Motors' sales dropped 6.45 percent to 104,330 from 111,519 cars in the mid-May period of 1987. GM sold more cars in the May 11-20 period than it did in the first 10 days of May when it delivered 102,152 units.

In spite of offering a spate of incentives, Nissan sold about half as many U.S.-built cars in the mid-May period as it did a year earlier. Nissan sold 2,829 units, compared with 5,946 in mid-May 1987.

Volkswagen of America's sales of U.S.-manufactured cars dropped 39.26 percent to 1,284, compared with 2,114 a year earlier.

Mazda, which began making cars here in September, sold 992 cars. That was almost double the number sold in the May 1-10 period.

DOMESTIC SALES

	May 11-20, 1988	May 11-20, 1987
Eagle	1,490	600
Chrysler	7,132	8,212
Plymouth	8,106	9,359
Dodge	13,620	11,269
Chrysler Motors	30,348	29,440
Ford	48,261	43,796
Mercury	13,308	15,162
Lincoln	5,122	6,026
Ford Motor Co.	66,691	64,984
Buick	13,415	13,673
Cadillac	7,155	9,304
Chevrolet	43,642	45,489
Oldsmobile	18,591	21,598
Pontiac	21,527	21,455
General Motors	104,330	111,519
Volkswagen	1,284	2,114
Honda	8,046	5,865
Nissan	2,829	5,946
Toyota	1,805	1,259
Mazda	992	—
U.S. Industry Total	216,325	221,127

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INCENTIVES

FROM PAGE 3

lac at a Cadillac dealership in order to qualify. The Allante owner must own the car 24 to 60 months, and it must have less than 60,000 miles on it when it is turned in.

Cadillac's direct-mail program offering between $750 and $1,500 on all Cadillac models, except Allante, to selected Cadillac and Lincoln Town Car owners ends May 31. Jay said the division needs a "fresher approach" than direct-mail coupons to appeal to owners and competitive-make owners.

"We found that in some cases people threw the coupon out," Jay said.

The division will not extend the coupon offer past May 31 and will decide on a new owner/competitive owner program June 1, Jay said.

Pontiac also announced several new consumer incentive programs. The division is offering qualified college students a a no-down-payment deal on all new Pontiacs. Under the program, Pontiac will pay the student's down payment of 5 percent of the cash selling price and defer the first month's payment for 90 days. The deferred payment offer is not applicable in the District of Columbia, Michigan, New Jersey and Pennsylvania.

Pontiac already is offering rebates of $600 to first-time buyers under GMAC's First Time Buyer Finance Plan. Cars eligible under the rebate program include 1988 Grand Am, LeMans, Firebird, Sunbird and Fiero models. No dealer financial participation is required.

Pontiac also is a participant in a program with Cadillac and Buick in which GMAC is sending direct-mail coupons to 350,000 members of the National Association of Realtors. The coupons will enable members to lease a 1987 or 1988 Grand Am, 6000 or Bonneville at a special 7.9 percentage rate for up to 48 months. Demonstrator models with 7,500 miles or less also are eligible.

The same program is applicable to Cadillac DeVille and Buick Century, Electra Park Avenue and LeSabre Limited.

The program began May 15 and ends Sept. 30.

In addition, Pontiac has teamed up with Buick and Cadillac to offer GMAC mortgage retail customers a $500 rebate for the purchase of any new 1988 or prior-year vehicle financed or leased through GMAC. The certificate is given to customers obtaining mortgages between May 15 and Sept. 30; they must take delivery before Dec. 31.

The $500 certificates in the mortgage program are in addition to any other incentive programs currently in effect.

Chevrolet's College Graduate Finance Plan allows eligible buyers to defer their initial payment for 90 days and take advantage of a $400 discount coupon.

The Chevrolet coupon can be used toward the purchase price and GMAC financing or toward the first monthly lease payment. The deferred payment plan is not offered in Michigan or Pennsylvania.

Ford Motor Co. and Chrysler Motors are offering dealer incentive programs on selected 1987 and 1988 vehicles.

Lincoln-Mercury Division extended its $750 dealer incentive on 1988 Lincoln Town cars, its $2,000 dealer incentive on 1988 Merkur XR4Ti models and its $3,000 dealer incentive on 1986 and 1987 XR4Ti models.

Chrysler Motors is offering dealer incentives on a few 1987 cars and trucks. The program began May 11 and has no set expiration date.

Dealers can receive $1,000 on the 1987 LeBaron coupe, $750 on the LeBaron GTS, $500 on the 1987 Dodge Daytona; $750 on the 1987 Dodge Lancer and $500 on both the 1987 Dodge Dakota and 1987 Dodge full-sized pickup trucks.

The Isuzu program, which runs through Sept. 5, gives dealers $1,500 for every 1987 and 1988 I-Mark five-speed hatchback sold. On other I-Mark models, dealers receive $600 for each model sold up to 10 units, $800 each for 11-20 units and $1,000 each for the 21st car and beyond.

For each Turbo Impulse sold, the dealer receives a $1,000 rebate, while each non-turbo Impulse sale will earn the dealer $1,500.

In California, Isuzu is offering an additional $500 bonus on non-turbo Impulses in what it calls a consumer/dealer rebate program to bring the total payback per model to $2,000.

According to an Isuzu spokesperson, the $2,000 rebate will be paid to the consumer unless he or she signs it over to the dealer. The spokesperson said the dealer must present "absolute proof" of the sign-over to receive the rebate.

Nationally under the program, combined pickup and P'UP pickup sales will earn dealers $500 each for the first 12 units sold; $700 each for 13-26 units; $900 each for 27-52; and $1,100 each for 53 and above.

Also, the top 200 dealers in Trooper II sales earn a special shopping spree trip to Trump Tower in New York City.

Dealers are required to sell a minimum of 40 Troopers to qualify for the shopping bonus. Each Trooper II sold during the program earns the dealer $100 credit toward the shopping spree, retroactive to the first unit. Air and hotel arrangements are included.

Also, under the incentive program, each salesperson selling a minimum of 10 units qualifies for attendance at a cash-giveaway party to be held Oct. 15 at Bally's in Las Vegas, Nev. The salespersons must pay their own expenses to get to the party. However, salespersons selling 50 units earn a free trip to the party.

Sales managers who have three or more salespersons qualifying for the cash-giveaway party earn a free trip to the Las Vegas event. The managers also earn one pull at cash boards for every four units sold by the dealership during the program.

Sales managers from the top 10 volume dealerships for each model line as well as combined sales will be entered in five $10,000 drawings, Isuzu said.

Automotive News Staff Reporter Frank Gawronski in Los Angeles contributed to this report.

OUTPUT

FROM PAGE 1

that Ford recently raised its full-year sales estimate for the industry from 10 million cars and 5 million trucks to 10.2 million cars and 5.1 million trucks.

"This is an indication that the auto industry is and will be stronger than originally anticipated," Windecker said.

Among the Big 3, GM has scheduled a major production increase; Ford's boost is smaller, and Chrysler's forecast is down because of plant changes.

GM projects it will build 721,965 cars in the July-September period, 15.52 percent more than last year's 624,985. In 1987, there was extended downtime at two GM plants for changeover to the new GM10 cars.

GM closed plants for inventory adjustment several times during last year's third quarter and also reduced line rates.

This year, GM recently increased the line rates at its Orion Township, Mich., plant and at its Buick City plant in Flint, Mich. Some plants have been working overtime this year; overtime was almost unheard of at GM plants last year.

Jouppi said GM is fighting to recover lost share of the market, and he believes it will build just about what it is currently projecting for the third quarter.

However, Tom O'Grady, analyst at Integrated Automotive Resources, said he believes GM's schedule may be a bit high but he doesn't see it as a problem. O'Grady added that the domestic automakers' schedules often seem to be overly optimistic but the current schedules seem to be more reasonable.

Both GM and Ford will be eyeing the midsized-car segments where sales seem to be stronger than usual, O'Grady said.

Ford plans to build 362,000 cars in the third quarter, 4.55 percent more than the 346,252 built in 1987.

Ford is currently at "full workable capacity" and has not had any car or truck plants idle for inventory adjustment for several years, Windecker said.

"Dealers would like to have more cars," he said. "Dealer inventories on the Taurus, Sable, Mustang, Probe, Grand Marquis, Continental and Crown Victoria at mid-May were all below the industry norm of 60-65 days, some well below that."

Chrysler's schedule calls for production of 200,000 cars in the third quarter, 6.61 percent below the 214,164 built in the same three months of 1987.

O'Grady thinks Chrysler will increase its current schedule, which he called a bit conservative.

Production losses for Omni and Horizon are a factor in third-quarter numbers for both 1987 and 1988. Last year, those cars were out of production in July and August as production was moved from Belvidere, Ill., to Kenosha, Wis. This year, the cars will be moved from Kenosha to Detroit's Jefferson Avenue plant, again knocking out July-August production.

Also, Chrysler's Newark, Del., plant will close in July to prepare for production of the 1989 Plymouth Acclaim and Dodge Spirit. The plant currently builds Aries and Reliant.

Mazda Motor Manufacturing (U.S.A.) Corp. will add some 50,000 cars to 1988's third-quarter output. It plans to build 50,260 units this year. Last year Mazda was just getting started at its Flat Rock, Mich., plant and built only 400 cars in the quarter.

Honda of America Manufacturing has slated assembly of 89,640 cars, 23.10 percent more than the 72,816 built in the third quarter of 1987.

Nissan Motor Manufacturing Co. U.S.A. has scheduled 30,928 cars, 4.87 percent more than the 29,491 built during the third quarter last year.

New United Motor Manufacturing Inc. plans to complete 38,350 cars in the third quarter, 19.70 percent below the 47,759 built in the year-ago period.

VWoA, which will permanently close its Westmoreland, Pa., plant in mid-July, estimates it will build 3,493 cars, 12.50 percent below the 3,992 assembled last year when the plant was idle most of the third quarter for model changeover.

MITI denies reports that quotas may die

TOKYO — In what is viewed as a trial balloon, Kyodo, a Japanese news agency, reported last week that the Ministry of International Trade and Industry is considering ending government-imposed quotas on passenger-car exports to the United States.

However, MITI officials quickly denied the reports and said that no decision has been made on the future of the restraint program.

It is no secret that MITI would like to scrap the quotas by the end of the year and would do so if it could be done quietly, sources here say. In fact, MITI said as much when it announced the extension of the restraints into their eighth year last January. MITI said that if a downward trend in exports could be clearly shown, it might lift the restraints before the year is up.

However, the timing of this most recent report, coming just as President Reagan vetoed trade legislation in the United States, would ensure that the scrapping of quotas would be anything but quiet.

Katsuhiro Nakagawa, director of the Auto Division at MITI, told Automotive News that the report is "completely false." He confirmed that MITI did indicate in its January announcement that it might drop the voluntary export restraints within the year "if the right conditions were met." But he said the 1988 quota term began April 1 and "it is way too early" to make any further decisions.

Smaller U.S. importers, such as Mitsubishi Motor Sales, American Isuzu, Suzuki and Daihatsu, which have been hamstrung by the quotas, would welcome the end of the restraints, and many have contingency plans based on such an occurrence.

Meanwhile in Washington, Secretary of Commerce William Verity met with General Motors Chairman Roger Smith, Chrysler Motors President Bennett Bidwell and Ford Motor Co. Vice Chairman Harold Poling last week to discuss allegations that Japanese automakers are dumping compact pickup trucks in the United States.

Thomas H. Hanna, president of the Motor Vehicle Manufacturers Association, also attended the meeting.

Spokesmen for the Big 3 described the meeting as useful. Verity had no comment following the meeting.

On March 29, MVMA submitted a study charging Japanese manufacturers with selling light trucks at prices as low as 46 percent below their home market price.

Hanna said last week, "Japanese manufacturers engaged in dumping for one reason — to maintain as large a share of the U.S. market as possible. With the steep rise in the value of the yen, Japanese truck manufacturers found they could no longer compete legitimately in the U.S. market. Faced with the choice of surrendering U.S. sales gains or dumping, they dumped."

Hanna said dumping has reduced profits on U.S.-produced compact trucks to less than 1 percent.

Isuzu spoofs Toyota

Smilin' Joe eyes 'Oh, what a feeling' ad

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — American Isuzu Motors' advertising alter ego Joe Isuzu is on trial in the latest round of television commercials using the shameless liar.

The new test for Joe Isuzu, whom actor David Leisure has turned into a cult figure, is whether the character can *sell* as well as he has raised Isuzu's brand name awareness.

If the hard-sell commercial spoofing Toyota Corolla's higher price works well, Joe Isuzu concepts for the 1989 model year are being considered.

The campaign created by agency Della Femina, Travisano and Partners, Los Angeles, has concentrated on boosting Isuzu's abysmally low name recognition and brand awareness. Isuzu's internal research shows unaided recall of Isuzu as an auto company has soared from 3 to 4 percent to 62 percent in the last two years, according to Leon Rosen, national marketing services manager.

Rosen said ad industry critics of the Joe Isuzu campaign — and there have been many of them — miss the point when they say it doesn't translate into sales. As the market gets more competitive, Isuzu can't get onto many buyers' shopping lists if no one remembers it, Rosen said.

But now that Isuzu is much more of a household word, American Isuzu must heed its dealers' call for more retail-oriented advertising.

In the latest commercial, Joe pulls into a Toyota dealership in an I-Mark, tests his hidden recording equipment and gets out. He is greeted by a salesman who recognizes him, "Hey guys, it's Joe Isuzu," and a crowd of Toyota salesmen gathers.

"So what's the real difference between your Corolla and our I-Mark?" asks Joe innocently. "About a thousand dollars," answers a salesmen and the rest chorus "Oh, what a feeling," and jump into the air in a parody of the long-running Toyota commercials.

Finally one salesman asks suspiciously, "Say, you're not going to turn this into a commercial, are you?" Joe flashes his best "liar" smile of reassurance and the screen cuts to a price comparison of similarly equipped Corollas and I-Marks.

"It's real down-and-dirty retail advertising," said Rosen.

OBITUARIES

James E. Butke

WARREN, Mich. — James E. Butke, 37, supervisor of the management information systems office for Chrysler Corp., died May 21.

James F. Miller

PINE BROOK, N.J. — James F. Miller, 48, information systems manager for Peugeot Motors of America, died May 17. He had been with the company since 1975.

PRODUCTION

Output tops 3 million but trails 1987

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

U.S. automakers built their three-millionth car of the year last Friday, nine days behind 1987.

So far this year, 3,000,491 cars have been produced, 8.09 percent below the 3,264,474 completed last year at this point.

Scheduled production of 161,595 cars last week was 5.77 percent below the previous week's 171,493 but 21.87 percent more than the year-ago week's 132,594, which was affected by Memorial Day.

Last week's targeted production was shared as follows: General Motors, 47.33 percent; Ford Motor Co., 25.54 percent; Chrysler Motors, 16.21 percent; Honda of America Manufacturing Inc., 4.64 percent; New United Motor Manufacturing Inc., 2.01 percent; Nissan Motor Manufacturing Co. U.S.A., 1.62 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.41 percent; and Volkswagen of America, 1.24 percent.

Truck output was estimated at 84,891 units last week, 7.98 percent below the prior week's 92,256 but 29.38 percent more than the year-ago week's 65,616.

Year-to-date, 1,778,410 trucks have been assembled, 12.11 percent more than the 1,586,337 built last year at this time.

Daily overtime is slated at all Ford plants this week except the St. Louis plant.

Ford has scheduled overtime next Saturday at its Wixom, Mich.; Edison, N.J.; and Wayne, Mich., plants.

Chrysler has scheduled daily overtime this week at its Belvidere, Ill.; Kenosha, Wis.; Toledo, Ohio; Sterling Heights, Mich.; and St. Louis plants.

All car and truck plants are closed today in observance of Memorial Day.

Canada trucks pass 400,000

Canadian truck production passed 400,000 last Friday, 15 days ahead of 1987.

So far this year, 400,095 trucks have been built, 16.18 percent more than the 344,369 completed last year at this time.

Both car and truck production in Canada was slated to dip last week from the prior week's output as plants were idle last Monday for Victoria Day.

Truck output was scheduled at 16,745 units last week, 2.80 percent below the previous week's 17,228 and 6.59 percent below the year-ago week's 17,926.

Car output was scheduled at 22,134, 9.70 percent below the previous week's 24,511 but 29.17 percent more than the year-ago week's 17,135, which was also affected by the holiday.

So far this year, 492,402 cars have been assembled, 41.41 percent more than the 348,217 completed last year at this point.

Honda of Canada Manufacturing Inc. last week began breaking out production totals on the Civic and Accord models built at its Alliston, Ontario, plant. Until April, the Accord was the only model produced at Alliston.

U.S. CAR	Week Ended May 28, 1988	Week Ended May 30, 1987	Week Ended May 21, 1988	May to Date	Jan. 1 to May 28, 1988	Jan. 1 to May 30, 1987
Alliance	0	653	0	0	0	14,847
Total Eagle	0	653	0	0	0	14,847
Horizon	2,100	0	2,552	8,992	39,977	32,997
Sundance	2,000	1,807	1,906	7,380	43,903	45,411
Reliant	2,900	1,787	2,879	11,139	43,346	51,417
Caravelle	500	912	574	2,089	8,999	23,968
Gran Fury	300	276	361	1,269	5,441	1,634
Total Plymouth	7,800	4,784	8,272	30,849	141,666	155,427
LeBaron K	400	1,318	425	1,721	7,964	36,352
LeBaron J	2,200	2,823	2,716	9,212	30,540	49,975
LeBaron GTS	250	839	246	855	3,765	18,400
N. Yorker E-Class	0	1,284	0	0	0	36,967
N. Yorker C-Class	2,900	0	2,842	11,485	49,887	0
Fifth Avenue	300	1,435	332	1,272	13,835	16,610
Total Chrysler	6,050	7,699	6,561	24,525	104,291	158,304
Omni	2,100	0	2,534	8,924	39,854	28,363
Daytona	2,200	1,408	2,714	9,214	29,679	23,577
Shadow	2,400	2,243	2,357	9,426	46,208	44,893
Aries	2,300	2,043	2,280	9,457	36,451	48,751
Dodge 600	500	823	474	1,886	7,986	21,224
Dynasty	2,300	0	2,239	9,245	46,976	0
Lancer	150	538	136	666	4,514	11,669
Diplomat	400	330	536	1,950	9,904	2,619
Total Dodge	12,350	7,385	13,270	50,771	221,572	181,096
CHRYSLER MOTORS	26,200	20,527	28,103	106,145	467,529	509,674
Escort	9,566	7,108	10,948	39,346	156,334	157,350
Mustang	4,240	3,544	4,224	16,772	89,856	92,423
Tempo	3,974	3,823	3,990	16,127	84,607	82,803
Taurus	8,410	6,381	8,779	34,709	170,098	186,742
Thunderbird	3,558	3,339	3,546	13,493	67,913	69,686
Total Ford Div.	29,748	24,195	31,487	120,447	568,808	589,004
Lynx	0	209	0	0	0	19,107
Topaz	1,526	1,474	1,512	5,932	31,494	26,810
Cougar	2,349	2,204	2,373	10,112	51,160	68,602
Sable	3,421	2,037	3,551	13,987	59,877	59,056
Total Mercury	7,296	5,924	7,436	30,031	142,531	173,575
Continental	937	315	1,104	4,117	19,363	7,843
Mark VII	473	490	550	2,043	10,774	11,728
Lincoln	2,822	2,426	3,304	12,318	62,278	58,714
Total Lincoln	4,232	3,231	4,958	18,478	92,415	78,285
Total L-M Division	11,528	9,155	12,394	48,509	234,946	251,860
FORD MOTOR CO.	41,276	33,350	43,881	168,956	803,754	840,864
Skyhawk	0	234	0	0	11,360	14,257
Skylark/Somerset	1,779	948	1,826	7,248	19,288	31,920
Century	3,702	2,948	3,344	13,436	43,495	80,138
Regal (rwd)	0	1,044	0	0	0	18,419
Riviera	128	171	154	556	2,921	7,280
Electra	2,097	1,873	2,532	9,531	36,177	43,905
LeSabre (fwd)	2,500	3,625	2,500	10,000	54,186	51,601
LeSabre (rwd)	260	50	330	1,140	4,179	4,904
Reatta	196	0	174	716	2,334	0
Total Buick	10,662	10,893	10,860	42,634	173,911	253,424
Cimmaron	0	130	0	170	3,695	6,651
Eldorado	1,006	415	1,219	4,396	17,799	7,860
Seville	601	371	718	2,610	11,150	10,334
Brougham (rwd)*	977	887	977	3,908	15,825	33,896
Deville (fwd)	3,540	2,122	3,511	14,148	77,651	70,045
Allante	65	103	0	169	1,034	1,528
Total Cadillac	6,189	4,028	6,425	25,401	127,155	130,314
Cavalier	7,286	7,174	8,690	32,016	147,604	156,717
Camaro	2,570	2,158	2,349	9,864	35,994	44,957
Celebrity	4,902	6,120	5,139	20,232	75,004	159,985
Corsica/Beretta	8,562	8,369	9,281	36,403	171,697	114,951
Monte Carlo	0	1,212	0	0	0	32,848
Caprice	3,960	1,431	4,534	16,720	82,264	90,040
Corvette	445	518	446	1,789	9,041	12,845
Total Chevrolet	27,725	26,977	30,433	117,014	521,604	612,343
Calais	3,021	3,031	2,980	11,959	48,625	53,309
Firenza	0	289	0	0	5,220	3,963
Cutlass Ciera	937	2,531	674	1,882	1,882	76,066
Cutlass Supreme	4,200	866	4,207	16,810	86,891	30,466
Toronado	405	361	481	1,767	7,863	7,714
88 (fwd)	3,419	3,309	3,994	15,428	71,000	85,757
88 (rwd)	212	343	276	984	5,451	8,111
Olds 98	1,592	781	1,609	6,414	35,565	32,064
Total Oldsmobile	13,786	11,491	14,201	55,244	264,487	301,048
Sunbird	2,274	1,997	2,483	9,651	45,629	49,564
Grand Am	5,280	4,178	6,262	23,147	103,962	109,091
Firebird	1,630	1,529	1,582	6,341	26,632	34,264
Grand Prix	3,557	0	3,418	14,373	50,950	0
Pontiac 6000	1,927	1,751	1,896	7,537	33,417	36,061
Bonneville	2,728	2,500	3,283	12,377	47,133	59,351
Safari/Parisienne	235	0	261	962	3,786	4,848
Fiero	486	949	487	1,980	8,685	15,089
Total Pontiac	18,119	12,904	19,672	76,368	320,194	308,268
GENERAL MOTORS	76,481	66,293	81,591	316,661	1,407,351	1,605,397
HONDA	7,500	5,176	7,314	30,126	155,169	137,814
Civic	2,400	2,413	2,240	8,806	40,899	44,542
Accord	5,100	2,763	5,074	21,320	114,270	93,272
MAZDA†	2,278	0	2,654	9,523	34,946	0
NISSAN	2,610	2,404	2,671	10,475	40,624	58,857
NUMMI	3,210	3,243	3,344	13,246	67,606	80,382
Corolla	1,210	896	1,209	4,829	24,863	16,444
Nova	2,060	2,545	2,135	8,417	42,743	63,938
VOLKSWAGEN	2,000	1,801	1,935	6,228	23,512	31,466
Golf/GTI	2,000	1,400	1,935	6,228	17,959	26,338
Jetta	0	201	0	0	5,553	5,150
Total Cars, U.S.	161,595	132,594	171,493	661,360	3,000,491	3,264,474
Total Cars, Canada	22,134	17,135	24,511	100,697	492,402	348,217
U.S., Canada Cars	183,729	149,729	196,004	762,057	3,492,893	3,612,691
U.S., Canada Cars and Trucks	285,385	233,271	305,468	1,189,070	5,671,303	5,543,397

Weekly estimates may contain error of one or two units due to rounding.
*—Estimate. †—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended May 28, 1988	Week Ended May 30, 1987	Week Ended May 21, 1988	May to Date	Jan. 1 to May 28, 1988	Jan. 1 to May 30, 1987
Eagle	0	—	0	0	0	—
Premier	1,320	—	1,650	6,354	30,571	—
CHRYSLER MOTORS	1,320	106	1,650	6,354	30,571	2,650
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	3,351	—	4,215	15,910	86,042	—
Topaz	939	—	1,201	4,931	28,943	—
Crown Victoria	2,261	—	2,789	10,781	58,368	—
Grand Marquis	2,299	—	2,851	10,911	57,966	—
FORD MOTOR CO.	8,850	11,001	11,056	42,533	231,319	224,706
Celebrity	565	—	804	2,728	8,739	—
Cutlass Ciera	6,155	—	6,211	26,711	113,554	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,260	—	1,014	5,120	22,126	—
Regal	3,040	—	2,780	13,254	69,067	—
GENERAL MOTORS	11,020	5,481	10,809	47,813	213,486	112,394
Civic	740	—	523	1,954	2,257	—
Accord	60	—	293	1,378	11,949	—
HONDA	800	322	816	3,332	14,206	4,057
VOLVO	144	225	180	665	2,820	4,410
Total Cars, Canada	22,134	17,135	24,511	100,697	492,402	348,217

U.S. TRUCK☆	Week Ended May 28, 1988	Week Ended May 30, 1987	Week Ended May 21, 1988	May to Date	Jan. 1 to May 28, 1988	Jan. 1 to May 30, 1987
Caravan	1,900	—	2,112	8,130	42,202	—
Dakota	2,200	—	2,229	8,489	50,044	—
Mini-Ram Van	300	—	374	1,334	6,620	—
Pickups	2,100	—	2,167	8,239	28,733	—
Total Dodge	6,500	5,454	6,882	26,192	127,599	108,271
Cherokee	3,800	—	4,357	16,255	76,119	—
Commanche	900	—	994	3,773	20,145	—
Grand Wagoneer	400	—	345	1,445	6,360	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	291	1,040	5,507	—
Total Jeep	5,300	3,336	5,967	22,513	113,331	91,273
Voyager	1,700	—	1,926	7,468	38,905	—
Total Plymouth	1,700	—	1,926	7,468	38,905	—
CHRYSLER MOTORS	13,500	8,792	14,795	56,173	279,835	199,544
Aerostar	4,500	—	4,517	17,810	93,751	—
Bronco	1,292	—	1,368	5,070	25,995	—
Bronco II	2,463	—	2,474	9,806	58,403	—
Econoline	5,162	—	5,183	20,643	105,695	—
Heavy trucks	1,381	—	1,703	6,056	28,951	—
Light trucks	10,432	—	11,658	44,024	217,628	—
Ranger	7,772	—	7,910	31,040	154,974	—
Total Ford Div.	33,002	26,364	34,750	134,451	685,395	640,409
FORD MOTOR CO.	33,002	26,364	34,750	134,451	685,395	640,409
Astro	3,176	—	3,649	13,480	72,450	—
Blazer	467	—	674	2,322	11,694	—
Mediums/Heavies	576	—	0	1,784	7,724	—
P-Model	798	—	197	3,150	16,398	—
Pickups	6,733	—	6,137	30,328	140,947	—
S-10	5,842	—	7,073	25,958	122,009	—
S-10 Blazer	3,562	—	2,493	15,799	68,948	—
Sportsvan/Van	1,862	—	2,301	8,632	35,561	—
Suburban	1,427	—	1,748	8,585	31,127	—
Total Chevrolet	24,563	18,453	28,736	108,019	506,859	470,002
Jimmy	187	—	175	712	3,821	—
Mediums/Heavies	559	—	0	2,003	17,149	—
P-Model	250	—	249	880	2,353	—
Pickups	1,947	—	2,479	8,178	44,027	—
S-15	1,283	—	1,408	4,883	26,539	—
S-15 Jimmy	1,268	—	1,014	4,208	18,453	—
Safari	772	—	932	3,366	18,617	—
Suburban	600	—	736	2,537	14,827	—
Vandura/Rally Vans	610	—	579	2,244	15,849	—
Total GMC	7,456	6,509	7,572	29,009	163,435	159,374
GENERAL MOTORS	32,019	24,962	36,308	137,027	670,294	629,376
NAVISTAR	1,950	1,328	1,954	7,530	37,213	31,686
NISSAN	1,670	1,420	1,699	6,683	48,473	35,122
AM GENERAL*	450	450	450	1,800	9,360	4,200
MISCELLANEOUS*	2,300	2,300	2,300	9,200	47,840	46,000
Total Trucks, U.S.	84,891	65,616	92,256	352,864	1,778,410	1,586,337

CANADIAN TRUCK	Week Ended May 28, 1988	Week Ended May 30, 1987	Week Ended May 21, 1988	May to Date	Jan. 1 to May 28, 1988	Jan. 1 to May 30, 1987
Caravan	2,620	—	2,598	11,382	62,582	—
Mini-Ram Van	275	—	292	1,256	6,066	—
Ram Wagon	432	—	571	2,097	10,339	—
Ram Van	1,208	—	1,493	5,687	26,513	—
Total Dodge	4,535	8,410	4,954	20,422	105,500	174,428
Voyager	2,225	—	2,347	10,087	57,418	—
Total Plymouth	2,225	—	2,347	10,087	57,418	—
Wrangler	806	—	1,018	3,798	21,224	—
Total Jeep	806	725	1,018	3,798	21,224	13,689
CHRYSLER MOTORS	7,566	9,135	8,319	34,307	184,142	188,117
FORD MTR. (lt. trks.)	2,886	3,418	3,676	13,774	74,288	66,228
Light trucks	3,047	—	1,973	11,742	65,288	—
Vans	1,215	—	1,018	4,906	25,449	—
Total Chevrolet	4,262	—	2,991	16,648	90,737	—
Light trucks	1,273	—	1,452	6,042	32,060	—
Vans	540	—	543	2,474	14,288	—
Total GMC	1,813	—	1,995	8,516	46,348	—
GENERAL MOTORS	6,075	5,157	4,986	25,164	137,085	86,000
NAVISTAR	216	216	247	904	4,580	4,024
Total Trks., Canada	16,745	17,926	17,228	74,149	400,095	344,369
U.S., Canada Trks.	101,636	83,542	109,484	427,013	2,178,505	1,930,706

—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-contract vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Weekly estimates may contain error of one or two units due to rounding.

6/9/88 C 2700-1

Automotive News

June 6, 1988

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IACOCCA, BOOK II

Chrysler chairman says he considered plan to take over GM with Allied-Signal

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Corp. Chairman Lee Iacocca last week disclosed that in 1987 he considered a hostile takeover of General Motors with Allied-Signal Chairman Edward Hennessy Jr. and that he overruled Chrysler's top management by ordering the acquisition of American Motors.

In "Talking Straight," a sequel to his autobiography, Iacocca said he abandoned a possible GM takeover because of antitrust and financing considerations for the $40 billion venture.

In the book, published last week, Iacocca also said that a majority of Chrysler's top management opposed the 1987 acquisition of AMC but were overruled by the chairman.

"I made a speech in which I said, 'You guys are getting too old to be in this business. You're getting soft and maybe a little fat in the head too,'" Iacocca wrote. "I heard everybody out and then I overruled them and told them that we were going ahead."

However, Iacocca also writes that his vision of creating a worldwide empire to rival GM has diminished.

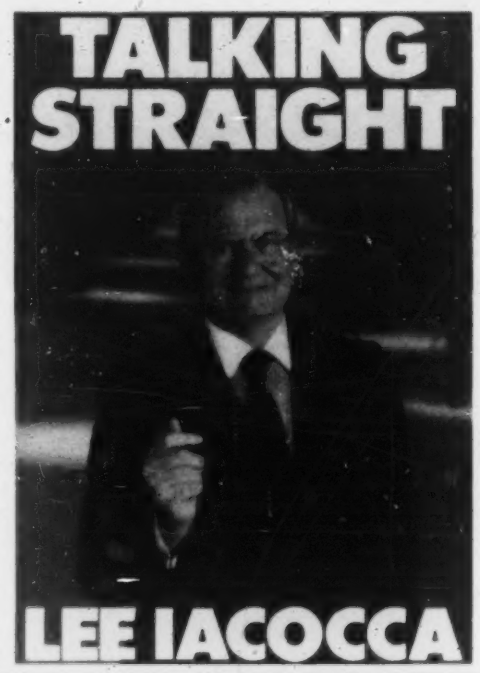
"My latest vision of Global Motors is smaller than it was a few years ago. I no longer have this burning desire to put together a company that would be bigger than General Motors," Iacocca said.

Nonetheless, he details a series of meetings last year during which he explored a possible hostile bid for GM.

Iacocca said a takeover was first raised in a meeting with megadealer Victor Potamkin, who holds both GM and Chrysler franchises.

"When I met with him, he told me that the GM dealers were on the war path and didn't think that the company had a game plan,

see BOOK, page 86



Presidents bullish for rest of '88

15 million sales expected for year

Confident that the ill effects of last October's stock market collapse have faded, officials of the U.S. Big 3 auto companies look for continued strong car and truck sales in 1988.

Their estimates of industry new-vehicle deliveries for the calendar year range from 15.0 million units to 15.5 million. That compares with 15.2 million sales in 1987.

The sales outlooks and other observations on their companies and the industry are highlighted in this week's Presidents Extra, a special Automotive News section featuring Robert C. Stempel, president, General Motors; Philip E. Benton Jr., president, Ford automotive group; Bennett E. Bidwell, president — product and marketing, Chrysler Motors; and Richard G. LeFauve, president, Saturn Corp.

Benton estimated new-car and truck sales in the United States this year will range between 15 million and 15.5 million units. He said, "I think 15.3 is the most popular figure now."

In assessing the continued strength of the market, particularly in light of last October's Wall Street collapse, Benton said, "We never did back off our 15 million forecast. ... We adopted a philosophy that Oct. 19 didn't necessarily change the psychology of the automotive marketplace.

"It changed wealth. But in terms of income, people hadn't baked that additional wealth — which had been accumulating in the very strong stock market for a couple of years — into their thinking."

Bidwell, noting that Chrysler has revised its industry sales forecast upward for the year, said, "Internally, we're looking today at a 10.1 million industry car level and fractionally over 5.0 million trucks. That would contrast with about 9.5 million and 4.5 million that we were looking at as we exited calendar 1987.

"That's a fairly healthy up. Included in that 10.1 million car level is a slight downward stair-step in the last half of the year toward rates of 9.8-9.6 million — but still a pretty healthy calendar year.

Stempel, who became president of GM a month before the stock market crash last fall, said, "I think we'll hold with our forecast (of 15.0 million units). It's about right when you look at the increase in domestics and the decline in imports; we think that's about a trade as far as the industry figure goes."

The GM president said, "The stock market had an impact on the people who deal in it and the peo-

see PRESIDENTS, page 46

Transplant wages, benefits are similar

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

With Mazda Manufacturing (USA) workers voting in March to join the UAW, the score stands even. Of the four Japanese transplant auto facilities building production vehicles in the United States, two are unionized and two are not.

How does the lot of auto workers in the unionized transplants — Mazda and New United Motor Manufacturing Inc. — compare to that of workers at Honda of America and Nissan Motor Manufacturing, which the UAW has failed to organize?

The answers to that question are tentative, largely because local unions that represent workers at Japanese transplant operations are unlike the unions in traditional plants.

It is not clear in what direction the fledgling transplant locals will evolve — toward more cooperation, or toward increasing resistance to the rigorous demands made by Japanese management on the auto worker.

Job security — the all-important concern for today's American auto worker — is basically the same at all the transplants, whose managements have committed themselves to a no-layoff policy. The difference is, NUMMI and Mazda workers have it in writing.

Though job security provisions aren't ironclad, so far, despite production cuts at NUMMI, no one has been laid off. There have been no layoffs at the other three transplants either.

Honda and Nissan have raised wages regularly, and workers there can reasonably expect that their wages will continue to increase. But again, workers at NUMMI and Mazda have guarantees of wage increases in writing.

The jury is still out, however, on whether work rules and working conditions are better in unionized transplants than at Honda and Nissan.

Reports indicate that local unions at NUMMI and Mazda, by focusing on non-adversarial relations, are not programmed to dig in and resist the ever-increasing demands made of transplant workers in the name of kaizen, or con-

see TRANSPLANT, page 84

Car-loan program for high-risk buyers draws dealer fire

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

A new car-loan scheme for high-risk buyers seems to be making money for the California lenders who conceived it, but some dealers using one of these companies, International Dealer Financial Corp., claim they have not been paid for sold cars on approved contracts.

This latest retail financing system involves the purchase of marginally risky retail paper by investors who then charge the highest allowable annual percentage rates — frequently more than 21 percent — add unneeded, high-profit items to base vehicles and take the cash profit up front as a buffer against eventual defaults and delinquencies.

This packaging seems to have originated in California, where as many as a half dozen finance companies are now offering retail finance programs that purport to finance the otherwise unfinanecable car buyer.

Dealers are being enticed to pay as much as $9,800 up front to enroll in these programs by the promise of quick up-front profits on vehicles sold or leased to

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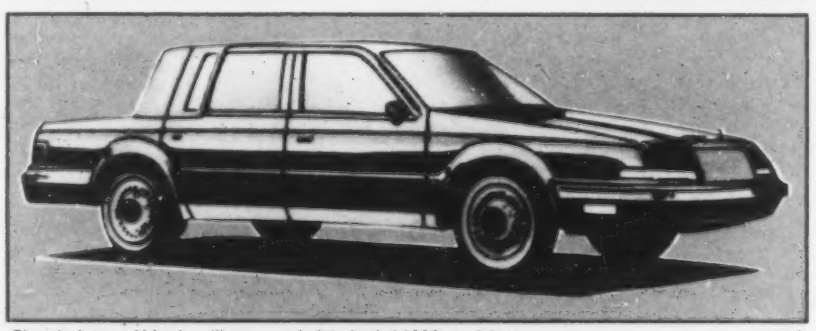

Chrysler's new Y-body will go on sale late in the 1989 model year LANCE

CHRYSLER '89: *New engines, Y-body flagship*

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Chrysler Motors will introduce several upgraded engines in the 1989 model year, including a more powerful V-6 imported from Mitsubishi that will be mounted in the Chrysler TC by Maserati and the new Y-body luxury sedans debuting late in the model year.

A Chrysler Motors engineering report previewing the 1989 passenger-car lineup indicates that the upgraded Mitsubishi V-6 will be available with Chrysler's first electronic four-speed automatic transaxle in several models.

They include the TC coupe, the Y-body Chrysler Fifth Avenue and Imperial, the Chrysler New Yorker and New Yorker Landau, Dodge Dynasty, Dodge Spirit, Ply-

see CHRYSLER, page 86

VW charts cost cut; $760 million is target — Page 2
Mazda to combine U.S. sales networks — Page 3
Strike spoils Hyundai Sonata launch — Page 6

8 EDS executives quit GM to join Perot in new firm

By Charles M. Thomas and Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTERS

Eight high-ranking executives with General Motors' Electronic Data Systems Corp. resigned last week to join their former leader, H. Ross Perot, in launching a computer software and service company whose first customer is the U.S. Postal Service.

Stephen McClellan, analyst with Merrill Lynch, said the impact on EDS and GM should be minimal unless more executives leave the company to join Perot.

"It does heighten the uncertainty if more people leave, and that could lead to management questions about the company," he said.

Six of the eight executives are from EDS' Government Systems Group in Bethesda, Md., where much of EDS' most recent non-automotive "megacontracts" have originated, he said.

Loss of strategic employees from non-automotive areas could pose a problem for EDS, which has said it wants to rely less on GM. Its automaker parent now accounts for 60 percent of EDS revenue. EDS hopes to reduce its GM business to less than 50 percent.

McLellan described the executives as "some very solid, impressive upper management."

"These are eight of the top 30 management people in the company," he said, adding that they were the company's "producers who are out on the firing line running the divisions."

He said the departures of John King, vice president and general manager of all EDS federal business, and Pat Horner, president of EDS's government marketing division, are the two biggest losses because of the megacontracts they brought to EDS.

"The potential threat now is that Perot is up and running," McClellan said.

Others leaving EDS are Don Drobny, president of EDS Communications Corp.; Bruce Heath, corporate vice president responsible for GM truck and bus group; Desoto Jordan, vice president — government affairs group; Ross Reeves, corporate vice president — information processing services division; Meryl Smith, vice president, administration and finance, government systems group; and Gary Wright, president — government technology division.

Perot: "Up and running" WILLIAM COUPON

GM's Class E stock took a drubbing in the market after the announcement Thursday, closing at $39.88 — $2.75 lower than on Wednesday.

However, Tim Traff, investment analyst with Milwaukee-based Sit Investment Associates, said the stock's weakness would be short-term.

Perot, who sold EDS to GM in 1984, became a member of the automaker's board of directors only to be ousted in a buyout two years later. He was restricted from forming a new company until Jan. 1 under terms of the buyout agreement with GM.

The agreement also forbade the Texas entrepreneur, who started EDS in the early 1960s, from recruiting EDS employees until June 1.

Perot sidestepped questions at a press conference on whether there would be an executive exodus from EDS, saying, "When people call, we don't hang up on them — we are very polite."

Perot said the departure of the eight executives will not cripple EDS's operations.

"EDS has not been beheaded," he said. "They don't even have a cut on their finger. EDS is so big and we are so small that I can't begin to tell the depth of talent they have in that company."

The new company, called Perot Systems Corp., will not compete with EDS, Perot said. It will be a nonprofit corporation because of restrictions in the buyout agreement. But in January 1989, he can form a profit-making company to compete with EDS.

EDS has $4.4 billion in revenues annually. By comparison, Perot said that he wants to have $100 million in net income for his company within 10 years.

When asked to explain why he felt he could make a difference at the Postal Service when he was unable to change the corporate culture at GM, he said: "You can't help people that don't want help. The Postal Service wants help."

Mazda to combine U.S. sales networks

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

IRVINE, Calif. — Mazda will reorganize its North American operations, perhaps as early as this month, to combine its U.S. sales arms, reduce duplicated effort and coordinate marketing activities.

The major part of the move will be the consolidation of the two sales networks, Mazda Motors of America (Central) and Mazda Motors of America (East), Jacksonville, Fla., into a single unit, expected to be based here, where Mazda Central and Mazda (North America) Inc. are already headquartered.

U.S. Mazda officials have been tight-lipped about reorganization for months, including those who have in the past openly advocated combining the sales arms, such as Rod Hayden, senior vice president and general manager of Mazda Central (Automotive News, July 27, 1987).

Both Hayden and James Trado, his counterpart at Mazda East, were traveling last week and were unavailable for comment.

But Kenichi Yamamoto, chairman of Mazda Motor Corp., the Japanese parent company, confirmed that a reorganization is under review during an informal conversation at the recent dedication of Mazda's new U.S. research and development center in Irvine.

"The issue of consolidation is a study item, but we have not reached a conclusion yet," Yamamoto said.

However, Yamamoto said Mazda is not considering combining U.S. manufacturing, sales and research and development functions under a single organization.

So far among Japanese automakers, only Honda has placed a single executive in charge of all U.S. operations. Other Japanese companies keep manufacturing, sales and r&d separate, and they usually report to different managers in Japan.

Insiders originally expected the sales consolidation to take place as early as April, but it has been held up by several factors. They include negotiations with the Japanese trading companies that are minority partners in the sales arms, selecting executives and the reluctance of personnel based in northern Florida to relocate to Orange County, Calif., where the median price of a single-family home exceeds $200,000.

One key position for a centralized Mazda sales organization was filled last week after a six-month search. Janet Thompson left Toyota Motor Sales, where she had been vice president of advertising for Lexus Division and considered a rising star, to join Mazda Central as vice president — advertising, a new post.

Combining the sales operations would ease the task of national advertising agency Foote Cone & Belding, Santa Ana, Calif., which has had to serve two masters.

Pending consolidation, key marketing decisions have been deferred, including the media plan for 1989-model-year advertising, which most other automakers completed by mid-April.

Consolidation also will help Mazda deal with increasing production at the Flat Rock, Mich., assembly plant, which produces cars for both Mazda and Ford Motor Co. With the increase in product availability, the number of Mazda dealers has risen to 812 from 703 earlier this year.

Mazda Central, which covers 31 Western and Central states, currently has 545 dealers. Mazda East, which includes 19 Eastern states (Hawaii is handled by independent distributor Shelly Motors), has 267 dealers.

The separate sales arms are a holdover from Mazda's financial difficulties in the mid-1970s, when reliance on the then-thirsty rotary engine and the first Arab oil embargo pushed Mazda to the edge of insolvency.

Two separate Japanese Shoji (trading companies) took minority equity positions in Mazda's U.S. sales firms. C. Itoh & Co. Ltd. is affiliated with Mazda Central, while Sumitomo Corp. owns part of Mazda East.

Mazda has been rapidly increasing its U.S. presence, which is reflected in improving sales and deepening ties to Ford Motor Co. Ford owns 25 percent of Mazda.

In addition to the Flat Rock assembly plant, Mazda also has opened a r&d center in Southern California and a separate r&d subsidiary in Ann Arbor, Mich.

MacGuidwin named Crain vice president

MacGuidwin

DETROIT — M. Reid MacGuidwin, Automotive News director of marketing, has been named a vice president of Crain Communications Inc., which publishes Automotive News and 25 other business and special-interest newspapers and magazines.

MacGuidwin, 62, joined Automotive News on Jan. 1, 1972, as an advertising sales representative for Michigan. Later that year, he was promoted to marketing manager and then to director of marketing with responsibility for advertising sales.

Before joining Crain, he was Detroit regional sales manager for Chilton's Automotive Industries magazine; a sales engineer and district manager for Cahners Publishing Co.'s Design News magazine and McGraw Hill's Chemical Week magazine.

Also promoted last week to Crain Communications vice president were Robert S. Simmons, publisher of Rubber and Plastics News, and William T. Bisson Jr., publisher of Pensions and Investment Age.

INDEX

Around the world	50-52
Auction dates	71
Classifieds	72-80
Coming events	24
Dealing with dealers	62
Extra section	E1
Legal briefs	58-59
News briefs	8
Obituaries	85
Opinion	10
Personnel	60-61
Production	87
Service management	14
Truck industry	16-18

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3 Ford executives to address World Congress

DETROIT — Three Ford Motor Co. executives have joined the faculty of the 13th annual Automotive News World Congress, which will be held at the Westin Hotel, July 17-20.

They are: Joseph A. Kordick, vice president and general manager of Ford parts and service division, North American automotive operations; Michael Kranefuss, director of special vehicle operations; and Stephen R. Roberts, director of supply policy and planning.

Kordick joined the company in 1954 with the finance staff's general accounting department. After a number of managerial positions with Ford Division's parts and service office, and later with the executive office of the car and truck group, he was appointed supply and distribution manager for the former Ford parts division in 1971.

In 1973, Kordick was named service programs manager for the former Ford customer service division, and was promoted to parts and service programs manager of the newly combined Ford parts and service division in 1974.

In 1977, Kordick was named general manager of Ford glass division, and in 1981 became executive director of NAAO marketing.

From September 1983 to October 1984, he was chairman of Ford Direct Markets Inc., Ford international automotive operations. He became general manager of the Ford parts and service division in 1985 and was elected a corporate vice president in 1987.

Kranefuss, head of Ford special vehicle operations since 1980, broke into motorsports in 1966 as manager of the planned Sauerland Ring racing circuit project in the eastern part of North Rhine-Westphalia, Germany.

He drove professionally for six years in international road racing events.

In 1968, he joined Ford of Germany as assistant manager of a newly formed competitions department. In 1972, he was appointed the department's motorsport manager.

He was Ford of Europe's motorsport director from 1976 until assuming his present post.

As director of supply and policy planning for Ford Motor Co., Roberts is responsible for coordinating the policies and practices for worldwide purchasing and supply operations.

He also oversees Ford's relationship with supplier firms around the world.

Roberts joined Ford in 1964 as a purchasing coordinator in the purchasing management training program.

In 1984, following a number of purchasing supervisory and managerial assignments in North America and Europe, he was named procurement manager for NAAO, heading the buying of all chassis and electronic parts for Ford's North American vehicles.

He was named to his present post in 1985.

Roberts will address the World Congress on Monday, July 18, at 11:15 a.m. Kordick and Kranefuss will speak on Tuesday, July 19, at 9 a.m. and 2:50 p.m., respectively.

General Motors President Robert C. Stempel will open the World Congress with a State of the Industry keynote address on Sunday, July 17, at 7:45 p.m.

Co-keynoter Dieter Spethmann, chairman of the executive board of Thyssen AG of West Germany, will deliver the State of the Supplier Industry address at 8:30 p.m.

For further information, write Automotive News World Congress, 1400 Woodbridge, Detroit, MI 48207 or telephone 313-446-6047. The cable address is TWX 810-221-5122 AUTNEW DET.

Aftermarket first as solar cells seek auto role

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

The aftermarket is providing one of the first opportunities for the auto industry to experiment with solar technology.

Solar cells may provide an opportunity for auto manufacturers to deal with the loads modern automotive electronics place on vehicle electrical systems. They may also provide an answer to the high interior heat generated under the ever-larger glass area in modern automobiles.

Although solar cells typically do not provide high power output, they can be used to slowly charge or maintain a battery in an idle car. They may also provide enough power to operate interior cooling fans in automobiles.

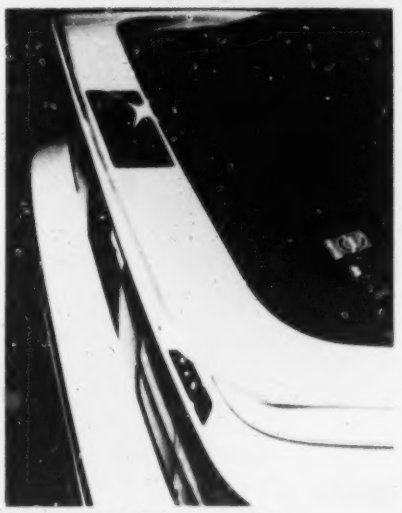
Daryl Sitar, a project engineer for Delco Remy Division of General Motors, said, "In my opinion, there is a good potential for automotive solar cells.

"The problem right now is the initial cost. But in the next year or so, you should see some type of applications for battery maintenance or trickle charging. If not for the primary battery, then for a secondary unit like a flashlight. . . . We at GM, as well as people at other companies, are looking at this technology, if not for original equipment, then for the aftermarket."

ARCO Solar, a manufacturer of solar cells, hopes to influence the automotive aftermarket and then original-equipment manufacturers to use its products. The firm, which is a subsidiary of Atlantic Richfield Co., has established an office in the Detroit area to work with auto companies and develop automotive products for its solar technology.

ARCO's photovoltaic products include a coating that generates electricity from sunlight and can be applied in a thin film to glass. Although not as efficient as certain other photovoltaic materials, it is less expensive.

Peter A. DeNapoli, ARCO Solar sales manager, specialty engineered products, said, "Our biggest projects are in the aftermarket. We want to get that in place so we can demonstrate to the original-equipment manufacturer that the technology is viable and salable. They know that the stuff works. Now they want to see if we can sell it. Is it priced right?"


Solar panel installed in rear spoiler

Solar cells are now being sold as aftermarket battery chargers or maintaining devices, DeNapoli said. Also in the prototype stage are applications that would use the sun's energy to cool the interior of a parked car.

"The car companies are looking at ways to increase the capacity of the battery so they can have on-line computer memories and electrical loads (when the engine is not running). They also want to downsize the battery to reduce weight," DeNapoli said.

Clocks, anti-theft devices and computer memories place electrical loads on car batteries that can deplete their power in as little as two weeks when a car sits idle, Sitar said.

Solar cells offer a solution to the problem of "parasitic" electrical loads, but the cost, efficiency and packaging of the panels must be improved somewhat to be viable in a production application, he indicated.

Solar panels that rest on the instrument panel of a car and are used to maintain the battery are available from ARCO and other companies. They generally range in price from $15 to $50.

Mini Tune in Petaluma, Calif., is another company that is developing an aftermarket application for solar cells. The company is developing a mobile battery cart that is recharged by a solar panel. The solar panel is said to allow more jump starts before the cart batteries must be recharged and also is said to extend the life of the batteries.

ARCO also has plans, working with outside companies, to design solar cell systems that fit into the design of an automobile.

"One of the problems with photovoltaics is determining where to put them. How do you integrate them into the car so that it looks nice?" DeNapoli said.

One solution, he said, has been to install a solar panel in a rear spoiler. He said that Pacific Auto Accessories of Huntington Beach, Calif., a large installer of aftermarket sunroofs and automotive appearance items, recently delivered more than 200 Oldsmobile Cutlass Calais models equipped with spoilers/ARCO solar panels to dealers in Oregon and Washington.

The Calais spoiler keeps the car battery charged when the car is parked and also charges a flashlight and portable radio. The package, which included other aerodynamic styling aids, was sponsored by the dealer advertising associations in Portland, Ore.; Eugene, Ore.; and Seattle dealer advertising associations, according to Pacific.

ARCO has also designed a prototype sunroof that is tinted with its photovoltaic material. The prototype sunroof is designed to operate a car's blower and cool the interior of the vehicle, especially when the car is parked on a warm, sunny day.

"Our goal is to have it ready for February 1989 with a limited production run for a vehicle with Pacific," DeNapoli said.

"We're developing a package that will tap into the existing blower in the car," he said.

The target price of the system is $500 installed, compared with about $200 for a standard tinted sunroof.

"Today's cars and tomorrow's cars have so much more glazing area that there is an incredible greenhouse effect," DeNapoli said.

"There is so much overheating in the vehicle that the material on the dash and the fabrics in the cars degrade more quickly because of the high temperatures when the car is parked. . . . Also, when the customer gets into a car with a solar sunroof, he won't be assaulted with a furnace."

However, an engineer at a Big 3 auto company was less enthusiastic about the use of photovoltaics to cool car interiors. The standard car blower fan typically requires 50 watts of power to operate on a low setting, while a four-square-foot photovoltaic sunroof will produce only about half that power, he noted.

The engineer said, "The auto companies are interested in photovoltaics, but the solar panel manufacturers have to be more flexible. They have to be more willing to work with the styling personnel from the start of a new project.

"If they could develop, for example, a $5 to $10 trickle charger that would be contoured to fit where no one sees it, it would be a much easier sell than a $500 item with limited use that would sell to the consumer for $1,000."

If the solar cell manufacturers were able to get a product into a mass-produced automobile, they might be able to reduce production costs, the engineer said. He estimated that most photovoltaic devices now sell for $4 to $5 per watt. If the price could be reduced to $1 per watt, the spin-off applications, both in automotive and other industries, would be tremendous, he said.

Shop business climbs 7% for first quarter

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

Service and parts volume at new-car dealerships rose substantially during the first quarter of 1988.

Volume was 107.2 percent of service business in the year-earlier period, according to the Automotive News Service Index.

In February 1988, shop volume at new-car dealerships was 9.6 percent above the year-ago month.

Shop business during March was up 7.4 percent last year's.

March was the fifth straight month in which service business exceeded the year-earlier volume.

A Rocky Mountain state Chevrolet dealer said, "We had a good February, which can be attributed to weather conditions. We also placed more emphasis on increased sales per repair order."

In March, he said, sales climbed above the March 1987 level, while repair orders remained even.

An Eastern Chevrolet dealer said new-car financing and rebate programs have increased his customer base. As a result, service business rose in February and March.

A Midwestern Ford dealer attributed his store's strong February and March showing to increased advertising and staffing.

An Eastern Ford dealer said additional repair orders and increased productivity paid off.

SERVICE INDEX 109.6*

	Feb., '88 vs. Feb., '87	2 mos., '88 vs. 2 mos., '87
Gross Profit on All Labor and P&A Sales	+9.4%	+9.3%
Repair Orders Written	+6.6%	+2.9%
Total Labor Sales (Customer & Warranty)	+13.2%	+7.6%
Shop Parts Sales (Customer & Warranty)	+9.9%	+7.8%
Sales of All P&A	+9.0%	+7.3%

* Survey by Automotive News shows that dealers' service and parts business in February 1988 was 109.6 percent of business in February 1987. Service business in the first 2 months of 1988 was 107.8 percent of business in the corresponding period in 1987.

SERVICE INDEX 107.4*

	March, '88 vs. March, '87	3 mos., '88 vs. 3 mos., '87
Gross Profit on All Labor and P&A Sales	+8.7%	+8.4%
Repair Orders Written	+4.1%	+3.3%
Total Labor Sales (Customer & Warranty)	+13.0%	+9.2%
Shop Parts Sales (Customer & Warranty)	+11.3%	+9.2%
Sales of All P&A	+11.8%	+8.8%

* Survey by Automotive News shows that dealers' service and parts business in March 1988 was 107.4 percent of business in March 1987. Service business in the first 3 months of 1988 was 107.2 percent of business in the corresponding period in 1987.

A West Coast Cadillac dealer said his body shop business improved in February, while parts volume was up in March.

All service volume indicators during February and March were positive.

Total labor sales (customer-paid and warranty) led the list in February, up 13.2 percent over February 1987. In March, sales of all parts and accessories were the top indicator, with a gain of 11.8 percent.

Shop parts sales (customer-paid and warranty) climbed 9.9 percent above the year-earlier-month in February and were up 11.3 percent in March; gross profit on all labor, parts and accessories rose 9.4 percent in February and 6.7 percent in March; parts and accessories sales increased 9.0 percent in February and 11.8 percent in March; total labor sales climbed improved 13.2 percent in February and 3 percent in March; and; repair orders written were up 6.6 percent in February and 4.1 percent in March.

Parts and accessories sales to off-premises customers were up 8.4 percent in February, compared with the year-earlier month. In March, those sales climbed 12.1 percent.

Shop parts sales led service volume indicators during the first quarter of 1988, up 9.2 percent over the year-earlier period.

Parts and accessories sales climbed 8.8 percent in the first quarter; gross profit on all labor, parts and accessories rose 8.4 percent; total labor sales were up 6.2 percent; and repair orders written increased 3.3 percent.

Parts and accessories sales to off-premises customers climbed 8.7 percent in the first quarter of 1988.

Don't let Rolls sit idle

Seldom-driven cars may need service

By Julie Whitmore
SPECIAL CORRESPONDENT

NORTHBROOK, Ill. — When Rolls-Royce and Bentley automobiles break, it is often because they are not driven enough.

Routine service needs are often overlooked because the ultra-expensive luxury cars are generally driven very little, Finlay Macdonald, Midwest zone service manager for Rolls-Royce, said at a service clinic at Steve Foley Cadillac/Rolls-Royce here.

About 40 of the 600 Rolls and Bentley owners in the Chicago area took advantage of Rolls-Royce Motor Cars' offer to have a technician from U.S. headquarters in Lyndhurst, N.J., evaluate the condition of their cars.

Rolls-Royce conducts the clinics every year or two at various dealerships around the country.

It's not unusual to find a 1980 model with less than 2,000 miles on the odometer, Macdonald said. In fact, one of the cars brought to the clinic was a 1963 Rolls with only 30,000 miles.

"Some malfunctions are due to maintenance neglect and others to real wear. There are no generalizations," Macdonald said.

The cars are durable. Eighty-five percent of all the Rolls-Royce and Bentley cars manufactured since the company started production in 1904 are still on the road, according to W.G. McClendon, Midwest zone sales and service manager.

"On these cars, unlike Cadillacs, there is no such thing as an acceptable tolerance. Everything fits perfectly," said Tom Nutting, one of Steve Foley's certified Rolls mechanics.

Nutting worked on Cadillacs for 17 years at Foley before being selected for special Rolls training. The minimum training period is four days each year, with special updates for new models.

While wages are set by individual dealers, Rolls mechanics are always provided some differential so they can spend more time on each car, Macdonald said.

"We like our mechanics to take their time," he said.

Dealers also try to have the same mechanic work on a car each time it is serviced.

Quality control is what Nutting appreciates most about working on the luxury cars, which start at $99,500. For that amount, Rolls and Bentley customers expect, and receive, high levels of personal service.

For example, while every dealer is required to carry a full parts inventory, the company has a special arrangement with Federal Express in the event that a needed part is not available.

Overnight service from the main warehouse in Lyndhurst, N.J., is provided at no extra cost as is second-day air service from the manufacturer in Crewe, Chesire, England.

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AROUND THE WORLD

'88 output up 41% in S. Korea

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — Strong export demand helped boost Korea's vehicle production 41.8 percent during the first quarter.

The industry produced 276,478 units, compared with 195,032 in the year-earlier period. Passenger cars accounted for the bulk of production.

In volume terms, Hyundai Motor Co. led with 153,649 units; Daewoo Motor Co. Ltd. had 32,934; and Kia Motors Corp. trailed with 31,525.

However, in terms of sheer growth, Kia's figures showed the greatest year-to-year improvement, as the company nearly tripled its output compared with the same period last year.

Kia produces the Festiva for Ford dealers in the United States, while Daewoo builds LeMans models for Pontiac.

Bus production reached 18,296 units, almost 40 percent better than the comparable period last year. Kia Motors and its fully owned subsidiary Asia Motors accounted for about two-thirds of total bus production with Kia building 9,376 units and Asia rolling out 2,700 units. Hyundai Motor production reached 5,145 units.

Truck production increased 18.5 percent, reaching 36,716 units in the first quarter.

During the period, 152,143 vehicles were exported including 148,164 cars, 578 buses, 3,204 trucks and 197 utility vehicles.

The quarterly performance reveals that the Korean car industry has not yet reached full manufacturing capacity. Korea's four auto manufacturers have a rated manufacturing capacity of 1.4 million units annually. At the current pace, the industry will turn out about 1.1 million vehicles.

Soon-to-be-released new models are expected to further boost domestic and overseas sales. Hyundai Motor's much-awaited Y2, a 2-liter front-wheel-drive compact, is due for launch this month.

Ssangyong Motor's X-car, an upscale four-wheel-drive station wagon, is scheduled to debut in the fall.

KOREAN VEHICLE PRODUCTION FOR MARCH AND FIRST QUARTER OF 1988

Maker	1988 March	1988 Total Jan.-March	1987 Total Jan.-March
Passenger Cars			
Kia Motors	12,919	31,525	10,813
Daewoo Motor	14,434	32,934	19,317
Hyundai Motor	53,338	153,649	118,175
Subtotal	80,691	218,108	148,305
Jeeps			
Ssangyong Motor	803	1,425	541
Buses			
Kia Motors	3,838	9,376	6,729
Daewoo Motor	447	1,034	919
Hyundai Motor	1,910	5,145	4,351
Ssangyong Motor	17	41	26
Asia Motors	1,043	2,700	1,086
Subtotal	7,255	18,296	13,111
Trucks			
Kia Motors	7,296	20,209	15,307
Daewoo Motor	1,010	2,879	1,641
Ssangyong Motor	–	–	–
Hyundai Motor	5,154	12,605	10,853
Asia Motors	687	1,023	179
Subtotal	14,149	36,716	30,980
Specialty Vehicles			
Kia Motors	305	630	558
Daewoo Motor	81	160	154
Hyundai Motor	248	638	792
Ssangyong Motor	84	305	470
Daewoo Heavy Ind.	44	69	34
Jindo Co.	59	113	87
Subtotal	819	1,933	2,095
Total	103,517	276,478	195,032

SOURCE: Korea Auto Industries Cooperative Association

U.S. parts show in Korea praised

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — Although smaller than the inaugural show, the second annual U.S. Auto Parts, Components and Equipment Exhibition held here last month was by virtually all accounts a better event.

Only 22 firms participated, compared with 60 last year. The event is promoted as helping to reduce the U.S.-Korea trade imbalance.

According to Wanda Ale, acting director of the U.S. Trade Center in Seoul, this year's show drew about 1,500 visitors, about half as many as last year's.

Despite that decline, participants expressed pleasure with the level of organization and preparation and with the importance of the people visiting the booths. Many of the casual visitors who flocked to last year's show stayed away this time, which explains the lower attendance.

"I could meet two dozen key people in two days that normally would have taken three months to pin down," said Suk Yung Yoon, an exporter representing U.S. oil seal maker CR Industries of Elgin, Ill. "Whether I made a sale here or not, for me, the show was a money saver and a time saver."

"I've accomplished more than last year. Being new last year, (CR Industries) didn't know what to do, but this year we've targeted our objectives. . . . I met the right people on the first day and I've got a clear picture of the Korean market now," said Yoon.

For others, the show was an excellent opportunity to tap the brains of customers, gossip and get a better fix on the competition.

Prominent names new to the show were Sheller-Globe Corp., Kelsey-Hayes Co., GTE Products Control Devices, Delco Remy, Dow Chemical Co. and FMC Corp.

Among the companies participating in the show for the second time were Borg-Warner Automotive, Masco Industries, Motorola automotive and industrial electronics group, Gates Rubber Co. and Wolverine Gasket Co.

Waiting for the payoff in the Korean market takes patience, according to Robert Chiu, Asia/Pacific marketing manager for Motorola automotive and industrial electronics group, and Sidney Jeffe, a vice president of Sheller-Globe.

The show was co-sponsored by the U.S. Embassy in Seoul, the U.S. Department of Commerce and several Korean agencies including the Korea Auto Industries Co-op Association and the Federation of Korean Industries.

New Ford Escort ready for Argentina

By Cristina Bonasegna
SPECIAL CORRESPONDENT

BUENOS AIRES, Argentina — Ford Motor Argentina will introduce the 1.5-liter Escort here in early June.

The company is part of Autolatina, the Ford-Volkswagen combine in Argentina and Brazil. It expects to produce 12,000 units a year.

Ford's passenger-car production in 1987 was 19,243 units while Argentina's overall car output for the year was 158,743.

A Ford spokesman said the Escort launch involves a $7.2 million investment at its General Pacheco plant here. He said 140 local suppliers for the Escort have invested another $3 million.

The four-cylinder engine used in the new Escort is imported from Brazil. The spokesman declined to estimate how much of the new car is imported, but said the percentage was "not above limits imposed by current laws." Observers said the government has lifted many of its restrictions on auto imports in the last two years as part of a program to open up the economy.

Ford engineers, however, later told Automotive News that the original plans for the car called for foreign content of 78 percent. They said the percentage would be even higher initially, because some of the locally manufactured parts failed to pass company quality tests.

The four-door Escort GL was shown to car dealers early in May. Although the public had not seen it at that time, 5,200 units had been ordered since last October.

Subaru of America picks Anglo to sell 5,000 rentals

Anglo American Auto Auctions has been awarded a contract by Subaru of America to sell 5,000 daily rental vehicles through its 20 Anglo auctions and selected allied auctions.

The vehicles, which have begun appearing at Anglo American locations in Dallas; Kansas City, Mo.; Omaha, Neb.; Amarillo, Texas; and Albuquerque, N.M., are on a repurchase program from major daily rental car companies.

The cars are concentrated in Florida, California and Texas. Subaru will transport the cars via Automotive Transport Inc., an Anglo subsidiary, to the auctions.

Subaru tested 600 vehicles in Anglo's Auction Managed Fleet Plan, which offers management for disposal of vehicles.

Auction adds rigs

The Indianapolis Auto Auction has added 10 new rigs and five extra trailers at its sister company, Indianapolis Auto Carrier Inc., located in Indianapolis.

This brings to 15 the number of carriers in the fleet since the company started seven months ago.

According to John Vance, general manager of Indianapolis Auto Carrier, the new rigs have the capability of hauling up to 12 units each and cost roughly $1.2 million.

Transportation of factory executive vehicles and program cars has become a thriving part of the auction business.

Auctions also deliver the vehicles bought by dealers to their dealerships.

AUCTION BRIEFS

CHARLES THOMAS

AUCTION DATES

Chrysler Motors

June 7 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Aptco Auto Auction, Taylor, Mich.; Denver Auto Auction, Aurora, Colo.; South Seattle Auto Auction, Kent, Wash.; Golden Gate Auto Auction, Fremont, Calif.; and Nashville Auto Auction, Nashville, Tenn.

June 8 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; and Minneapolis Auto Auction, Plymouth, Minn.

June 9 — Northway Exchange, Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Big Sky Auto Auction Inc., Billings, Mont.; and Ark-La-Tex Auto Auction, Shreveport, La.

June 10 — Manheim Auto Auction, Manheim, Pa.

June 14 — Florida Auto Auction of Orlando, Ocoee, Fla.; Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Riverside Auto Auction, Riverside, Calif.; Greensboro Auto Auction, Greensboro, N.C.; and Portland Auto Auction, Portland, Ore.

Used Car Sales
Auction Averages

May 88	$5,800
Month ago	$5,703
Year ago	$5,901

June 15 — Columbus Fair Auto Auction, Obetz, Ohio, and Southern Auto Auction, Warehouse Point, Conn.

June 16 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; Salt Lake Auto Auction, Salt Lake City; and Southwest Auto Auction, Phoenix, Ariz.

June 17 — St. Louis Auto Auction, Bridgeton, Mo.

June 21 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Aptco Auto Auction, Taylor, Mich.; Denver Auto Auction, Aurora, Colo.; South Seattle Auto Auction, Kent, Wash.; Golden Gate Auto Auction, Fremont, Calif.; and Nashville Auto Auction, Nashville, Tenn.

June 22 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; and Minneapolis Auto Auction, Plymouth, Minn.

Model Breakdown
Auction Averages

	MAY 1988	APR 1988	MAR 1988
1988	$12,592	$12,483	$12,283
1987	$8,672	$8,638	$8,682
1986	$7,375	$7,190	$6,927
1985	$5,732	$5,904	$5,837
1984	$4,511	$4,438	$4,380
1983	$3,751	$3,792	$3,765
1982	$2,490	$2,398	$2,534
1981	$1,963	$1,937	$1,906
Overall Average	$5,800	$5,722	$5,589

Ford Motor Co.

June 7 — Bay Cities Auto Auction, Hayward, Calif.

June 8 — Mississippi Auto Auction, Hattiesburg, Miss.; Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Lakeland Auto Auction, Lakeland, Fla.

June 9 — Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; and Skyline Auto Exchange, Fairfield, N.J.

June 14 — South Seattle Auto Auction, Kent, Wash.

June 15 — Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fontana, Calif.; Newburgh Auto Auction Inc.; Newburgh, N.Y.; and Salt Lake Auto Auction, Salt Lake City.

June 16 — Dallas Auto Auction, Grand Prairie, Texas; Southwest Auto Auction, Phoenix, Ariz.; Brasher's Sacramento Auto Auction, Rio Linda, Calif.

June 21 -- Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

June 22 — Northway Auto Auction, Clifton Park, N.Y.; Columbus Fair Auto Auction, Obetz, Ohio; and Lakeland Auto Auction, Lakeland, Fla.

June 23 — Baltimore-Washington Auto Exchange, Baltimore; Greater Houston Auto Auction, Houston; Skyline Auto Exchange; Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

General Motors

June 7 — Southern Auto Auction, East Windsor, Conn.; and Dallas Auto Auction, Grand Prairie, Texas.

June 8 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Omaha Auto Auction, Omaha; and Southern California Auto Auction, Fontana, Calif.

June 9 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah.

June 14 — Florida Auto Auction of Orlando, Ocoee, Fla., and A.D.E. of Birmingham, Moody, Ala.

June 15 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; Golden Gate Auto Auction, Fremont, Calif.; Mississippi Auto Auction, Hattiesburg, Miss.; and Indianapolis Auto Auction, Indianapolis.

June 16 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; Southwest Auto Auction, Phoenix, Ariz.; and Colorado Auto Auction; Commerce City, Colo.

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TRANSPLANT

FROM PAGE 1

stant improvement.

Comparing the compensation of unionized vs. non-UAW workers at the transplants is relatively easy. At a glance, one can see that the hourly wage (including cost-of-living payment) for NUMMI assemblers is higher than at the other three transplants.

Of course, other forms of compensation have to be factored in. For instance, Honda and Nissan have profit-sharing plans (called "bonus sharing" and a variable "base bonus," respectively), while Mazda and NUMMI do not.

In addition, union dues, which are two hours' pay per month, have to be considered. A NUMMI assembler's annual union dues amount to about $340.

When a Honda production worker's 1987 bonus sharing and perfect attendance payments are added to wages (without overtime), the annual total is slightly less than a NUMMI production worker's annual pay, including a lump-sum payment, attendance award and paid lunch: about $30,350 for the Honda worker, and about $30,850 for the NUMMI worker.

A Nissan production worker's annual pay, without overtime but including the base bonus, is just under $28,000, but the bonus can increase based on quality and performance to budget.

A Mazda production worker's straight-time annual wage this year, including a signing bonus and a perfect attendance award and minus union dues, will be $26,271. But negotiated increases through 1990 include lump-sum payments totaling $2,520 and wage parity with Ford Motor Co. workers by 1991.

But the going gets really slippery when comparing work rules and working conditions.

In the case of Honda and Nissan, company descriptions of work rules conflict with those provided by some workers. But — though not necessarily a disqualifier — workers and others who have given negative reports about the transplants are already won over to the UAW.

And comparing the situation of workers at the four transplants gets more complicated: Some critics within the union say that the UAW-negotiated work rules at the NUMMI and Mazda plants are either too weak or are not what they seem on paper. In addition, they say, the provisions are sometimes not enforced.

As a result, they say, working conditions are basically the same at all Japanese transplant facilities, whether unionized or not.

But as the honeymoon at new transplants ends, it may be politically necessary for local unions to toughen up in response to worker disaffection with Japanese management methods.

Observers predict that Honda and Nissan workers will eventually want a union because as they get older, workers will find it harder to do the jobs at transplant facilities. By the same token, an aging workforce at unionized transplants may demand that their local unions become more aggressive.

Critics of the transplants' UAW contracts don't dispute that some provisions — such as negotiated wage increases and pension benefits — are enforced and that it is an advantage to unionized workers to have them in writing, though Honda and Nissan workers have also received regular wage increases.

Also an advantage — though less binding than a negotiated wage increase — is management's written commitment at Mazda and NUMMI that no worker will be laid off before executives take a cut in pay.

But critics say the NUMMI and Mazda contracts do not protect rights that workers enjoy in traditional UAW-represented plants and that local union officers at the transplants often function as an extension of management.

There indeed have been reports of unusually fast line speeds and difficult working conditions at NUMMI, as at Nissan and Honda. Workers say that the lack of a pool of relief workers at transplant facilities places a heavy burden on team members when people are absent.

The Big 3 are also moving toward building cars with fewer workers, especially in plants operating with team production. But, as at GM's oldest team-concept plant in Shreveport, La., replacement workers are integral to most Big 3 plants.

The reports about NUMMI's difficult pace surfaced before the line speed was cut in early 1987 because of slow sales.

The Mazda plant is not yet up to speed, but similar complaints may not surface there because it has a pool of temporary, part-time replacement workers, which is unique among the transplants.

Workers at a Japanese plant are theoretically able to pull a cord to stop the assembly line if there is a problem or if they are having difficulty keeping the pace. But some workers said they have been harassed by management for doing so.

Workers said they stock up on needed parts during their break times and lunch periods, just so they can keep up their work pace on the line. That is especially true when learning a new job, which happens often in a Japanese plant, where flexibility is encouraged and team members rotate jobs.

"They want you to learn a new job two or three times a year," said a Honda worker who signed a UAW card. "But when you're learning a job, you drown, for over a month.

"I was working during breaks. They didn't mind that. I had to get way, way ahead of myself just to get a drink or go to the bathroom."

Managers at transplant operations have said that workers know they can pull the cord to stop the line when necessary. They admit that some workers are dissatisfied, but ascribe it to individual personality and to the fact that "you will always have workers who complain."

A UAW spokesman in Nashville, Tenn., said that Nissan workers have told him they were told to regulate their intake of liquids so that they would not have to use the bathroom while at work. He said workers have told him they have seen other workers lose bladder control on the line.

Former Nissan President Marvin Runyon said similar reports published in a pro-labor magazine in 1987 were "slanted and inaccurate." Nissan denied similar reports in a recent article in another pro-labor publication.

In rebutting claims made in the 1987 article in "The Progressive," Runyon cited scores of an employee attitude survey at Nissan that "remain extremely high and positive."

"By and large, our employees are enjoying making our company a success and proving that American workers can manufacture vehicles with high levels of quality and productivity," Runyon said.

The UAW has maintained that negotiated procedures for "standardized work" at NUMMI and Mazda protect workers from arbitrary increases in work pace.

But critics within the union say that the procedures, which specify the amount of time needed for each job operation, in fact help speed up the pace.

They say overloaded jobs are inherent in the Japanese system and in the team method of production. That is because Japanese automakers emphasize kaizen, or constant improving of a work process. The idea is for workers to work smarter — not harder — by eliminating wasteful movements.

Honda has maintained that kaizen leads to the introduction of new technology to make jobs easier. But some Honda workers who signed UAW cards said that the company has cranked up the line even when processes were not improved.

One 27-year-old worker at Honda, who complained about exhausting work, said he can't imagine doing his job when he is 35.

Workers at Nissan and Honda have also complained of favoritism — "polish the apple and you get to be a team leader," said a Honda worker, "complain and you get a worse job."

But critics within the union say that seniority rights — which protect workers at traditional plants against favoritism and other arbitrary treatment — are watered

see TRANSPLANT, page 85

Stacking up wages, benefits at U.S. transplants

	Honda	Mazda	Nissan	NUMMI*
Current Hourly Wages	Production: $13.20 Maintenance: $15.30 (maximums)	Manufacturing: $12.17 Maintenance: $14.18 (including COLA). Parity with Ford by 1991	Production: $11.10-$12.85 Maintenance: $13.54-$15.24	Production: $14.16 Maintenance: $16.83 (including COLA)
Cost-of-living-adjustment	None, but wages have increased semi-annually	Big 3 formula: 1 cent for each 0.26 change in Consumer Price Index	None, but wages have increased annually	Big 3 formula: 1 cent for each 0.26 change in Consumer Price Index
Bonuses	Bonus sharing, based on worldwide operations 1987 average: $1,541 1986 average: $2,688	April 1989: 3% (Manufacturing: $760; Maintenance: $910); Dec. 1989: 3% (Manufacturing: $860; Maintenance: $1,010); April 1990: 3% (Manufacturing: $900; Maintenance: $1,040); Signing Bonus: $750	Base bonus: $1.45/hour	Paid lunch 30 min. daily Signing Bonus: $500 Lump-sum payments: 1986—2.5% ($850 average) 1987—2.7% ($950 average)
Profit Sharing	See Bonuses	Plan to be developed by 1991 negotiations	No, but base bonus can increase based on quality & performance to budget	No
Attendance Award	Maximums: $104 per 4-week cycle; $1,352 per year	$500 maximum	4 hours paid time off monthly, which may be sold back to company	8 hours pay for perfect attendance (union seeking parity with GM: $600)
Vacation	1-4 years: 10 days 5-14 years: 15 days 15 + years: 20 days	1-3 years: 10 days 3-5 years: 12 days 5-10 years: 15 days 10 + years: 17 days	1-5 years: 10 days 5-10 years: 15 days 10 + years: 20 days	1-3 years: 10 days; 3-5 years: 12.5 days; 5-10 years: 15 days; 10-12 years: 17.5 days; increases with perfect attendance, decreases with substandard attendance (i.e.: missing more than 10 days in year or 6 in half-year)
Paid Holidays	13 plus 4 paid shutdown days	1988-89: 13; 1989-90: 14; 1990-91: 15	13	14
Medical Benefits (Highlights)	No payroll deduction, no deductible, no vision coverage	Similar to Big 3 with a few co-pays, vision coverage begins Jan. 1, 1989	Payroll deduction equaling 12.5% of health-care cost. Refund if contribution exceeds claims. No deductibles. Vision coverage	Best of transplants; as comprehensive as Big 3, no payroll deduction, vision coverage
Pension	Vested after 10 years (vesting schedule reduced in Jan. 1989); 2.5% of base earnings placed in account annually, invested for higher yield at retirement	Equivalent to Big 3: Minimum approx. $820/month for 35 years service, but will increase to track Big 3 (i.e.: Ford maximum $945 in Oct. 1989)	Vested after 5 years; minimum $805/month for 35 years service	Currently savings plan but union seeking regular pensions

*Currently negotiating new contract to track Mazda
☐ UAW represented

TRANSPLANT

FROM PAGE 84

down at NUMMI and Mazda.

Another subtle way union representation is watered down at NUMMI and Mazda, critics say, is that when workers have a complaint, they must first take it up with their union representative during non-working hours, such as at break time or after work.

At Big 3 plants, a worker with a problem can call a union steward for assistance during working hours.

The problem resolution procedure is similar at all four transplants, but NUMMI and Mazda workers have the advantage — over non-union workers — of being able to get impartial arbitration as a last resort to solving problems.

But critics point out that though some unresolved problems at Big 3 plants are subject to arbitration, workers there have the right to strike over issues such as work standards.

The NUMMI and Mazda contracts forbid strikes for any reason.

Resolving disputes

The NUMMI and Mazda problem resolution/complaint procedure emphasizes resolving matters at earliest stages, within the team. If the problem is not resolved, the worker must first discuss it with the unit leader and the union coordinator during non-work hours.

The unit leader and the worker may then request a meeting with a labor relations representative and a union representative.

If not resolved, the problem may be referred to a four-step procedure, with time limits on responses by the company. There is an expedited procedure in case of discharge.

The final step is impartial arbitration.

In cases of alleged misconduct, any witnesses must be interviewed jointly by the company and the union, and records of written reprimands or attendance infractions on file for one year will not be considered, providing there are no intervening incidents.

At NUMMI, in the case of suspension or discharge, a joint labor-management committee will review the decision before it is finalized.

UAW critics at NUMMI say that because of the emphasis on cooperation in the plant, workers are reluctant to pursue their rights under the procedures and that local union officers don't encourage them to do so.

At Nissan, the company said, "Problems of any nature can be worked out by employees through their area managers. Human resources representatives are available . . . to assist . . . in resolving issues. . . .

"Several programs facilitate issue resolution, including the company's open-door policy, safety committee, focus groups, involvement circles and a confidential telephone line to the vice president of human resources.

"Discipline is handled through a corrective action system, with appeal to a peer review panel or to management available.

"Nissan has no suspension policy and employees are infrequently terminated" but in such cases, workers may request peer or management review — up to and including the president.

Peer review is by a five-person panel, with a human resources representative selected by the employee to help prepare his/her "case." A secret ballot vote of the panel is binding, Nissan said.

But a UAW organizer working with Nissan employees said management selects the peer review panel, which includes management and hourly employees. "I've never known a decision to be turned around by a peer review committee. They can't be right all the time," he said.

The organizer, who said he has "personally talked to 750-800 Nissan workers," said that "most people will not even use the peer review committee because they say it's a joke."

A Honda spokesman said the company has no formalized grievance procedure. "Associates are free to take up problems with anyone in management, even the president," he said.

Workers with performance problems at Honda are first counseled on the floor, then formally with the production coordinator, then with associate relations, and finally with the department manager.

If terminated, a worker has the right to challenge the decision before an associate review panel composed of one senior manager and six associates drawn at random from all the workers in the plant. The panel votes by secret ballot and the decision is final.

About 80 percent of the company's decisions have been upheld, and 20 percent of the worker challenges have been validated, the Honda spokesman said.

But a Honda worker who signed a UAW authorization card said, "Sometimes if you complain to a coordinator, you get off worse. He's like a foreman. They say you have a bad attitude and you'll get the stinkiest job in the plant."

Another Honda worker who is for the union said, "If you get on somebody's list, you might not get transferred into an easier job."

Another worker who favors the union called the review panel a "kangaroo court."

Absenteeism procedures

Company statements on absenteeism procedures at Nissan and Honda conflict with those of workers who favor the UAW.

Nissan said workers receive four hours of paid time off per month that can be used for illness. These can be accumulated or sold back to the company annually.

But the UAW organizer working with Nissan workers said that workers are told not to simply call in when they plan to be absent, but to make arrangements with their supervisor ahead of time. He said there is no guarantee workers will be paid, even though they have earned their time.

Workers are told to be careful if they miss as few as two days in one year, he said.

Nissan said that "employees are paid accident and sickness benefits at approximately 65 percent of pay for up to 26 weeks." However, a UAW spokesman in Nashville said, "Once someone is injured and takes some time off, when they come back, there's no job."

At Honda, there are no sick days. Workers must take vacation days if they are ill. Workers with attendance problems are first counseled, the Honda spokesman said.

If there is no improvement, they must follow a six-month, four-step attendance improvement program, which, if violated, results in termination, he said.

Workers at Honda who favor the union said it is unfair to have to take vacation days in the case of illness.

The workers said they are afraid to be counseled because it remains on their record even after one year.

At Mazda, if an absence is approved, a worker gets 60 percent of his base wage. There is a five-step attendance procedure, ending in termination, to deal with excessive absences. The procedure is being revised to specify the number of absences before step one.

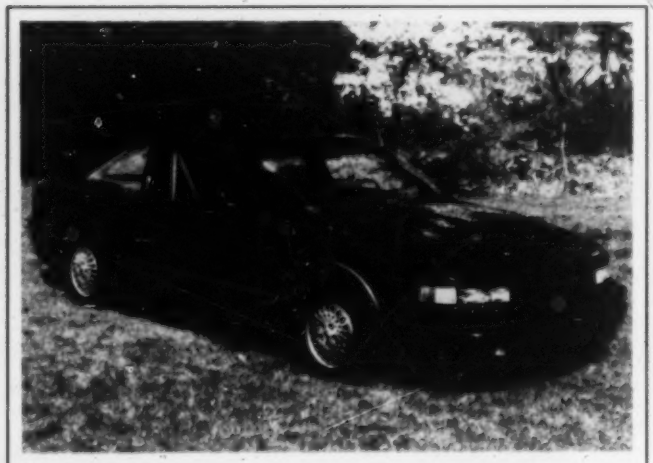
A local union officer at the Mazda plant said that, despite the extensive screening for workers with the right attitude, some have already been fired for absenteeism. The plant turned out its first car just a year ago.

At NUMMI, there is a "no-fault" absence program, but absence rules are "much more severe than in a traditional plant — a trade-off for job security," a local official said.

Workers can call in sick and be paid in lieu of vacation time. They are sent notices according to this schedule: 3 days late or absent in 90 days, first notice; 3 days late or absent in the next 90 days, second notice; same for third notice; same for termination.

The local official at NUMMI said that a joint review committee considers the termination and reverses it if they find "mitigating circumstances."

Toyota Motor Manufacturing and Diamond-Star have just begun pilot production, and their benefit packages are not yet complete for comparison purposes.



Testa-Cutlass?
The GST Aerodynamic Design Division of Stauffer Classics, Blue Mounds, Wis., offers a kit to dress up Oldsmobile's new Cutlass Supreme, and give the car a little Ferrari Testarossa flavor. The kit's pieces are made of laminated fiberglass and include cooling scoops, rear wing, chrome exhaust tips and lower door panels.

Honda ends most Civic exports

Transplants to supply 3-door and 4-door for U.S., Canada

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Honda Motor Co. plans to discontinue the export of its three-door and four-door Civic models to North America to meet a growing demand in Japan. Three- and four-door models sold in the United States and Canada will be built by Honda plants in those countries.

The Civic wagon and popular CRX, however, will continue to be exported from Japan.

Honda is conducting a successful major effort to expand its share of the Japanese market and, as a result, there is a 15,000-unit back order on Civics here. Honda has 9.1 percent of the Japanese market.

In increasing Civic output in North America, Honda will produce all three-door models sold there at its Canadian plant, while four-door sedans will be built in Ohio. Last year, 135,034 Civics were sold in the United States, 86,218 of them produced at Marysville.

Production in the United States and Canada will be increased to make up for the decrease in imported Civics.

Some Japanese news reports suggested that production of the Accord will be reduced to compensate for the increase, but a Honda spokesman said no decrease will be necessary because the company had originally intended to boost production to full capacity in Ohio this year. Honda's expansion in capacity at its Ohio plants is solely for Civic.

Meanwhile, Honda Motor Co. Ltd. showed a 10.5 percent drop in its consolidated operating income for the first half of the current fiscal year. Operating income totaled 68.6 billion yen ($549 million). Since Honda is changing its fiscal term, the six months ended March 31 were compared with the six months ended Feb. 28, 1987.

The drop in operating income was attributed to the depreciation in the value of the dollar. On the other hand, consolidated net income was up 51.7 percent to 56.6 billion yen ($453 million), due largely to strong auto sales in Japan, as well as a rebirth of the motorcycle market in Japan.

Sales of power products were off 16.6 percent to 77.3 billion yen ($619 million), primarily because of sluggish sales in the United States.

OBITUARIES

Russell DeYoung

NAPLES, Fla. — Russell DeYoung, 79, former chairman of Goodyear Tire & Rubber Co., died May 31. He led the company from 1964 to 1973.

Anthony M. Coelho

NEW YORK — Anthony M. Coelho, 49, Eastern manager for Petersen Publishing Co., died May 18. The company's magazines include Motor Trend and Car Craft.

Elmer C. Low

LaCROSSE, Wis. — Elmer C. Low, 86, founder of Low Motors here, died May 11. The store sells Ford, Lincoln, Mercury, Jeep, Renault and Mazda.

Charles William Birdsong

TEMPLE TERRACE, Fla. — Charles William Birdsong, 70, former owner of Birdsong Volkswagen here, died April 11.

Corrections

In the May 30 issue, Francois J. Castaing's title was wrongly stated as chief engineer, Chrysler Motors. He is vice president, Jeep and truck engineering, Chrysler Motors.

A May 23 news brief on Honda building up U.S. engineering staffs should have read, "Honda is expanding an engine plant in this country." Honda's engine plant, with full casting, machining and painting operations, has been in operation since July 1985.

Ford teams check Missouri ambulances

ST. LOUIS — Four teams of engineers from Ford Motor Co. arrived in Missouri late last month to inspect 100 ambulances and possibly replace cooling system hoses that are potential fire hazards.

Attorney General William L. Webster asked Ford to send engineers to inspect and replace faulty hoses after three fires in ambulance engine compartments were reported.

In press conferences in four cities — Kansas City, Springfield, St. Louis and Jefferson City — Webster said, "We appreciate Ford's cooperation in this investigation and hope the company's engineers can discover a solution to this problem. This is a cooperative effort, and our mutual goal is to find a way to prevent any more ambulances from catching fire."

A Ford spokesman said at least six and as many as 10 fires have been reported in other states including Kansas, West Virginia and Oregon during the past two months.

Ford has inspected each of the ambulance fires but said that in many instances the causes are difficult to pinpoint because the damage was so extensive.

"The vehicles end up burning so badly that by the time we get to them, it is hard to determine whether the fires are from the electrical or the cooling systems," the spokesman said.

Engineers will spend three weeks replacing the hoses installed by ambulance conversion companies and will take the originals back to Ford headquarters for inspection, according to the state attorney general's office.

Ambulances built on Ford E-350 chassis and on vans by conversion companies have been dogged by fires.

Ford voluntarily recalled and added safety modifications to approximately 14,500 ambulances last year to correct gasoline pressurization problems that caused a rash of fires.

PRODUCTION

Short week; car, truck output falls

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

With only four working days because of Memorial Day, scheduled production of cars and trucks in the United States dipped last week.

Automakers slated assembly of 137,721 cars, 14.88 percent below the previous week's 161,802 and 12.02 percent below the year-ago week's 156,545.

So far this year, 3,138,419 cars have been assembled, 8.18 percent below the 3,417,903 completed last year at this point.

Last week's estimated build was shared as follows: General Motors, 46.53 percent; Ford Motor Co., 26.53 percent; Chrysler Motors, 16.66 percent; Honda of America Manufacturing Inc., 4.29 percent; New United Motor Manufacturing Inc., 1.89 percent; Nissan Motor Manufacturing Co. U.S.A., 1.52 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.42 percent; and Volkswagen of America, 1.16 percent.

Truck output was scheduled at 72,276 units last week, 14.70 percent below the prior week's 84,729 and 7.38 percent below the year-ago week's 78,035.

Year-to-date, 1,850,524 trucks have been built, 11.20 percent more than the 1,664,175 assembled last year at this time.

Mazda added a second shift and 1,300 workers at its Flat Rock, Mich., plant last week.

The plant, which assembles the Mazda MX-6 and Ford Probe, will produce about 13,000 cars in June, some 35 percent more than the 9,600 built in May.

GM's Fiero plant in Pontiac, Mich., was idle last week for inventory adjustment. Output was expected to resume today.

GM scheduled overtime last Saturday at its Detroit-Hamtramck; Lordstown, Ohio; Wentzville, Mo.; Lakewood, Ga.; Baltimore; Pontiac, Mich.; and Moraine, Ohio plants.

All Ford plants are slated for daily overtime this week.

Canada climbs after holiday

Canadian auto production was estimated at 27,712 last week, 27.79 percent more than the previous holiday week's 21,685 and 54.63 percent above the year-ago week's 17,921. The year-ago week's build was also affected by Victoria Day.

So far this year, 519,665 cars have been assembled, 41.99 percent more than the 365,999 completed last year at this time.

Truck output was scheduled at 20,555 units last week, 29.46 percent above the prior week's 15,877 and 17.41 percent more than the year-ago week's 17,507.

Year-to-date, 419,782 trucks have been built, 15.97 percent more than the 361,976 completed last year at this point.

Chrysler Motors will halt output of the Eagle Premier at its Bramalea, Ontario, plant on June 13 for line adjustments. When Bramalea reopens on June 27, production will be reduced by about 50 units per day.

U.S. CAR	Week Ended June 4, 1988	Week Ended June 5, 1987	Week Ended May 28, 1988	May Est.	Jan. 1 to June 4, 1988	Jan. 1 to June 5, 1987
Alliance	0	673	0	0	0	15,541
Total Eagle	0	673	0	0	0	15,541
Horizon	1,650	0	2,167	9,719	41,694	32,997
Sundance	2,150	1,983	2,052	8,272	46,105	46,918
Reliant	2,000	2,703	2,843	11,882	45,289	53,704
Caravelle	400	1,096	605	2,354	9,504	25,030
Gran Fury	200	214	415	1,464	5,756	1,962
Total Plymouth	6,400	5,996	8,082	33,691	148,348	160,611
LeBaron K	250	1,945	391	1,812	8,205	38,270
LeBaron J	2,250	3,325	2,276	10,188	32,865	51,698
LeBaron GTS	250	1,069	257	962	4,022	19,239
N. Yorker E-Class	0	1,627	0	0	0	38,551
N. Yorker C-Class	2,300	0	2,774	12,259	52,061	0
Fifth Avenue	150	1,676	280	1,312	13,965	18,245
Total Chrysler	5,200	9,642	5,978	26,533	109,419	166,003
Omni	1,650	0	2,055	9,539	41,459	28,363
Daytona	2,250	1,676	2,272	10,186	32,001	25,385
Shadow	2,700	2,334	2,375	10,481	48,883	46,736
Aries	1,950	2,791	2,418	10,355	38,519	51,294
Dodge 600	350	1,037	456	1,964	8,292	22,247
Dynasty	1,850	0	2,225	9,911	48,751	0
Lancer	200	644	136	732	4,700	12,307
Diplomat	400	451	257	1,967	10,161	3,049
Total Dodge	11,350	8,933	12,194	55,155	232,766	189,381
CHRYSLER MOTORS	22,950	25,244	26,254	115,379	490,533	531,536
Escort	9,162	9,051	9,449	42,894	165,379	166,218
Mustang	3,657	4,527	4,244	18,239	93,517	96,867
Tempo	3,236	3,794	3,941	17,388	87,810	87,031
Taurus	7,804	8,008	8,424	37,845	177,916	194,767
Thunderbird	3,045	4,135	3,522	14,675	70,922	73,799
Total Ford Div.	26,904	29,515	29,580	131,041	595,544	618,682
Lynx	0	221	0	0	0	19,339
Topaz	1,168	1,463	1,548	6,421	32,684	28,089
Cougar	2,016	2,739	2,345	10,914	53,172	71,351
Sable	2,477	2,623	3,469	15,026	62,402	61,581
Total Mercury	5,661	7,051	7,362	32,361	148,258	180,360
Continental	873	411	947	4,476	20,246	8,254
Mark VII	444	615	475	2,223	11,220	12,331
Lincoln	2,649	3,074	2,878	13,434	64,983	61,765
Total Lincoln	3,966	4,100	4,300	20,132	96,449	82,350
Total L-M Division	9,627	11,151	11,662	52,494	244,707	262,710
FORD MOTOR CO*†	36,531	40,666	41,242	183,534	840,251	881,392
Skyhawk	0	285	0	0	11,350	14,583
Skylark/Somerset	1,399	1,173	1,579	7,606	20,468	33,096
Century	3,032	3,928	3,634	14,581	46,459	84,020
Regal (rwd)	0	1,028	0	0	0	20,459
Riviera	128	219	128	607	3,049	7,500
Electra	2,162	0	2,092	10,391	38,334	43,864
LeSabre (fwd)	2,000	4,711	2,500	10,800	56,186	56,186
LeSabre (rwd)	290	48	261	1,266	4,470	4,947
Reatta	163	0	187	772	2,488	0
Total Buick	9,174	11,392	10,381	46,023	182,804	264,655
Cimmaron	0	180	0	170	3,696	6,847
Eldorado	1,006	532	1,020	4,812	18,819	8,391
Seville	601	493	621	2,870	11,771	10,810
Brougham (rwd)*	977	1,156	977	4,299	16,802	34,975
Deville (fwd)	2,832	2,939	3,563	15,304	80,506	72,891
Allante	52	144	56	183	1,079	1,672
Total Cadillac	5,468	5,444	6,239	27,638	132,673	135,586
Cavalier	6,584	7,925	7,277	34,641	154,179	163,751
Camaro	1,904	3,017	2,348	10,394	37,676	47,330
Celebrity	4,644	5,987	5,077	22,265	79,823	164,505
Corsica/Beretta	6,764	6,732	9,042	39,589	178,941	123,970
Monte Carlo	0	1,255	0	0	0	33,760
Caprice	3,019	1,806	3,844	17,812	85,167	91,351
Corvette	352	645	444	1,929	9,392	13,363
Total Chevrolet	23,267	27,367	28,032	126,628	545,178	638,030
Calais	2,537	3,701	3,024	12,977	51,165	57,072
Firenza	0	466	0	0	5,220	4,391
Cutlass Ciera	960	4,734	1,050	2,379	2,955	81,562
Cutlass Supreme	3,200	1,574	4,229	18,119	92,120	32,286
Toronado	405	476	413	1,937	8,266	8,180
88 (fwd)	2,813	1,870	3,400	16,534	73,794	87,731
88 (rwd)	156	504	207	1,041	5,602	8,584
Olds 98	1,303	735	1,596	6,939	36,872	32,829
Total Oldsmobile	11,374	14,060	13,919	59,927	275,994	316,233
Sunbird	2,174	2,295	2,253	10,500	47,782	52,038
Grand Am	4,260	6,227	5,277	24,848	108,219	115,289
Firebird	1,484	1,854	1,690	6,995	28,176	36,129
Grand Prix	3,008	0	3,455	15,474	53,856	0
Pontiac 6000	1,484	2,059	1,888	8,092	34,862	38,121
Bonneville	2,185	2,973	2,752	13,275	49,342	62,476
Safari/Parisienne	215	81	237	1,050	4,003	4,941
Fiero	0	1,005	450	1,942	8,647	17,238
Total Pontiac	14,810	16,494	18,002	82,175	334,887	326,232
GENERAL MOTORS	64,093	74,757	76,573	342,390	1,471,536	1,680,736
HONDA	5,910	6,875	7,409	32,399	160,988	144,320
Civic	1,860	3,190	2,337	9,487	42,696	47,555
Accord	4,050	3,685	5,072	22,912	118,292	96,765
MAZDA†	1,949	0	2,356	10,381	36,973	0
NISSAN	2,088	2,988	2,684	11,364	42,766	62,057
NUMMI	2,600	4,024	3,336	14,372	70,292	84,375
Corolla	960	890	1,203	5,216	25,826	17,292
Nova	1,640	3,134	2,133	9,156	44,466	67,083
VOLKSWAGEN	1,600	1,993	1,968	6,836	25,060	33,487
Golf/GTI	1,600	1,743	1,968	6,836	19,527	28,086
Jetta	0	250	0	0	5,553	5,401
Total Cars, U.S.	137,721	156,545	161,802	716,655	3,138,419	3,417,903
Total Cars, Canada	27,712	17,921	21,685	111,333	519,665	365,999
U.S., Canada Cars	165,433	174,466	183,487	827,988	3,658,084	3,783,902
U.S., Canada Cars and Trucks	258,264	270,008	284,093	1,291,104	5,928,390	5,810,053

Monthly estimates may contain error of one or two units due to rounding.
*—Estimate. †—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended June 4, 1988	Week Ended June 5, 1987	Week Ended May 28, 1988	May Est.	Jan. 1 to June 4, 1988	Jan. 1 to June 5, 1987
Eagle	0	—	0	0	0	—
Premier	1,650	—	1,083	6,777	31,984	—
CHRYSLER MOTORS	1,650	0	1,083	6,777	31,984	2,656
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,209	—	3,349	17,592	90,249	—
Topaz	1,187	—	946	5,413	30,137	—
Crown Victoria	2,856	—	2,223	11,885	61,186	—
Grand Marquis	2,904	—	2,252	12,026	60,823	—
FORD MOTOR CO.	11,156	11,409	8,770	46,915	242,395	236,069
Celebrity	710	—	553	3,000	9,437	—
Cutlass Ciera	7,606	—	6,149	29,747	121,154	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,540	—	1,302	5,778	23,708	—
Regal	3,800	—	2,861	14,595	72,688	—
GENERAL MOTORS	13,656	5,995	10,865	53,120	226,987	118,230
Civic	1,070	—	549	2,191	3,136	—
Accord	0	—	274	1,592	12,163	—
HONDA	1,070	292	823	3,783	15,299	4,409
VOLVO	180	225	144	737	3,000	4,635
Total Cars, Canada	27,712	17,921	21,685	111,333	519,665	365,999

U.S. TRUCK☆	Week Ended June 4, 1988	Week Ended June 5, 1987	Week Ended May 28, 1988	May Est.	Jan. 1 to June 4, 1988	Jan. 1 to June 5, 1987
Caravan	1,850	—	1,886	8,856	44,038	—
Dakota	1,700	—	2,168	9,137	51,712	—
Mini-Ram Van	300	—	337	1,491	6,957	—
Pickups	1,600	—	2,172	8,951	30,405	—
Total Dodge	5,450	6,867	6,563	28,435	133,112	115,425
Cherokee	3,750	—	3,591	17,546	79,660	—
Commanche	800	—	845	4,038	20,890	—
Grand Wagoneer	300	—	340	1,505	6,600	—
Pickups	0	—	0	0	0	—
Wagoneer	150	—	248	1,148	5,705	—
Total Jeep	5,000	4,777	5,024	24,237	118,055	95,811
Voyager	1,750	—	1,825	8,293	40,780	—
Total Plymouth	1,750	—	1,825	8,293	40,780	—
CHRYSLER MOTORS	12,200	11,644	13,412	60,965	291,947	211,236
Aerostar	2,876	—	4,531	18,991	96,658	—
Bronco	1,039	—	1,301	5,495	27,043	—
Bronco II	1,988	—	2,460	10,600	60,388	—
Econoline	3,983	—	5,135	22,209	109,651	—
Heavy trucks	1,444	—	1,475	6,728	30,489	—
Light trucks	8,301	—	10,379	47,291	225,874	—
Ranger	6,324	—	7,782	33,580	161,308	—
Total Ford Div.	25,955	31,844	33,063	144,894	711,411	671,451
FORD MOTOR CO.	25,955	31,844	33,063	144,894	711,411	671,451
Astro	3,035	—	3,129	14,647	75,438	—
Blazer	417	—	512	2,514	12,136	—
Mediums/Heavies	387	—	544	1,807	7,979	—
P-Model	607	—	940	3,535	17,148	—
Pickups	5,858	—	6,756	32,694	146,828	—
S-10	5,605	—	5,854	28,212	127,626	—
S-10 Blazer	3,351	—	3,603	17,180	72,340	—
Sportsvan/Van	1,995	—	1,928	9,496	37,622	—
Suburban	1,147	—	1,402	6,999	32,249	—
Total Chevrolet	22,402	20,454	24,668	117,084	529,366	491,484
Jimmy	122	—	158	732	3,714	—
Mediums/Heavies	492	—	689	2,330	17,771	—
P-Model	273	—	170	909	2,546	—
Pickups	1,618	—	2,082	8,960	45,780	—
S-15	1,092	—	1,330	5,387	29,698	—
S-15 Jimmy	817	—	967	4,232	18,969	—
Safari	750	—	773	3,667	19,368	—
Suburban	469	—	617	2,742	15,313	—
Vandura/Rally Vans	504	—	552	2,388	16,295	—
Total GMC	6,137	7,903	7,338	31,346	169,454	166,483
GENERAL MOTORS	28,539	28,357	32,006	148,430	698,820	657,967
NAVISTAR	1,496	1,664	1,805	7,983	38,564	33,507
NISSAN	1,336	1,776	1,693	7,240	49,832	37,064
AM GENERAL*	450	450	450	1,980	9,810	4,650
MISCELLANEOUS*	2,300	2,300	2,300	10,120	50,140	48,300
Total Trucks, U.S.	72,276	78,035	84,729	381,612	1,850,524	1,664,175

CANADIAN TRUCK	Week Ended June 4, 1988	Week Ended June 5, 1987	Week Ended May 28, 1988	May Est.	Jan. 1 to June 4, 1988	Jan. 1 to June 5, 1987
Caravan	3,126	—	2,596	12,608	65,684	—
Mini-Ram Van	330	—	287	1,400	6,408	—
Ram Wagon	540	—	441	2,322	10,888	—
Ram Van	1,510	—	1,210	6,293	28,025	—
Total Dodge	5,506	8,503	4,534	22,623	111,005	182,838
Voyager	2,688	—	2,297	11,234	60,178	—
Total Plymouth	2,688	—	2,297	11,234	60,178	—
Wrangler	1,018	—	848	4,247	22,284	—
Total Jeep	1,018	764	848	4,247	22,284	14,439
CHRYSLER MOTORS	9,212	9,267	7,679	38,105	193,467	197,277
FORD MTR. (lt. trks.)	3,648	3,084	2,878	15,223	77,926	69,646
Light trucks	3,559	—	2,299	12,418	68,099	—
Vans	1,473	—	1,249	5,529	26,956	—
Total Chevrolet	5,032	—	3,548	17,947	95,055	—
Light trucks	1,721	—	1,044	6,501	33,552	—
Vans	672	—	517	2,720	14,937	—
Total GMC	2,393	—	1,561	9,221	48,489	—
GENERAL MOTORS	7,425	4,931	5,109	27,166	143,544	90,802
NAVISTAR	270	225	211	1,007	4,845	4,251
Total Trks., Canada	20,555	17,507	15,877	81,503	419,782	361,976
U.S., Canada Trks.	92,831	95,542	100,606	463,115	2,270,306	2,026,151

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News

June 13, 1988

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63rd year—$55.00 per year, $1.50 per copy

GM calendar says product time is now

Styling, engines take center stage

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Chairman Roger B. Smith and President Robert Stempel like to say the payoff time is near at General Mofors.

Billions have been spent for factories and billions more for the auto giant's conversion to front-wheel drive.

Now it's time for the product teams to get the money — for distinctive models that Smith and Stempel hope will never again be referred to as cookie-cutter designs, and for technology that consumers can see, feel and touch.

It shouldn't take long for the market to judge how successful GM will be in this endeavor; in the 1989 and 1990 model years combined, GM brags, it will have introduced more new models than in any two model years in its history. Even though the 1988 model year was stretched to nine months for Chevrolet's Beretta and Corsica, it is still a hearty showing for a company that will have to compete with strong new-product assaults next year from Ford Motor Co. and overseas competitors.

GM will allocate the majority of its product spending over the next five years to its design studios and engineering centers, which are developing new engines, enhancing existing ones and developing new technologies.

For the past year, GM executives have been telling the world that GM will cut back on capital spending, which soared to a record $11.7 billion in 1986. Annual capital spending through the end of the decade is expected to be less than 1987's $7.1 billion.

At the same time, they say GM will spend more from the 1988 to the 1992 model years on product programs than in any five-year period in history.

The Chevrolet Corsica and Beretta, the new full-size trucks and the GM10 program account for the biggest chunk of the five-year product spending plan.

Even though the GM10 program was scaled back and model introductions stretched over a longer period of time than originally planned, it still amounted to a $5 billion program, the largest in GM's history. And the original estimate of $7 billion could still be reached by the time Chevrolet's sedan and coupe and the other divisions' sedans are introduced as 1990 models, and other models built off the GM10 platform are introduced in the next five years.

see GM, page 16

McCurry: Toyota truck plant to be "in the Midwest"

Toyota sees sales surge, plans big U.S. truck plant

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

TORRANCE, Calif. — A new U.S. truck plant capable of producing up to 300,000 units annually is expected to help Toyota Motor Sales reach U.S. sales volume of 1.3 million vehicles a year by the early 1990s.

Toyota will use North American transplants to produce nearly half of the vehicles it sells in the United States and, as part of the program, is "Americanizing" its operations here. That drive has sparked the selection of Robert B. McCurry as the first non-Japanese board member of Toyota's U.S. sales subsidiary, as well as his recent promotion to executive vice president.

The expansion of senior management at Toyota Motor Sales is in preparation for the rapid sales growth Toyota is expecting as new assembly facilities in Kentucky and Ontario, Canada, gradually increase to full production. The Kentucky plant recently started building Camry models, and the Canadian plant will assemble Corolla sedans later this year.

U.S. capacity could double when the expected U.S. truck assembly plant is in operation. McCurry said an announcement on the site is "imminent."

Analysts expect Toyota to move up into the compact-pickup market with the new U.S. model. Early indications are the truck may be in the Dodge Dakota class and be powered by a V-6 engine.

Despite speculation that Toyota was pressuring its General Motors partner to build the trucks at their NUMMI plant in California, McCurry said the plant will be located somewhere "in the Midwest." One likely site, observers said, would be on the large tract of land Toyota owns near its present auto manufacturing plant in Georgetown, Ky. McCurry said the new plant would build all trucks for the U.S. market, including the 4Runner. It will be a large plant, he added.

see McCURRY, page 60

ALEX LAW

The van Essen brothers, Tom, left, and Walter export cars from Canada like this Ford Probe

SECRET SALES: *Canadian exports to U.S. targeted*

By Alex Law
SPECIAL CORRESPONDENT

TORONTO — While claiming they only deal by the book, some Canadian dealers have been secretly selling cars to brokers who export them to the United States and Europe. Business has been so brisk that the Big 3 are clamping down hard and the Canadian government is investigating whether the automakers have gone too far.

As many as 50,000 cars a year have been leaving the country as Canadian dealers look to unload inventory snapped up by buyers seeking exchange-rate bargains.

Efforts by manufacturers to stem the outflow of vehicles, dealers charge, include threatening to cancel franchises, assessing chargebacks greater than their profit on the deals, and compiling blacklists of names used to acquire cars that surface in the United States or Europe.

In response, some dealers have been secretly providing brokers inventory lists and

see SECRET SALES, page 59

Olds promo: McHit or McFlop?

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

Oldsmobile ended its estimated $30 million promotion with the McDonald's Corp. hamburger chain last week, and some of the division's dealers are already calling the promotion an expensive flop.

But Oldsmobile officials said the promotion, which gave away hundreds of new Cutlass Supremes as prizes in McDonald's $110 million Monopoly game and through Oldsmobile dealers, attracted more than 750,000 people into Oldsmobile showrooms and gave the car unprecedented exposure to young, upscale buyers. The program began April 1 and ended June 9.

"In the next six months, I think you'll see some of the effects of the McDonald's promotion in terms of Cutlass Supreme sales," said Warren Christell, Oldsmobile general marketing manager.

see CUTLASS, page 60

Air, money, empty: Which bags will fill from patent claim?

Wisconsin entrepreneur seeks cash from giants

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

James A. Kieren may have discovered a gold mine. Or just a can of worms.

The chairman and president of an obscure Wisconsin-based electronics firm, HAI Acquiring Co., found what might be an unanticipated bonus in another small Wisconsin company he acquired two years ago — patents that just might apply to the explosive devices that cause auto air bags to deploy.

It's too early to know for sure. And at least one major air-bag component maker scoffs at the claim.

But one thing for certain is that Kieren acquired a slew of idle patents dating back to the early 1970s, when serious research on air bags began. And Kieren contends that some air-bag component manufacturers, including industry giants Morton Thiokol and Arizona-based Talley Industries Inc., are infringing on those patents.

Kieren has warned them and a number of automakers in a letter that the company will ask for an injunction soon that would bar the sale of air-bag systems on domestic and imported vehicles.

Kieren's patent lawyer isn't so sure about the patents' validity, until research on the patents comes in, but his client is wasting little time.

"We realize that this action may create a certain amount of hardship for certain 1989 model lines, but it is the only course of action appropriate at this time," Kieren said in the letter, a copy of which was sent to Automotive News.

However, Talley, which produces air-bag propellants, inflator housings and modules for Ford Motor Co., General Motors and Honda, denies that Kieren has a claim against it.

A Talley spokesman said Kieren contacted the firm only a week ago with his patent claims. The company reviewed them and believes Kieren's claims are unsubstantiated, he said.

"His patents cover compositions we don't use and

see PATENTS, page 60

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Aussies' Falcon delays Capri ragtop for U.S. Page 2

Saab tells U.S. dealers sales will rebound in '89 Page 6

New-vehicle supplies slip back to 59 days Page 62

Audi tries to settle class suit

Rebates offered for resale losses

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

Audi owners who sued the company over lost resale value as a result of allegations of sudden acceleration will be offered rebates in a proposed settlement of the class action lawsuit filed in Chicago.

Owners and past owners of 1978-1986 Audi 5000 models will be offered rebates ranging from $300 to $2,000 if they choose not to opt out of the settlement and if the deal is approved by Cook County Circuit Judge Harold A. Siegan July 26.

Lawyers from three firms that brought separate class actions, which were later consolidated into one case, said they could not prove that any defect causes sudden acceleration and opted for the settlement. The three firms, Holstein, Mack & Dupree, Lawrence Walner & Associates Ltd. and Lisco & Field, are all in Chicago.

An Audi spokesman said the agreement "fundamentally vindicates the Audi 5000. The plaintiffs have been unable to identify in the class of vehicles any defect."

However, Mark Steinbach, Washington attorney representing the Audi Victims Network, said he plans to object to the proposal in Chicago on July 26. He called it a "rich man's settlement" since no one receives any money unless he buys a new luxury car.

The proposed settlement dovetails with Audi's current offering of rebates and promises to keep resale values up. Meanwhile, Audi raised prices an average of 4.3 percent last October and an average of 3 percent in May on its 5000 models.

Current owners and lessees and former owners and lessees of 1978-1986 Audi 5000 models with automatic transmissions — estimated at about 391,000 — would be bound by the settlement unless they either opt out of the class action suit or they send written notices by July 5 of objections they plan to make at the July 26 hearing.

see AUDI, page 60

AUTOMOTIVE NEWS JOE WILSKER

Workers at Michigan's Cars & Concepts strike for better wages

No Mustang soft tops

Strike at Cars & Concepts halts output

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

BRIGHTON, Mich. — The sun is out, but dealers and ragtop buffs may have a longer-than-usual wait for their Mustang convertibles this spring.

Production workers who customize the hot-selling Ford Mustang convertible continued their strike against Cars & Concepts late Friday after negotiators failed to agree on the plant's first UAW contract.

The workers want higher wages and a right-to-strike clause.

The Mustang was the best-selling convertible in the 1987 model year, with about 21,000 units sold. Ford Motor Co. plans to build a little over 33,000 Mustang convertible chassis at its Dearborn, Mich., plant in the 1988-model year, a Ford spokesman said.

Since January, about 14,260 Mustang convertibles have been sold, he said.

Ford dealers said a strike would not greatly affect sales because customers are used to waiting several months for delivery.

Before the walkout, the production rate was 180 cars a day.

The Brighton facility also builds the Pontiac Fiero T-top and customizes the Cadillac Seville and the Buick Skylark, Riviera and Park Avenue.

It is also making adjustments this year on about 10,000-15,000 Chrysler models to meet European export requirements.

Last December, Cars & Concepts workers became the first workers at a vehicle customizing facility to vote to join the union. Bargainers from the company and newly formed UAW local 4077 began contract negotiations in April.

Talks broke off last Wednesday. They resumed Friday afternoon.

Richard Calmes, Cars & Concepts senior vice president of human relations and public affairs and the company's top negotiator, said, "There is no animosity, there are just disagreements."

Calmes said the company made "a fair and competitive offer, far in excess of what they (the workers) have enjoyed in the past. We have to be attractive to Ford and GM as a source. If we are running at the same level they are, they might as well do the work themselves."

The average Ford assembler makes about $14 an hour. A beginning assembler at Cars & Concepts now makes $4.50 an hour, with increases to $5.90 per hour after one year. After 10 years, the wage is $10.50 per hour, but many workers leave after a short time because of the low wages, said Jesse McComas, chairman of Local 4077's bargaining committee. There was a turnover of about 800 workers last year, McComas added.

Penske, Gelco link truck leasing firms

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Penske Corp.'s decision to enter a joint venture with GE Capital's Gelco truck-leasing unit will take Hertz Corp. out of the truck-leasing business and make Penske's operation a more formidable rival to industry leader Ryder Systems Inc.

GE Capital announced last week it will enter a joint venture combining its newly acquired Gelco truck-leasing business with Hertz Penske truck leasing.

Penske followed the announcement by saying the company will exercise its right to buy out Hertz's 50 percent stake in order to merge with Gelco. Terms of the deal will not be complete until next month. A study including the name and headquarters for the new company is still under way, according to Dan Luginbuhl, Penske Corp. vice president for communications.

GE Capital said the joint venture will create a "national full-service truck leasing and rental company" with combined assets of $1.5 billion and revenues of approximately $750 million. It will employ about 5,500 people.

The combination will leave the Penske-Gelco truck-leasing business in the No. 2 spot in the industry with 56,000 vehicles. Ryder estimates its fleet at over 50,000 in leasing and an additional 50,000 in the daily-rental market. But more important than the overall size of Ryder vs. Penske-Gelco will be their ability to dominate in different segments of the truck-leasing market.

The Penske-Gelco combination could surpass Ryder in the leasing of larger classes of trucks and equipment, where Gelco has tended to concentrate.

Gelco was purchased by GE Capital in October. Minneapolis-based Gelco provides full-service truck leasing, rental and a variety of motor freight transportation services to commercial clients across the country.

The company operates 14,000 vehicles. Its services include vehicle engineering, fleet acquisition, financing, obtaining permits and licenses, complete maintenance, and fuel and safety programs. Gelco operates 139 truck maintenance centers.

Hertz Penske, based in Red Bank, N.J., is the No. 2 truck-leasing company in the United States with 42,000 vehicles. Like Gelco, it is a full-service commercial truck leasing company, but specializes in one-way consumer truck rentals. It operates a nation-wide network of 267 service facilities. In combination with Gelco, the companies will have more than 400 locations nationwide.

Penske's decision last year to purchase a controlling share of General Motors' troubled Detroit Diesel Allison Division and form Detroit Diesel Corp. could also prove an asset in the leasing of heavy-duty trucks. Penske-Gelco could be the first truck fleet to put the Series 60 engine into wide use.

While Penske's Luginbuhl said this could happen, he said the engine maker "will have to compete at arm's length for business like everybody else. That means on the basis of price, quality, everything."

Penske Corp.'s decision to terminate its relationship with Hertz led to speculation last week that Roger Penske was uncomfortable with Ford Motor Co.'s newly acquired stake in Hertz. Nothing could be further from the truth, according to Luginbuhl.

Although Penske has long been associated with GM through his motorsports activities and through the ownership of several GM dealerships, Penske's decision to leave Hertz was "purely coincidental," Luginbuhl said.

"Penske has different relationships with a range of automobile manufacturers," he added. It should also be noted that Penske's new partner, GE Capital, is linked to Ford through the joint ownership of Capital Auto Auctions.

Roger Penske, who will serve as chairman and chief executive officer of the new company, said last week, "Penske Corp.'s goal continues to be the holding of leadership positions in the transportation industry, and all our customers and employees will receive the benefits of this new corporation."

Brian Hard, Hertz Penske executive vice president, will serve as president and chief operating officer of the new company.

GE Capital is based in Fairfield, Conn. The company is a major source of automobile financing and operates GE Capital Fleet Services, the largest fleet and leasing company in the nation.

INDEX

Around the world	31-34
Auction dates	46
Classifieds	47-55
Coming events	42
Dealing with dealers	38-39
Inventories	62
News briefs	8
Opinion	10
Personnel	36
Production	63
Sales, car	40
Truck industry	14

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World Congress features analysts

DETROIT — Four market researchers and analysts will share their views of the industry during the 13th annual Automotive News World Congress at the Westin Hotel, July 17-20.

They are: Ronald A. Glantz, a general partner of Montgomery Securities, an investment banking firm based in San Francisco; Gregory M. Macosko, a principal with Easton Consultants, Stamford, Conn.; James A. Mateyka, vice president of Booz, Allen & Hamilton, Washington; and J. David Power III, president of J.D. Power and Associates, Agoura Hills, Calif.

Power has spent more than 25 years in the auto industry, the past 19 as head of an automotive marketing research firm. The company numbers among its clients virtually every auto manufacturer and importer serving the U.S. market.

In his World Congress presentation, he will discuss and predict car-buying behavior and emerging market trends in the United States.

Mateyka, who specializes in worldwide automotive industry consulting, has nearly 25 years' experience in the automotive and aerospace industries.

He has also served as an advisor on automotive issues to the U.S., Canadian, Dutch and Mexican governments and the World Bank.

Macosko entered the consulting field eight years ago. At the World Congress, he will discuss the nature and depth of Japanese automotive manufacturers' penetration of the U.S. market. He will define business issues, from both a domestic and Japanese perspective, that contribute to misunderstandings.

Glantz joined Montgomery Securities in 1985, following 12 years at Paine Webber.

Prior to that, he was chief economist at Laird Inc.; a consultant with Booz, Allen & Hamilton; and an economist on the staff of the secretary of the treasury, where he served as Japanese desk officer in the Office of International Affairs.

Power, Macosko and Mateyka will address the World Congress on Monday, July 18, at 2 p.m., 2:50 p.m. and 3:45 p.m., respectively. Glantz will speak on Wednesday, July 20, at 11:15 a.m.

The World Congress will begin with General Motors President Robert C. Stempel's State of the Industry keynote address on Sunday, July 17, at 7:45 p.m.

For further information, write Automotive News World Congress, 1400 Woodbridge, Detroit, MI 48207 or telephone 313-446-6047. The cable address is TWX 810-221-5122 AUTNEW DET.

Chevy expects truck sales to cut car gap

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

WARREN, Mich. — Chevrolet is looking for another 15 million new-vehicle market in the 1989 model year and a bigger shift of its own sales into trucks.

Michael Erdman, Chevrolet general marketing manager, sees 10 million car sales and 5 million truck sales in the 1989 model year, about the same as the projected 1988 totals.

Erdman described current truck demand as "spectacular," saying sales will exceed five million in the 1988 model year, possibly reaching 5.2 to 5.3 million.

Chevrolet is gearing for about 1.4 to 1.5 million truck sales in the

see ERDMAN, page 62

New line of axles for Eaton

ANAHEIM, Calif. — At the International Trucking Show, Eaton Corp. introduced new trailer axles, a new medium-duty truck transmission and a new driveline warranty. It also announced the start of a professional truck driver school.

The new series of trailer axles from Eaton's axle and brake division, Galesburg, Mich., provides extended trailer brake service life and lower operating costs, company officials said.

Eaton said the brakes mounted on the axles have 40 percent more lining and a new proprietary, non-asbestos lining material that wears 25 percent longer than other premium non-asbestos linings.

The result, the company said, is a brake that provides a 75 percent improvement in miles between relines, which reduces lifetime maintenance costs.

Eaton's transmission division, Kalamazoo, Mich., introduced its latest mid-range transmission, the Fuller RT-7608LL, for medium-duty construction trucks.

Bill Parker, marketing manager for the division, said the company's Lo-Lo type transmission has been popular in the heavy-duty construction market for many years.

"We saw a need for a similar set of ratios in a mid-range diesel powertrain," Parker added.

The RT-7608LL is intended to eventually replace the RT-6613 as Eaton's offering in that market.

Parker said the RT-6613 was originally designed for gasoline engines.

Its short steps between gears were important for good performance in a gas engine, but aren't necessary with today's mid-range diesels, he said.

The RT-7608LL has two low gears of about 12:1 and 18:1 ratios in both forward and reverse. It has a typical gear step of about 35 percent, designed for mid-range diesel engines.

Officials said truck operators would appreciate the fewer gears and progressive "H" shift pattern, especially in urban driving.

Eaton also has a new Golden All-Roadranger Drivetrain Protection Plan, providing complete parts and labor coverage on Eaton drivetrain components for five years or 500,000 miles. It is an extra-cost option.

Covered under the warranty are Roadranger transmissions, Eaton drive axles and Eaton brakes.

The Eaton truck components marketing division has established a new program to train professional truck drivers.

The Eaton Roadranger Training Institute will open its first facility in Kalamazoo later this year and will feature a full array of training equipment and a driving course for practice.

The curriculum will include classroom instruction, practice, the driving course and direct experience on interstate highways and other roads.

The curriculum is being developed with help from the Department of Transportation, the newly formed Professional Truck Driver Institute of America and representatives of major trucking fleets.

— Robert Deierlein

LIGHT-DUTY TRUCK SALES

	May 1988	May 1987	5 Mos. 1988	5 Mos. 1987
Vans	17,307	16,203	81,507	75,396
Aerostar	17,047	15,085	80,172	63,563
Club Wagon	2,913	2,623	12,354	12,100
Ranger	26,121	28,663	126,127	135,782
Bronco	4,619	4,372	23,025	20,739
Bronco II	10,781	9,321	50,180	44,520
Pickups	55,180	49,193	258,107	222,803
Ford	**133,968**	**125,460**	**631,472**	**574,903**
Vans	12,891	10,173	57,969	42,957
Sportsvan	1,495	947	6,779	5,215
Astro	16,182	14,226	71,002	59,250
S-10	20,320	18,864	99,647	93,406
S-10 Blazer	17,666	11,072	67,596	58,448
El Camino	15	1,168	405	5,370
Blazer	2,707	2,171	12,642	11,836
Suburban	6,562	4,901	27,493	21,339
Pickups	44,888	35,889	215,268	167,061
Chevrolet	**122,726**	**99,413**	**559,311**	**484,882**
Vans	5,358	6,676	26,373	27,803
Ram Wagon	2,481	3,025	11,636	13,128
Voyager	21,710	13,422	83,383	48,236
Caravan	22,295	13,738	90,338	51,575
Mini Ram Van	2,176	1,034	8,201	5,502
Ram 50	5,577	4,999	27,038	26,896
Raider	483	1,700	2,944	7,127
Ramcharger	1,373	1,836	8,809	10,199
Dakota	8,512	9,498	41,648	42,135
Pickups	8,345	7,360	38,508	41,987
Chrysler	**78,310**	**63,288**	**338,875**	**278,588**
Vans	5,589	2,908	21,156	15,627
Safari	4,096	2,894	14,708	12,776
S-15	4,736	3,809	21,200	19,701
S-15 Jimmy	4,802	2,500	16,381	14,271
Jimmy	854	644	3,498	3,289
Caballero	1	121	56	667
Suburban	2,692	1,892	9,799	7,675
Pickups	13,272	9,405	59,925	45,204
P Model	315	281	1,781	2,387
W-4	109	123	584	572
GMC	**36,766**	**24,577**	**149,089**	**122,169**
Wrangler/CJ	4,469	2,746	16,860	11,765
Wagoneer	695	1,021	3,789	5,196
Cherokee	12,044	8,727	57,764	42,594
Grand Wagoneer	1,061	937	5,333	5,193
Comanche	3,846	3,556	17,298	15,737
J-10/J-20	101	159	221	641
Jeep	**22,216**	**17,146**	**101,265**	**81,126**
Toyota	23,714	32,886	100,848	129,573
Nissan	14,310	15,853	69,916	92,464
Mazda	8,936	10,701	44,449	49,339
Isuzu	6,781	7,104	31,642	38,491
Mitsubishi	3,705	4,647	20,815	20,379
Suzuki	6,074	6,491	29,022	35,433
Subaru	0	96	9	935
Range Rover	222	220	1,367	469
Imports	**63,742**	**77,998**	**298,068**	**367,083**
Industry Total	**457,728**	**407,862**	**2,078,080**	**1,886,761**

Compiled by Karen Dedlowski

Model-year sales head for 5 million

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

With light-truck sales setting a record in May, the total truck industry is now poised to sell well over five million units in the 1988 model year.

For eight months of the 1988 model year, light-duty manufacturers have retailed 3,190,819 trucks in the United States, up 7.78 percent from 2,960,603 in like 1987. The industry retailed a total of 4,959,870 trucks in the 1987 model year.

However, while the domestic manufacturers chalked up record totals in May, their import competitors continued to suffer sales declines. Their market share fell to less than 14 percent in May.

In total, light-truck manufacturers retailed 457,728 vehicles in May, a new monthly high that was 12.22 percent ahead of last year's 407,882.

For the first five months of the calendar year, the sales total of 2,078,080 light trucks was 10.14 percent above 1987's 1,886,761, the previous high.

Detroit-based manufacturers picked up more than 5 percentage points of market share in May, capturing 86.07 percent of the light-truck market, compared with 80.88 percent in the corresponding period last year.

Foreign-based manufacturers' share, by contrast, shrank to 13.93 percent from 19.12 percent a year earlier.

Foreign manufacturers held 14.34 percent of the market for the first five months of the calendar year, with Detroit-based firms holding 85.66 percent.

In May, domestic manufacturers recorded 393,986 sales, up 19.43 percent from a year earlier. Foreign manufacturers, with 63,742 sales, had an 18.28 percent decline from 77,998 in like 1987.

Among the major manufacturers, GMC had the biggest May increase on a percentage basis. Its sales of 36,766 light trucks were up 49.60 percent from a year earlier.

For five months, GMC had a total of 149,089, up 22.04 percent from 122,169 in the 1987 period.

Chevrolet similarly showed signs of increasing momentum.

Its May light-duty sales of 122,726 were up 23.45 percent from a year ago, while its five-month sales of 559,311 were up 20.31 percent.

All of Chevrolet's vehicle lines were up, with the full-sized C/K pickups and the S-10 Blazers providing its largest unit volume gains.

Ford lost a little of its momentum last month. Producing at maximum capacity, Ford is short of product in some of its lines.

In May, Ford recorded sales of 133,968 light trucks, up 6.78 percent from 125,460 a year earlier.

Ford had increases in all its truck lines last month, except for the compact Ranger pickup. Ranger has been running behind year-ago totals for several months.

For five months, Ford's sales of 631,472 light-duty vehicles were up 9.84 percent from the comparable year-earlier period.

Chrysler, continuing to draw heavily on the strength of its minivans, had a 23.74 percent gain in May on sales of 78,310 light-duty trucks. For five months, its sales of 338,475 were up 22.38 percent.

Jeep also continued to gain strength with May sales of 22,216, up from 17,146 a year ago. Jeep retailed a record 101,265 trucks in five months, up from 81,126 last year.

Cummins adds diesel

C-series engine has 250 hp, high torque

ANAHEIM, Calif. — Cummins Engine Co. has made its C-series diesel engine with ratings of up to 250 horsepower available to the automotive market.

Seperately, Cummins also received a BAA3 rating on a major new subordinated debt issue from Moody's Investor Service, New York.

The company's 6CTS-250, rated at 250 hp at 2,200 rpm, supplies the highest peak torque in its class, 728 pounds-feet at 1,500 rpm, according to Laura Wenzler, Cummins manager of automotive marketing.

Its design incorporates direct fuel injection, turbocharging and aftercooling to maximize fuel economy and performance.

Cummins C-series engines with 225 hp or less are backed by a 2-year/unlimited-mileage warranty, while those with more than 225 hp have a 2-year/100,000-mile warranty. Optional extended coverage of up to 5 years/250,000 miles is also available.

Cummins also expanded its Big Cam IV engine line with a special fleet-rated high-horsepower, high-performance engine called the Fleet 285.

The modified engine delivers 1,150 pounds-feet of peak torque at 1,100 rpm. The engine can be uprated to increase trade-in value. A modification to the turbocharger, injector, timing gasket and fuel pump code will boost horsepower from 285 to 315 or 350.

The new engine is backed by a 2-year/100,000-mile base warranty. A Customized Assurance Plan, geared to various engine repair warranty needs, is available.

Meanwhile, Moody's assigned a BAA3 rating to a $275 million subordinated debt issue from Cummins.

The rating acknowledges the company's strong market position in heavy-duty diesel engines and its continuing efforts to boost sales and improve cost efficiency.

Moody's said it expects Cummins' operating results to improve in the intermediate and longer terms.

Moody's pointed out that Cummins has a dominant position in heavy duty diesel engines, with a 55 percent market share and a growing position in medium duty engines.

However, the company's restructuring has resulted in production inefficiencies that have weakened operating results, Moody's said.

— Robert Deierlein

HME moves to Michigan
HME Inc. (formerly Hendrickson Mobile Equipment) has moved its custom truck manufacturing and parts operation from Lyons, Ill., to Wyoming, Mich. In addition to its heavy-duty long-nose conventional chassis, HME produces specialty vehicles for drill rig chassis, crane carriers, yard-spotting tractors, bus and RV chassis.

NHTSA due to act on light-truck safety

WASHINGTON — As summer approaches, NHTSA is preparing for a flurry of rulemaking activity that is concerned with the safety of light trucks.

Areas to be addressed include head restraints, side-door strength, roof crush protection and the installation of shoulder belts in the rear seats of cars and multipurpose vehicles.

The agency's agenda on light-truck safety was published in a report prepared for the House and Senate appropriations committees.

NHTSA said it will publish a notice of proposed rulemaking on "light-truck safety problems involving head restraints" in "spring 1988." The last day of spring is June 19.

The agency also said it will make a "rulemaking decision on rear-seat shoulder belts in passenger cars and light trucks" this month.

SALES

DOMESTIC CAR SALES

	May 21-31, 1988	May 21-31, 1987	May 1988	May 1987	Jan. 1-May 31, 1988	Jan. 1-May 31, 1987
Alliance	100	1,389	450	2,550	3,440	11,803
Eagle	251	174	333	324	1,382	1,787
Premier	1,618	0	4,249	0	14,017	0
Total Eagle	1,969	1,563	5,032	2,893	19,849	13,390
Horizon	2,038	1,743	5,156	4,766	21,853	30,965
Sundance	2,799	3,551	7,827	8,978	33,166	30,926
Turismo	361	444	447	1,089	1,116	10,942
Reliant	3,563	2,804	10,085	8,014	57,506	46,640
Caravelle	304	1,137	1,526	2,872	9,171	15,477
Gran Fury	408	507	1,328	1,028	5,089	2,841
Total Plymouth	9,793	10,196	25,196	26,757	136,510	136,820
Laser	0	492	0	575	0	3,336
LeBaron K	615	2,284	2,179	6,580	12,613	23,555
LeBaron J	3,347	2,240	8,859	5,005	47,528	19,940
LeBaron GTS	490	923	1,398	2,546	7,389	15,205
Fifth Avenue	841	1,340	2,355	3,250	24,570	17,276
New Yorker C	2,378	0	7,099	0	25,182	0
New Yorker E	359	1,245	784	5,883	14,187	24,601
Total Chrysler	7,830	9,124	22,636	23,592	131,489	103,842
Omni	1,945	1,310	5,189	3,557	20,721	25,372
Shadow	3,467	3,577	8,945	8,899	36,277	28,310
Charger	320	452	373	1,130	1,022	14,702
Daytona	2,850	1,556	7,399	3,643	32,872	12,231
Aries	3,384	2,844	9,075	7,690	30,422	41,996
Lancer	310	647	912	1,783	4,848	11,717
Diplomat	753	411	2,426	1,064	10,174	4,137
Dynasty	2,089	0	6,540	0	29,588	0
Dodge 600	553	1,233	1,455	2,862	8,329	15,083
Total Dodge	15,671	12,232	42,584	30,599	196,253	153,557
CHRYSLER MOTORS	35,253	33,115	96,420	83,838	475,061	407,809
Escort	13,395	14,547	32,781	35,198	153,483	184,877
Mustang	5,629	6,324	17,015	15,724	83,979	80,186
Tempo	9,512	8,131	25,000	21,163	119,921	104,952
Taurus	14,148	11,324	39,436	30,299	174,173	143,481
Thunderbird	4,399	4,006	12,351	10,339	57,099	46,631
Probe	2,737	0	6,192	0	11,947	0
Crown Victoria	3,906	4,496	11,233	12,342	51,982	51,593
Total Ford Div.	53,997	48,828	144,008	125,062	652,524	583,702
Lynx/Tracer	1,916	2,627	4,880	5,957	25,815	25,241
Topaz	3,075	1,934	7,589	6,275	35,356	30,429
Sable	5,514	3,041	12,377	7,883	54,407	38,741
Cougar	4,134	3,544	10,474	9,656	49,525	42,047
Grand Marquis	4,128	3,895	10,377	10,672	49,348	44,560
Total Mercury	18,767	15,041	45,698	40,253	214,451	183,519
Continental	1,417	437	3,710	1,189	17,795	5,974
Lincoln	4,898	3,856	11,444	11,269	52,138	47,803
Mark VII	661	987	1,785	2,555	9,429	10,771
Total Lincoln	6,976	5,280	16,939	15,013	79,360	64,548
Total L-M Division	25,743	20,321	62,607	55,266	293,811	248,067
FORD MOTOR CO.	79,650	69,149	206,615	180,328	946,335	831,769
Skyhawk	1,054	1,228	2,392	3,372	13,779	15,303
Somerset Regal	3,080	1,946	6,336	5,011	25,530	30,174
Century	4,341	4,029	10,243	10,394	48,786	62,596
Regal	4,849	1,425	11,637	3,874	51,353	20,770
LeSabre	4,876	3,556	12,341	9,125	67,354	53,411
Reatta	151	0	363	0	1,186	0
Electra	2,578	2,015	6,093	3,292	34,353	29,648
Riviera	274	401	716	1,082	4,465	9,801
Total Buick	21,203	14,599	50,123	36,150	246,786	221,703
Cimarron	253	454	693	1,275	3,207	5,576
Allante	109	82	320	281	1,454	856
Seville	757	573	1,836	1,884	8,813	10,593
Cadillac	7,986	5,885	16,566	16,030	85,023	80,933
Eldorado	1,071	557	2,692	1,647	11,953	8,422
Total Cadillac	10,156	7,531	24,107	23,097	110,450	106,382
Chevette	5	282	17	1,040	178	14,839
Nova	2,846	5,963	8,834	16,104	53,859	53,377
Cavalier	11,349	7,500	29,065	19,537	125,538	144,934
Camaro	3,984	4,151	10,408	10,837	42,970	57,144
Celebrity	8,433	10,911	23,287	28,172	116,471	152,355
Corsica/Beretta	16,116	9,542	40,591	22,290	178,139	48,402
Monte Carlo	1,243	2,265	3,366	6,048	18,582	25,554
Chevrolet	6,361	5,427	18,014	15,986	72,229	74,068
Corvette	987	946	2,483	2,564	11,117	10,787
Total Chevrolet	51,324	46,987	136,065	122,558	619,082	581,460
Firenza	696	515	1,054	1,434	6,186	6,845
Calais	3,953	3,867	9,666	8,862	43,716	44,574
Cutlass Ciera	7,439	8,610	19,392	19,823	97,190	107,742
Cutlass Supreme	3,965	2,620	8,965	7,015	44,261	46,932
Olds 88	5,434	7,015	15,892	15,258	77,434	74,052
Olds 98	2,130	2,479	5,892	6,205	32,299	27,999
Toronado	625	758	1,419	1,860	7,016	7,818
Total Oldsmobile	24,242	25,864	62,100	60,477	306,102	315,962
Fiero	1,608	1,591	3,096	5,072	13,071	22,457
1000	31	112	36	433	154	3,922
Sunbird	3,597	2,830	8,596	7,127	36,176	36,079
Firebird	2,170	3,226	5,852	8,554	27,577	34,509
Grand Am	9,016	8,323	21,726	19,808	102,806	91,382
6000	3,718	3,836	9,543	10,191	43,871	53,913
Grand Prix	3,509	396	8,783	1,284	35,444	8,176
Bonneville H	4,514	0	11,191	0	52,850	0
Paris./Safari	329	3,355	696	8,355	3,224	42,996
Total Pontiac	28,469	23,669	69,501	60,802	314,975	295,404
GENERAL MOTORS	135,414	118,450	341,896	304,884	1,599,397	1,520,901
HONDA	19,669	15,003	34,801	26,005	154,827	129,795
Civic	5,623	4,484	9,604	7,567	39,170	39,806
Accord	14,066	10,519	25,197	18,438	115,657	89,990
MAZDA	1,391	0	2,819	0	11,098	0
NISSAN	4,971	7,174	9,772	14,923	39,042	51,072
TOYOTA	2,567	2,639	5,100	4,463	22,153	15,696
VOLKSWAGEN	2,457	4,516	4,564	7,882	20,638	28,956
DOMESTIC TOTAL	281,392	250,045	701,987	622,303	3,267,569	2,965,798
IMPORT TOTAL	0	0	268,906	260,393	1,250,032	1,161,916
INDUSTRY TOTAL	0	0	970,893	882,696	4,517,601	4,147,716

Domestics lead May sales upturn

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Retail sales of new cars rose 10 percent in May as a result of a strong performance by domestic models.

Sales of domestic and imported cars totaled 970,893 units compared with 882,696 in May 1987. The month's total was boosted by two stellar 10-day sales periods for domestic models with gains of 12 and 35 percent.

Domestic sales in May this year were 701,987, up 12.80 percent over last May's 622,303. There were 268,906 imported cars delivered in May this year compared with 260,393 last year, an increase of 3.27 percent.

Where the U.S. market was, May 1988

	Total Sales	Pct. of Total
SUBCOMPACT	81,700	8.42
COMPACT	198,760	20.47
INTERMEDIATE	287,500	29.62
STANDARD	127,848	13.15
SPECIALITY	6,292	0.64
IMPORT	268,906	27.70
TOTAL	970,893	100.00

The daily selling rate in May this year averaged 38,836 units compared with 35,308 a year ago. There were 25 selling days in May both years.

The Big 3 reported sales increases of 12 percent to 15 percent in May. Aggressive marketing and rebates helped Chrysler Motors sell 96,420 units for a 15.00 percent gain.

Even though the second quarter's incentives are lighter, they account for about 3-5 percent of total car sales, according to Scott Merlis, auto analyst for Morgan Stanley of New York.

Ford Motor Co. delivered 14.58 percent more cars in May than it did a year ago, and General Motors' sales were up 12.14 percent.

Two transplant companies reported sales gains and two reported declines in May. Honda's sales of U.S.-built cars rose 33.82 percent over last year's, and Toyota's transplant sales were up 14.27 percent. Mazda, which was not building cars here a year ago, sold 2,819 cars in May.

Nissan's sales were down 34.52 percent compared with a year ago, and Volkswagen's sales dropped 41.95 percent.

In terms of market share, imports took 27.70 percent of sales in May compared with 29.50 percent a year ago.

Toyota led the imports by delivering 57,917 units in May for a 14.29 percent increase. Honda's total imported car sales declined 14.60 percent, although its Acura Division reported a 13.14 sales rise. Mazda's sales of imported cars in May climbed 33.93 percent over the year-ago total.

The Big 3's captive imports also reported sales gains in May over a year ago. The total was 35,862, up 58.79 percent over last year's 22,584. New entries from Ford Division and Pontiac accounted for most of the increase.

Sales of domestic cars for May 21-31 totaled 281,392, an increase of 12.54 percent over 250,045 last year. The Big 3 and Honda were up; VW, Nissan and Toyota reported declines.

IMPORTED CAR SALES

	May 1988	May 1987	5 Mos. 1988	5 Mos. 1987
Acura	10,818	9,562	49,813	40,562
Alfa Romeo	336	637	2,223	2,765
Audi	1,984	5,536	9,311	16,972
BMW	5,742	7,790	28,633	35,276
Chevrolet	11,086	9,294	51,089	49,265
Chrysler	1,154	1,030	4,356	5,149
Daihatsu	921	0	4,261	0
Dodge	4,979	4,418	23,893	22,339
Ford	5,699	1,102	29,182	1,453
Eagle	696	1,477	7,889	9,778
Honda	19,831	29,325	99,373	110,588
Hyundai	24,299	22,383	120,452	99,867
Isuzu	2,379	3,271	8,807	11,713
Jaguar	1,809	2,304	7,969	7,832
Maserati	83	87	430	429
Mazda	30,263	15,129	95,919	69,429
Mercedes-Benz	8,289	8,287	35,912	38,138
Mercury	1,365	1,045	4,579	3,701
Mitsubishi	6,415	6,046	28,742	28,392
Nissan	29,752	25,732	153,112	174,271
Peugeot	756	706	2,714	3,685
Plymouth	4,676	4,218	21,588	21,081
Pontiac	6,237	0	26,950	0
Porsche	1,304	2,473	7,253	10,624
Saab	3,107	3,897	15,705	17,808
Sterling	832	1,022	4,232	5,221
Subaru	12,991	16,222	80,724	63,267
Toyota	57,917	50,677	228,572	195,133
Volkswagen	12,906	15,206	61,249	50,042
Volvo	8,369	10,402	40,488	52,881
Yugo	2,510	4,111	14,531	22,272
TOTAL	268,906	260,393	1,250,032	1,161,916

Sales data compiled by Ward Data

U.S. CAR SALES BY MARKETING UNITS

	May 1988	Percent Share	May 1987	Percent Share	5 Mos. 1988	Percent Share	5 Mos. 1987	Percent Share
Alfa Romeo	336	0.03	637	0.07	2,223	0.05	2,765	0.07
American Honda	65,450	6.74	61,862	7.01	304,113	6.73	280,946	6.77
BMW	5,742	0.59	7,790	0.88	28,633	0.63	35,276	0.85
Buick	50,123	5.16	36,150	4.32	246,786	5.46	221,703	5.35
Cadillac	24,107	2.48	23,097	2.62	110,450	2.44	106,382	2.56
Chevrolet	147,161	15.16	131,852	14.94	670,151	14.83	630,725	15.21
Chrysler	23,790	2.45	24,629	2.79	135,825	3.01	108,862	2.63
Daihatsu	921	0.09	0	0.00	4,261	0.09	0	0.00
Dodge	47,563	4.90	35,017	3.97	220,146	4.87	176,880	4.26
Eagle	5,728	0.59	4,360	0.49	28,739	0.58	17,196	0.41
Ford	149,867	15.42	126,164	14.29	681,706	15.09	585,156	14.11
Hyundai	24,299	2.50	22,383	2.54	120,452	2.67	99,867	2.41
Isuzu	2,379	0.25	3,271	0.37	8,807	0.19	11,713	0.28
Jaguar	1,809	0.19	2,304	0.26	7,969	0.18	7,832	0.19
Lincoln	16,939	1.74	15,013	1.70	79,380	1.76	64,548	1.56
Maserati	83	0.01	87	0.01	430	0.01	429	0.01
Mazda	23,082	2.38	15,129	1.71	107,015	2.37	68,429	1.65
Mercedes	8,289	0.85	8,287	0.94	35,912	0.79	38,138	0.92
Mercury	47,033	4.84	41,298	4.68	219,030	4.85	187,220	4.51
Mitsubishi	6,415	0.66	6,046	0.68	28,742	0.64	28,392	0.64
Nissan	39,524	4.07	40,855	4.61	161,154	4.23	225,343	5.43
Oldsmobile	62,100	6.40	60,477	6.86	306,102	6.82	315,962	7.62
Peugeot	756	0.08	706	0.08	2,714	0.06	3,685	0.09
Plymouth	30,844	3.18	30,976	3.51	150,066	3.32	157,901	3.81
Pontiac	75,739	7.80	60,602	6.87	341,925	7.57	295,404	7.12
Porsche	1,304	0.13	2,473	0.28	7,253	0.16	10,624	0.26
Saab	3,107	0.32	3,897	0.44	15,705	0.35	17,808	0.43
Sterling	832	0.07	1,022	0.12	4,232	0.09	5,221	0.13
Subaru	12,991	1.31	16,222	1.84	80,724	1.34	63,267	1.53
Toyota	63,017	6.49	55,140	6.25	250,725	5.55	210,829	5.08
Volvo	8,369	0.86	10,402	1.18	40,488	0.90	52,881	1.27
VWoA	19,434	2.00	28,808	3.24	91,193	2.02	95,969	2.31
Yugo	2,510	0.26	4,111	0.47	14,531	0.32	22,272	0.54
TOTAL	970,893	100.00	882,696	100.00	4,517,601	100.00	4,147,716	100.00
TOTAL GM	359,229	37.00	314,179	35.59	1,677,416	37.13	1,570,196	37.86
TOTAL FORD	213,639	22.00	182,475	20.67	980,096	21.70	836,923	20.18
TOTAL CHRYSLER	107,925	11.12	94,981	10.76	532,808	11.79	460,941	11.11
TOTAL JAPANESE	213,479	21.99	198,355	22.47	955,541	21.15	886,919	21.36
TOTAL EUROPEAN	52,352	5.39	70,324	7.97	251,288	5.56	292,900	7.06
TOTAL KOREAN	24,299	2.50	22,383	2.54	120,452	2.67	99,867	2.41

Big 3 totals include their captive imports.
Percent share may exhibit some of one or the same due to rounding.

Dealers buying more used cars at auctions, NADA finds

A survey by the National Automobile Dealers Association finds that new-car dealers are buying fewer vehicles off the street and more at auto auctions to stock their used-car lots.

Purchases of vehicles at auctions by new-car dealers rose to 12 percent of used-car inventories in 1987 from 9 percent in 1986, according to the survey. An NADA spokesman credited the increase to more factory auction sales.

Franchised dealers obtain used vehicles from six major sources: trade-ins on new vehicles, company vehicles, auction purchases, broker's wholesale vehicles, street purchases and trade-ins on used vehicles.

Sources of used cars dropped in two categories: Street purchases dipped to 7 percent in 1987 from 9 percent the previous year; and trade-ins on new vehicles as a source declined to 52 percent in 1987 from 53 percent in 1986.

Company vehicles remained steady at 4 percent and broker's wholesale vehicles as a source stayed the same at 8 percent. Trade-ins on used vehicles stood at 17 percent.

The study is part of a larger survey done annually by NADA and published in July. This part of the study is conducted among participating members of NADA's 20 Group program and tracks the sale of used units. The number of transactions in the sample is 120,000.

According to the survey, dealers' used-vehicle departments led all other departments in percentage of dollar sales increase.

Used-car dollar volume in 1987 was up 12 percent over the previous year. Parts and service dollar volume was up 11 percent while the new-car department showed a 5 percent decline in dollar volume.

AUCTION BRIEFS

CHARLES THOMAS

Volvo picks Dallas

Volvo Finance of North America has selected Dallas Auto Auction, in Dallas, as its vehicle remarketing center for the Southwest United States.

Dallas Auto Auction — owned by Nashville-based Anglo American — will auction up to 200 Volvos every other month through the end of the year and will conduct Volvo auctions every month next year.

Under the terms of the agreement, only franchised Volvo dealers will be allowed to purchase the vehicles.

The autos to be auctioned are 240-, 740- and 760-series cars in model years ranging from 1984 to 1988. They are vehicles that have been returned from full-term leases or repossessed.

Volvo auctions will begin in July.

Volvo Finance's vehicles in Texas, Oklahoma, New Mexico, Colorado, Arkansas and Louisiana will be sent to the Dallas Auto Auction for sale. The finance company will rely on the full-service vehicle reconditioning center at the auction.

Race-car sale set

The third annual Monterey Vintage Sports & Race Car Auction on Aug. 19 in Monterey, Calif., will feature 100 rare Maserati, Ferrari, Bugatti, Jaguar and Cobra models. The event — held in conjunction with the Pebble Beach Concours and Monterey Historic Races — is sponsored by Rick Cole Auctions of North Hollywood, Calif.

Last year's event generated $5.5 million in sales. Gate receipts are donated to the Children's Services Center of Monterey, Calif.

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Clanton's Auto Auction, P.O. Box 51, Darlington, South Carolina, 803-393-2861. Sale every Thurs., Regular Consignment, 11 a.m. & Early Bird, 9 a.m. (repos & lease units).

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San Antonio Auto Auction (div. of GECAA), 1500 Ackerman Rd., San Antonio, Texas 78219. Sale every Weds. Contact: Frank Post or Michael Millikien, 512-661-4200.

WASHINGTON

So. Seattle Auto Auction. The lease & Fleet Specialists. Tom Chase, 1-800-872-6800. P.O. Box 5189, Kent, Washington 98064.

WISCONSIN

Metro Milwaukee Auto Auction. Sale every Wednesday. FMC, GMAC, all leasing. 414-835-4436, Caledonia, Wisconsin.

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AUCTION DATES

Chrysler Motors

June 14 — Florida Auto Auction of Orlando, Ocoee, Fla.; Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Riverside Auto Auction, Riverside, Calif.; Greensboro Auto Auction, Greensboro, N.C.; and Portland Auto Auction, Portland, Ore.

June 15 — Columbus Fair Auto Auction, Obetz, Ohio, and Southern Auto Auction, Warehouse Point, Conn.

June 16 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; Salt Lake Auto Auction, Salt Lake City; and Southwest Auto Auction, Phoenix, Ariz.

June 17 — St. Louis Auto Auction, Bridgeton, Mo.

June 21 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Aptco Auto Auction, Taylor, Mich.; Denver Auto Auction, Aurora, Colo.; South Seattle Auto Auction, Kent, Wash.; Golden Gate Auto Auction, Fremont, Calif.; and Nashville Auto Auction, Nashville, Tenn.

June 22 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; and Minneapolis Auto Auction, Plymouth, Minn.

June 23 — Northway Exchange, Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C.; and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

June 24 — Manheim Auto Auction, Manheim, Pa.

June 28 — Florida Auto Auction of Orlando, Ocoee, Fla.; Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Riverside Auto Auction, Riverside, Calif.; and Greensboro Auto Auction, Greensboro, N.C.

June 29 — Columbus Fair Auto Auction, Obetz, Ohio, and Southern Auto Auction, Warehouse Point, Conn.

June 30 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; Salt Lake Auto Auction, Salt Lake City; Southwest Auto Auction, Phoenix, Ariz.; and Ark-La-Tex Auto Auction, Shreveport, La.

July 1 — St. Louis Auto Auction, Bridgeton, Mo.

Ford Motor Co.

June 7 — Bay Cities Auto Auction Inc., Hayward, Calif.

Used Car Sales
Auction Averages

June 88	$5,824
Month ago	$5,731
Year ago	$5,929

June 8 — Mississippi Auto Auction, Hattiesburg, Miss.; Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Lakeland Auto Auction, Lakeland, Fla.

June 9 — Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; and Skyline Auto Exchange, Fairfield, N.J.

June 14 — South Seattle Auto Auction, Kent, Wash.

June 15 — Clanton's Auto Auction, Darlington, S.C.; Newburgh Auto Auction Inc.; Newburgh, N.Y.; and Salt Lake Auto Auction, Salt Lake City.

June 16 — Dallas Auto Auction, Grand Prairie, Texas; Southwest Auto Auction, Phoenix, Ariz.; Brasher's Sacramento Auto Auction, Rio Linda, Calif.

June 21 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

June 22 — Northway Auto Auction, Clifton Park, N.Y.; Columbus Fair Auto Auction, Obetz, Ohio; and Lakeland Auto Auction, Lakeland, Fla.

June 23 — Baltimore-Washington Auto Exchange, Baltimore; Greater Houston Auto Auction, Houston; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

June 29 — Atlanta Auto Auction, Red Oak, Ga.; Concord Auto Auction, Acton, Mass.; and Southern California Auto Auction, Fontana, Calif.

June 30 — Auto Auction of Billings, Billings, Mt.; Greater Chicago Auto Auction, Chicago; and St. Louis Auto Auction, Bridgeton, Mo.

General Motors

June 7 — Southern Auto Auction, East Windsor, Conn.; and Dallas Auto Auction, Grand Prairie, Texas.

June 8 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Omaha Auto Auction, Omaha; and Southern California Auto Auction, Fontana, Calif.

June 9 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah.

June 14 — Florida Auto Auction of Orlando, Ocoee, Fla., and A.D.E. of Birmingham, Moody, Ala.

June 15 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; Golden Gate Auto Auction, Fremont, Calif.; Mississippi Auto Auction, Hattiesburg, Miss.; and Indianapolis Auto Auction, Indianapolis.

June 16 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; Southwest Auto Auction, Phoenix, Ariz.; and Colorado Auto Auction, Commerce City, Colo.

June 21 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

June 22 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Riverside Auto Auction, Riverside, Calif.; and Omaha Auto Auction, Omaha, Neb.

June 23 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; and St. Louis Auto Auction, Bridgeton, Mo.

June 28 — A.D.E. of Birmingham; Harrisonburg Auto Auction, Harrisonsburg, Va.; and Florida Auto Auction of Orlando, Ocoee, Fla.

June 29 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Indianapolis Auto Auction, Indianapolis.

Model Breakdown
Auction Averages

	JUNE 1988	MAY 1988	APR 1988
1988	$12,610	$12,592	$12,483
1987	$8,718	$8,672	$8,638
1986	$7,357	$7,375	$7,190
1985	$5,758	$5,732	$5,904
1984	$4,509	$4,511	$4,438
1983	$3,756	$3,751	$3,792
1982	$2,500	$2,490	$2,398
1981	$1,956	$1,963	$1,937
Overall Average	$5,824	$5,800	$5,722

DOMESTIC DAYS' SUPPLIES

	June 1, 1988	May 1, 1988	June 1, 1987
Alliance	54	69	162
Eagle	—	61	145
Premier	111	134	—
Total Eagle	99	123	160
Horizon	102	89	45
Sundance	57	66	60
Turismo	—	77	163
Reliant	41	42	57
Caravelle	68	67	106
Gran Fury	41	38	45
Total Plymouth	59	59	85
Laser	—	—	42
LeBaron K	96	88	89
LeBaron J	54	57	143
LeBaron GTS	121	134	124
Fifth Avenue	73	55	124
New Yorker C	84	102	—
New Yorker E	22	26	95
Total Chrysler	72	73	111
Omni	106	97	46
Shadow	50	60	55
Charger	—	69	149
Daytona	49	48	92
Aries	44	41	62
Lancer	152	185	138
Diplomat	53	52	69
Dynasty	45	53	—
Dodge 600	69	70	103
Total Dodge	57	59	73
CHRYSLER MTRS.	63	65	82
Escort	66	73	70
Mustang	40	44	40
Tempo	65	70	75
Taurus	39	53	75
Thunderbird	83	97	89
Probe	30	60	—
Crown Victoria	49	60	44
Total Ford Div.	54	64	68
Lynx/Tracer	108	98	97
Topaz	68	70	80
Sable	50	56	115
Cougar	73	79	91
Grand Marquis	44	45	59
Total Mercury	63	66	86
Continental	18	16	76
Lincoln	67	69	51
Mark VII	73	65	50
Total Lincoln	57	57	53
Total L-M Division	61	64	77
FORD MOTOR CO.	56	64	71
Skyhawk	85	100	137
Somerset Regal	61	101	149
Century	63	70	132
Regal	81	96	99
LeSabre	48	58	110
Reatta	94	87	—
Electra	88	101	142
Riviera	60	62	92
Total Buick	68	81	127
Cimarron	105	135	114
Allante	124	139	76
Seville	88	64	64
Cadillac	69	71	90
Eldorado	96	76	89
Total Cadillac	75	73	89
Chevette	247	298	59
Nova	82	64	66
Cavalier	52	62	104
Camaro	63	74	59
Celebrity	59	65	59
Corsica/Beretta	47	59	74
Monte Carlo	85	109	128
Chevrolet	52	77	86
Corvette	57	69	83
Total Chevrolet	56	66	77
Firenza	71	115	143
Calais	74	84	76
Cutlass Ciera	66	58	83
Cutlass Supreme	111	98	105
Olds 88	51	60	83
Olds 98	81	83	103
Toronado	80	63	59
Total Oldsmobile	72	72	87
Fiero	68	120	76
1000	—	157	61
Sunbird	44	56	100
Firebird	55	53	49
Grand Am	42	45	50
6000	52	54	104
Grand Prix	61	46	123
Bonneville H	37	47	—
Paris./Safari	79	92	122
Total Pontiac	48	52	79
GENERAL MTRS.	60	67	87
HONDA	9	12	8
MAZDA	32	42	—
NISSAN	59	51	48
TOYOTA	33	43	42
VOLKSWAGEN	116	113	61
DOM. TOTAL	57	63	77
Subcompact	48	48	—
Compact	48	54	—
Intermediate	60	65	—
Standard	57	64	—
Specialty	68	95	—

New-vehicle supplies slip back to 59 days

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Combined inventories of unsold domestic cars and imported vehicles on June 1 were slightly higher than they were a month earlier, but stronger sales trimmed the days' supply.

And in absolute numbers, stocks were 9.94 percent or about 273,000 units lighter than last year at the same time.

Strong May sales helped trim June 1 domestic and import inventories to 2,474,699 vehicles, representing a 59-day supply vs. 2,466,962, or 67 days' worth on May 1. A year ago, the total of unsold vehicles was 2,747,950, which represented a 71-day supply.

Dealers confirmed that May new-car sales were healthy and several mentioned lower inventories. Steven Flores, general sales manager for Huber Lincoln-Mercury-Subaru, Bloomington, Ill., said he had a 60-day supply and noted: "The Continental and Grand Marquis continue to be strong. The Tracer is doing well, but with more advertising it could do better."

The stockpile of domestic cars on June 1 edged up to 1,597,668 units, equivalent to a 57-day supply at May's brisk sales pace. A month earlier, there were 1,571,272 unsold cars, which represented a 63-day supply.

On June 1, 1987, stocks of unsold cars built in the United States were 1,910,805, which was equivalent to 77 days' worth.

Imported car inventories on June 1 shrank to 676,481, representing a 63-day supply. There were 12,618 fewer unsold cars than on May 1, when the inventory was 689,099, equivalent to a 73-day supply.

Car stocks, however, were nearly 70,000 units higher than the year-ago total of 606,583, which equaled 58 days' worth.

Total import truck stocks of 200,550 unsold units, representing a 72-day supply, were reduced by 6,041 units from the previous month's 206,591 or 84-day supply. They were below year ago import truck stocks of 230,562, which represented a 67-day supply.

By country of origin, import-car stocks stood this way: Japan, 61.34 percent; Germany, 14.38 percent; all other countries, 24.28 percent.

The eight domestic carmakers shared unsold car stocks as follows: General Motors, 51.48 percent; Ford Motor Co., 29.04 percent, Chrysler Motors, 15.28 percent; Nissan, 1.43 percent; Volkswagen, 1.32 percent; Honda, 0.80 percent; Toyota, 0.42 percent and Mazda, 0.23 percent.

By size class, the June 1 domestic inventory was split this way: Intermediate, 42.97 percent; compact, 23.98 percent, standard, 18.07 percent; subcompact, 13.91 percent and specialty, 1.07 percent.

If captive import stocks are included with domestic stocks, the Big 3 U.S.-based carmakers shared 74.29 percent of total unsold inventories. On June 1, GM had 39.13 percent or a 67-day supply; Ford's share was 21.94 percent or a 58-day supply and Chrysler had 13.22 percent or a 79-day supply.

The leanest stocks belonged to two Japanese-based manufacturers. Combined import and domestic stocks for Honda were 24,104 units, representing an 11-day supply or 1.06 percent of total stocks. Toyota's combined domestic and import inventory was 45,551, equal to a 24-day supply or 2.00 percent of stocks on June 1.

Nissan's combined inventories were the heftiest of the transplants. They rose to 144,117 on June 1, which represented 86 days' worth and 6.34 percent of stocks. All other imported cars and light trucks accounted for 16.5 percent.

Among U.S.-based manufacturers, Ford Division was shy of Mustangs, Tauruses and Probes on June 1. Lincoln-Mercury had only 18 days' worth of Continentals.

Chrysler had heavy stocks of LeBaron GTS (121 days) and Dodge Lancer (152 days). On the low side were Reliant and Gran Fury at 41 days each.

Among the GM divisions, Pontiac stocks were reduced to a 48-day supply and Buick's day supply was diminished to 68 days' worth at current selling rates. Oldsmobile had an 111-day supply of Cutlass Supremes on hand June 1.

IMPORT DAYS' SUPPLIES

	June 1, 1988	May 1, 1988	June 1, 1987
Chevrolet	116	169	161
Chrysler/Mitsubishi	113	143	104
Acura	37	35	37
Daihatsu	77	90	—
Honda	14	11	11
Isuzu	163	160	75
Mazda	44	58	72
Mitsubishi	89	100	54
Nissan	102	112	107
Subaru	99	110	94
Toyota	17	22	19
JAPAN	57	69	58
Audi	169	189	89
BMW	75	85	67
Mercedes-Benz	43	29	37
Merkur	132	181	120
Porsche	100	90	79
VW	78	97	72
GERMANY	77	85	68
Alfa Romeo	87	85	69
Festiva	123	130	82
Hyundai	55	53	30
Jaguar	50	65	21
Peugeot	70	90	97
Pontiac	64	76	—
Eagle/Renault	272	253	270
Saab	76	87	75
Sterling	97	107	74
Volvo	70	71	50
Yugo	172	127	45
Other Countries	75	76	50
Total Import Cars	63	73	58
Isuzu	140	152	96
Mazda	50	61	68
Mitsubishi	88	74	61
Nissan*	90	104	104
Range Rover	42	42	47
Suzuki	97	104	18
Toyota	32	43	46
Chrysler	106	122	113
Total Imp. Trucks	72	84	67
Total Imp. Vehicles	65	75	60

*—Includes domestic trucks.

ERDMAN

FROM PAGE 3

1989 model year, an increase of 100,000 to 200,000 over 1988.

Chevrolet is also looking for 1.6 to 1.7 million car sales in 1989, compared with an anticipated 1.7 to 1.8 million this model year.

Overall, it expects trucks to account for significantly more than the 42 to 44 percent of its sales mix that they're expected to take in the 1988 model year. It is not likely to emulate Ford Division, however, in having trucks account for more than half its overall sales.

Chevrolet's biggest increase is expected to come from the full-sized C/K pickups. General Motors is adding another C/K production shift at its Pontiac East plant, boosting Chevrolet's capacity to 500,000 C/K models next year, up from an estimated 390,000 for the 1988 model year.

The additional tooling is not for any particular C/K model, but will be flexible enough to accommodate across-the-board increases, Erdman said.

Chevrolet is also looking for a sizable gain in S-10 pickup sales, projected at 275,000 for the 1989 model year or 30,000 more than in 1988.

As previously reported, it will also begin getting the new Tracker sport-utility vehicle from the GM-Suzuki joint venture in Canada. Chevrolet expects to receive about 10,000 Trackers.

As of June 1, Chevrolet and its dealers had about 75 days' supply of trucks and 80 days' supply of cars on hand.

Asked about the above-average numbers, Erdman said, "At this time of year, it doesn't concern me in the least."

He noted that GM's program of capping the amount of floorplan interest a dealer has to pay, once inventory reaches a certain days' supply level, has made it easier for dealers to carry more stock.

Said Erdman, "We're (Chevrolet) short of trucks right now. It's hard to believe, but I'd like more S-10s, more C/Ks, more minivans, more G vans."

Referring to the outlook for clearing out 1988 models, he added, "The whole industry will go down pretty clean. The further down you get (on carryover inventory by the time of new-model launches in October), the better off you are. We're looking for a good cleanup."

Chevrolet will put significantly more of its resources, including advertising, merchandising, new products and dealer support, into selling trucks next model year in what Erdman described as a "pretty focused game plan."

"The crossover of car buyers into the truck market has said to us that we, Chevrolet, have to pay much closer attention to this market," he pointed out.

Chevrolet is also trying to regain market share lost to Ford in the past year. A Ford official, in fact, recently predicted that, armed with additional automatic overdrive transmission capacity, Ford would outsell Chevrolet and GMC combined in the light-truck market.

Erdman responded by saying, "They won't outsell GM. They'll have a tough enough time just living with Chevrolet, let alone Chevy and GMC. We have some pretty responsive new players in our lineup, including our dealer organization. Chevrolet dealers do not take kindly to 1987 (when Ford Division topped Chevrolet in total vehicle sales), and that's what it takes."

He added, "They (Ford) have done an excellent job, but I'd like to think they're hearing footsteps."

After a slow start in launching its new full-sized pickups last year, the C/K models are now "really moving," Erdman said, while "competition (Ford) has begun to slip."

The most recent five-month sales data shows Ford, with 258,107 full-sized F-series sales, leading Chevrolet's 215,868 full-sized pickup sales by 19.57 percent. In the corresponding 1987 period, Ford had a 33.56 percent edge over Chevrolet in that segment, the largest in the light-truck market.

One of GM's (including Chevrolet and GMC) new pricing/marketing strategies in 1989, according to dealers, is to package truck options differently.

Generally, GM has simplified its optional equipment offerings and has added more basic content to trucks. Some dealers have expressed concern that this will drive prices up and keep them from getting inexpensive stripped-down work trucks.

Erdman replied, "If anything, it will drive prices down in the long run because you gain some efficiencies. All your packages are really customer-driven. They're all priced in line with customer needs. You take a look at what's being ordered, and the customer gains in the price/value relationship."

He noted that some truck models, "principally the three-quarter and one-ton jobs, are very difficult to package. We've kept ourselves in a position where there is still some free-flow" on options.

Mexico's April car output jumps 46%

By Kathy Barbaglia and Stephen Downer
AUTOMOTIVE NEWS STAFF REPORTERS

Mexican car output for April totaled 25,428 units, [illegible] percent more than the 17,413 cars built in April 1987.

At April's end, 109,294 cars had been built in Mexico for the calendar year, 54.80 percent more than the 70,605 built during the first four months of 1987.

General Motors built 4,354 cars in April, compared with 486 in the year-ago period.

A GM spokesman said production had been increased to build up inventory because the plant soon would be idled to modernize the paint facility. Also, April 1987's output was lower than usual because of downtime for model changeover.

GM produces Celebrity, Cutlass Ciera and Century models in Mexico. The Celebrity is the only model exported to the United States.

MEXICAN, N. AMERICAN CAR PRODUCTION
April 1988 vs. April 1987

	April 1988	April 1987	4 mos. 1988	4 mos. 1987
Chrysler	6,316	5,167	22,269	19,918
Ford	8,065	4,146	31,441	15,517
GM	4,354	486	17,651	2,627
Nissan	1,623	4,113	19,401	19,183
Volkswagen	5,070	3,501	18,532	13,360
Total Cars, Mexico	25,428	17,413	109,294	70,605
Total Cars, U.S.	610,206	655,867	2,310,610	2,734,046
Total Cars, Canada	103,209	69,050	391,694	299,585
Total Cars, N. American	738,843	742,330	2,811,598	3,104,233

Ford Motor Co.'s April output totaled 8,065 cars, 94.52 percent more than the year-ago month's 4,146 when Tracer production was not at full capacity. Ford also builds Topaz, Cougar, Thunderbird and Taurus models in Mexico. However, only Tracer is built for export.

Chrysler Motors built 6,316 units in April, 22.24 percent more than the 5,167 assembled in April 1987. Chrysler builds the LeBaron J, Aries, Reliant, Sundance and Shadow models for export to the United States.

April's North American production totaled 738,843 cars, slightly below (0.47 percent) the year-ago month's total of 742,330.

PRODUCTION

Truck output for May is highest ever

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Domestic truck production of 370,127 in May was the highest ever for that month, surpassing the previous record of 338,961 in May 1979.

Last month's truck output was 8.74 percent more than April's 340,385 and 10.02 percent more than the year-ago month's 336,423.

Targeted production of 87,842 trucks last week was 19.87 percent more than the prior week's 73,284 and 16.52 percent more than the year-ago week's 75,389.

Year-to-date, 1,939,374 trucks have been assembled, 11.42 percent more than the 1,740,582 completed last year at this point.

Car production in May totaled 697,069, 14.24 percent more than April's 610,206 and 11.84 percent more than the year-ago month's 623,265.

Last week's scheduled output of 173,382 cars was 26.02 percent more than the previous week's 137,579 and 17.73 percent more than the year-ago week's 147,277.

So far this year, 3,311,659 cars have been built, 7.29 percent below the 3,572,010 assembled last year at this time.

Companies split last week's estimated production as follows: General Motors, 48.78 percent; Ford Motor Co., 24.80 percent; Chrysler Motors, 16.03 percent; Honda of America Manufacturing Inc., 4.43 percent; New United Motor Manufacturing Inc., 1.87 percent; Nissan Motor Manufacturing Co. U.S.A., 1.51 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.43 percent; and Volkswagen of America, 1.15 percent.

The Cadillac Allante line at GM's Detroit-Hamtramck plant was shut down today for approximately 2½ months for model changeover.

GM's Fiero plant in Pontiac, Mich., resumed output last week after being idle for inventory adjustment.

GM's Detroit-Hamtramck, Lansing, Mich.; Willow Run, Mich.; Janesville, Wis.; Lakewood, Ga.; Atlanta; Arlington, Texas; Baltimore; Flint, Mich., and Shreveport, La., plants were slated for overtime last Saturday.

Canadian cars best since 1977

Canadian auto production of 110,656 for May was the highest for that month since the 117,134 built in May 1977.

May's car output was 7.22 percent more than April's 103,209 and 41.87 percent more than the year-ago month's 77,998.

Last week's scheduled car production of 27,117 was 2.10 percent more than the prior week's 26,559 and 49.69 percent more than the year-ago week's 18,115.

Truck output of 80,432 units for May fell five units short of April's 80,437 but increased 21.11 percent over the the year-ago month's 66,412.

Targeted production of 20,075 trucks last week was 1.23 percent more than the preceding week's 19,832 and 10.13 percent more than the year-ago week's 18,228.

U.S. CAR	Week Ended June 11, 1988	Week Ended June 13, 1987	Week Ended June 4, 1988	May Total	Jan. 1 to June 11, 1988	Jan. 1 to June 13, 1987
Alliance	0	0	0	0	0	15,539
Total Eagle	0	0	0	0	0	15,539
Horizon	2,500	0	1,763	9,476	44,307	32,997
Sundance	3,100	1,794	2,617	7,892	49,672	49,301
Reliant	3,200	2,623	2,584	11,744	49,073	56,507
Caravelle	100	1,039	469	2,258	9,673	26,226
Gran Fury	300	126	353	1,477	6,219	2,076
Total Plymouth	9,200	5,582	7,796	32,847	158,944	167,107
LeBaron K	0	1,690	0	1,717	7,955	40,115
LeBaron J	2,200	2,497	2,438	9,752	35,254	55,823
LeBaron GTS	300	934	294	941	4,366	20,406
N. Yorker E-Class	0	1,730	0	0	0	40,278
N. Yorker C-Class	2,800	0	2,255	11,914	54,816	0
Fifth Avenue	200	1,206	187	1,309	14,202	19,621
Total Chrysler	5,500	8,057	5,174	25,633	114,893	176,245
Omni	2,400	0	1,689	9,325	43,896	28,363
Daytona	2,200	1,242	2,249	9,741	34,200	27,261
Shadow	2,700	2,199	2,383	9,887	51,266	49,770
Aries	2,900	2,175	1,968	10,028	41,437	53,585
Dodge 600	100	1,009	450	1,961	8,492	23,284
Dynasty	2,300	0	1,860	9,653	51,061	0
Lancer	200	544	167	684	4,867	12,851
Diplomat	300	382	248	1,856	10,309	3,400
Total Dodge	13,100	7,551	11,014	53,135	245,530	198,514
CHRYSLER MOTORS	27,800	21,190	23,984	111,615	519,367	557,405
Escort	9,566	8,768	8,791	41,057	174,574	174,995
Mustang	4,576	4,527	3,457	17,655	97,893	101,436
Tempo	3,929	3,964	3,251	16,894	91,754	90,634
Taurus	9,662	7,981	6,762	36,656	186,536	202,689
Thunderbird	3,866	3,739	3,046	14,225	74,789	77,511
Total Ford Div.	31,599	28,979	25,307	126,487	625,546	647,265
Lynx	0	218	0	0	0	19,567
Topaz	1,584	1,553	1,167	6,258	34,267	29,772
Cougar	2,583	2,509	2,000	10,606	55,739	73,806
Sable	3,072	2,630	2,220	14,667	65,217	64,270
Total Mercury	7,239	6,910	5,387	31,531	155,223	187,415
Continental	924	404	878	4,294	21,175	8,652
Mark VII	450	605	446	2,134	11,672	12,961
Lincoln	2,782	3,030	2,680	12,892	67,796	64,837
Total Lincoln	4,156	4,039	4,004	19,320	100,643	86,450
Total L-M Division	11,395	10,949	9,391	50,851	255,866	273,865
FORD MOTOR CO.	42,994	39,928	34,698	177,338	881,412	921,130
Skyhawk	0	296	0	0	11,350	14,848
Skylark/Somerset	1,749	1,180	1,141	7,207	21,959	34,269
Century	3,773	1,563	2,956	14,144	50,156	85,653
Regal (rwd)	0	897	0	0	0	21,487
Riviera	154	265	136	587	3,211	7,719
Electra	2,254	2,409	2,187	9,645	40,613	46,264
LeSabre (fwd)	2,500	3,814	2,006	10,520	58,692	59,737
LeSabre (rwd)	234	66	216	1,196	4,630	5,050
Reatta	204	0	129	736	2,658	0
Total Buick	10,868	10,510	8,771	44,035	193,269	275,027
Cimmaron	0	185	0	170	3,696	7,027
Eldorado	1,210	602	1,034	4,629	20,057	8,923
Seville	723	513	607	2,752	12,500	11,303
Brougham (rwd)*	884	1,030	884	4,422	17,593	36,059
Deville (fwd)	3,540	2,990	2,833	14,873	84,047	75,830
Allante	49	142	52	175	1,128	1,771
Total Cadillac	6,406	5,462	5,410	27,021	139,021	140,913
Cavalier	8,657	8,520	6,412	33,806	162,664	172,476
Camaro	2,440	1,228	1,967	10,104	40,179	50,897
Celebrity	5,410	5,688	4,135	21,463	84,724	169,662
Corsica/Beretta	9,110	4,323	7,411	38,571	188,698	129,302
Monte Carlo	0	1,209	0	0	0	35,215
Caprice	5,874	1,922	3,889	17,393	91,911	93,857
Corvette	450	646	357	1,877	9,847	14,008
Total Chevrolet	31,941	23,536	24,171	123,214	578,023	665,417
Calais	3,243	3,836	3,379	12,289	55,250	60,773
Firenza	0	577	0	0	5,220	4,996
Cutlass Ciera	1,428	5,041	1,073	2,236	4,496	86,295
Cutlass Supreme	4,065	1,907	3,215	17,649	96,200	33,860
Toronado	487	552	423	1,867	8,771	8,656
88 (fwd)	3,963	4,117	2,832	15,464	77,776	91,761
88 (rwd)	144	472	132	1,024	5,722	9,066
Olds 98	1,602	971	1,305	6,727	38,476	33,804
Total Oldsmobile	14,932	17,473	12,359	57,256	291,911	332,831
Sunbird	2,211	2,330	2,163	10,124	49,982	54,263
Grand Am	6,300	6,256	4,108	24,200	114,357	121,516
Firebird	1,560	752	1,317	6,772	29,569	36,798
Grand Prix	3,598	0	2,959	15,023	57,405	0
Pontiac 6000	2,870	0	1,261	7,878	37,509	38,135
Bonneville	3,254	3,112	2,168	12,484	52,579	55,449
Safari/Parisienne	108	121	117	989	4,013	5,080
Fiero	520	1,058	0	1,942	9,167	18,243
Total Pontiac	20,421	13,629	14,093	79,412	354,591	339,484
GENERAL MOTORS	84,568	70,610	64,804	330,938	1,556,815	1,753,672
HONDA	7,680	6,485	5,934	31,502	168,692	151,105
Civic	2,400	2,876	1,816	9,220	45,052	50,535
Accord	5,280	3,609	4,118	22,282	123,640	100,570
MAZDA†	2,480	0	1,750	9,601	39,254	0
NISSAN	2,610	2,948	2,110	11,045	45,398	64,819
NUMMI	3,250	4,071	2,689	13,985	73,611	88,399
Corolla	2,050	868	986	5,062	27,902	18,182
Nova	1,200	3,203	1,683	8,923	45,709	70,217
VOLKSWAGEN	2,000	2,045	1,630	11,045	27,110	35,480
Golf/GTI	2,000	1,795	1,630	11,045	21,557	29,829
Jetta	0	250	0	0	5,553	5,651
Total Cars, U.S.	173,382	147,277	137,579	697,069	3,311,659	3,572,010
Total Cars, Canada	27,117	18,115	26,559	110,656	545,629	383,799
U.S., Canada Cars	200,499	165,392	164,138	807,725	3,857,288	3,955,809
U.S., Canada Cars and Trucks	308,416	259,009	257,254	1,258,284	6,235,796	6,075,528

Monthly estimates may contain error of one or two units due to rounding.
*—Estimate. †—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended June 11, 1988	Week Ended June 13, 1987	Week Ended June 4, 1988	May Total	Jan. 1 to June 11, 1988	Jan. 1 to June 13, 1987
Eagle	0	—	0	0	0	—
Premier	1,606	—	1,554	6,879	33,494	—
CHRYSLER MOTORS	1,606	107	1,554	6,879	33,494	2,756
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	4,209	—	3,543	17,442	93,792	—
Topaz	1,187	—	1,334	5,352	31,471	—
Crown Victoria	2,856	—	2,836	11,919	64,022	—
Grand Marquis	2,904	—	2,894	12,057	63,717	—
FORD MOTOR CO.	11,156	11,079	10,607	46,770	253,002	246,972
Celebrity	645	—	658	2,980	10,030	—
Cutlass Ciera	7,335	—	7,642	29,529	128,525	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,540	—	1,492	5,676	25,200	—
Regal	3,800	—	3,362	14,453	76,050	—
GENERAL MOTORS	13,320	6,336	13,154	52,638	239,805	124,490
Civic	855	—	912	1,804	3,833	—
Accord	0	—	152	1,828	12,315	—
HONDA	855	368	1,064	3,632	16,148	4,721
VOLVO	180	225	180	737	3,180	4,860
Total Cars, Canada	27,117	18,115	26,559	110,656	545,629	383,799

U.S. TRUCK☆	Week Ended June 11, 1988	Week Ended June 13, 1987	Week Ended June 4, 1988	May Total	Jan. 1 to June 11, 1988	Jan. 1 to June 13, 1987
Caravan	1,900	—	2,416	8,527	46,504	—
Dakota	2,200	—	1,728	8,883	53,940	—
Mini-Ram Van	300	—	265	1,443	7,222	—
Pickups	2,150	—	1,724	8,733	32,679	—
Total Dodge	6,550	7,708	6,133	27,586	140,345	122,692
Cherokee	4,450	—	3,631	16,799	83,991	—
Commanche	1,050	—	819	3,880	21,959	—
Grand Wagoneer	350	—	280	1,455	6,930	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	249	1,131	6,004	—
Total Jeep	6,050	4,094	4,979	23,265	124,084	100,288
Voyager	1,700	—	2,154	7,946	42,884	—
Total Plymouth	1,700	—	2,154	7,946	42,884	—
CHRYSLER MOTORS	14,300	11,802	13,266	58,797	307,313	222,980
Aerostar	3,582	—	2,845	18,741	100,209	—
Bronco	1,292	—	1,042	5,338	28,338	—
Bronco II	2,514	—	1,944	10,293	62,858	—
Econoline	5,147	—	4,057	21,539	114,872	—
Heavy trucks	1,469	—	1,348	6,450	31,882	—
Light trucks	10,420	—	8,174	45,999	236,167	—
Ranger	7,872	—	6,374	32,643	169,230	—
Total Ford Div.	32,316	30,312	25,784	141,003	743,556	702,626
FORD MOTOR CO.	32,316	30,312	25,784	141,003	743,556	702,626
Astro	3,900	—	3,255	14,070	79,558	—
Blazer	660	—	471	2,436	12,850	—
Mediums/Heavies	440	—	320	1,755	8,352	—
P-Model	890	—	659	3,427	18,090	—
Pickups	7,379	—	5,835	31,745	154,184	—
S-10	6,202	—	5,444	27,123	133,667	—
S-10 Blazer	4,037	—	3,316	16,494	76,342	—
Sportsvan/Van	1,955	—	1,883	9,041	39,465	—
Suburban	1,778	—	1,098	6,768	33,976	—
Total Chevrolet	27,241	19,578	22,281	112,859	556,486	511,084
Jimmy	156	—	58	719	3,806	—
Mediums/Heavies	660	—	523	2,230	18,462	—
P-Model	130	—	156	867	2,559	—
Pickups	2,228	—	1,714	8,753	48,104	—
S-15	1,372	—	1,229	5,277	31,207	—
S-15 Jimmy	957	—	837	4,106	19,946	—
Safari	974	—	794	3,553	20,386	—
Suburban	669	—	494	2,702	16,007	—
Vandura/Rally Vans	574	—	562	2,372	16,927	—
Total GMC	7,720	7,482	6,367	30,579	177,404	174,336
GENERAL MOTORS	34,961	27,060	28,648	143,438	733,890	685,420
NAVISTAR	1,845	1,667	1,504	7,751	40,417	35,164
NISSAN	1,670	1,798	1,332	7,038	51,498	36,692
AM GENERAL*	450	450	450	1,980	10,260	5,100
MISCELLANEOUS*	2,300	2,300	2,300	10,120	52,410	50,600
Total Trucks, U.S.	87,842	75,389	73,284	370,127	1,939,374	1,740,582

CANADIAN TRUCK	Week Ended June 11, 1988	Week Ended June 13, 1987	Week Ended June 4, 1988	May Total	Jan. 1 to June 11, 1988	Jan. 1 to June 13, 1987
Caravan	3,150	—	2,898	12,306	66,606	—
Mini-Ram Van	324	—	318	1,371	6,720	—
Ram Wagon	520	—	569	2,343	11,437	—
Ram Van	1,530	—	1,465	6,274	29,510	—
Total Dodge	5,524	8,625	5,250	22,294	116,273	191,141
Voyager	2,670	—	2,604	11,011	60,744	—
Total Plymouth	2,670	—	2,604	11,011	60,744	—
Wrangler	1,018	—	781	4,249	23,065	—
Total Jeep	1,018	784	781	4,249	23,065	15,203
CHRYSLER MOTORS	9,212	9,409	8,635	37,554	202,102	206,344
FORD MTR. (lt. trks.)	3,648	3,510	3,802	15,228	81,528	72,730
Light trucks	1,650	—	1,312	12,195	67,502	—
Vans	1,467	—	1,719	5,556	28,699	—
Total Chevrolet	3,117	—	3,031	17,751	96,171	—
Light trucks	3,150	—	3,710	6,315	38,601	—
Vans	676	—	589	2,567	15,532	—
Total GMC	3,826	—	4,299	8,882	54,223	—
GENERAL MOTORS	6,945	5,087	7,330	26,633	150,394	95,588
NAVISTAR	270	222	265	1,017	5,110	4,475
Total Trks., Canada	20,075	18,228	19,832	80,432	439,134	379,137
U.S., Canada Trks.	107,917	93,617	93,116	450,559	2,378,508	2,119,719

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Foreign firm can be sued via U.S. unit

VW: Ruling could affect dealers, too

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Volkswagen AG and all other foreign automakers have been told by the Supreme Court that they are vulnerable to legal actions in the United States through their subsidiaries and distributors — and perhaps even franchised dealers.

The unanimous decision handed down by the court last week came in a case against Volkswagen of America and its parent. The case was filed in 1984 by the estate of a couple killed in an Illinois auto accident.

Franz and Sylvia Schlunk, along with three of their children, were killed in a Dec. 17, 1983 accident while riding in a 1978 Volkswagen Rabbit. One son, who was not along, survived. The suit alleged the Rabbit contributed to their deaths because design defects rendered the car "uncrashworthy."

The ramifications of the Supreme Court decision go beyond the German automaker as all world auto companies are put on notice that they are subject to litigation in the United States. Domestic manufacturers also fear the decision will open the door to similar treatment abroad in retaliation.

VW AG contended it was never properly served in the case, saying that it should have been notified of the litigation through the Hague Convention, an international agreement that has a mechanism for notifying companies of lawsuits filed against them in other countries.

Under the agreement — in the case of a German company — the plaintiff must submit the documents translated into German and the German government then serves the named company.

However, in this case the plaintiffs, the estate of Franz and Sylvia Schlunk, maintain that VW AG was adequately served through its subsidiary, VWoA, which was also named in the suit.

Use of the Hague Convention procedures were overruled in a majority opinion written by Justice Sandra Day O'Connor. A minority concurring opinion was written by Justice William Brennan for three justices.

"Where service on a domestic agent is valid and complete under both state law and the due process clause, our inquiry ends and the Convention has no further implication," O'Connor wrote. "And contrary to VW AG's assertion, the due process clause does not require an official transmittal of documents abroad every time there is

see VW - 1

AUTOMOTIVE NEWS JOE WILSSENS

Race cars, road cars — birds of a feather
Ford pitchman Jackie Stewart, center, is joined by Formula One drivers Thierry Boutsen, left, and Alesandro Nannini to promote the correlation between race-car aerodynamics and street-car applications during Detroit Grand Prix VII festivities last week.

NADA: Politics and promos

Green nominated; would be '90 leader

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

BOSTON — The election of next year's National Automobile Dealers Association officers should be far more tranquil than last year's intense race for 1988 officers.

That tranquility of leadership transition was virtually guaranteed last week when the board of directors' nominating committee nominated a sole candidate — Ray Green, NADA director for Illinois — for the 1989 position of first vice president and, therefore, NADA president in 1990.

Green, 60, is president of nine-franchise Green Holding Co. Inc., Jacksonville, Ill.

"Someone else could be nominated from the floor at the October (1988) meeting, but I don't think it will happen," said James T. Caplinger, NADA immediate past president and chairman of the nominating committee.

see NADA, page 54

Chevy's ad-group plan meets strong opposition

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

BOSTON — Factory plans to force all dealers to join, or at least pay for, dealer ad associations has met stiff resistance from the National Automobile Dealers Association board of directors.

"I think it's something the dealers are going to resist," said NADA President Jimmy C. Payton, "so that may be our next battleground."

Payton said NADA directors attending the board meeting here voiced strong objection to any manufacturer mandating ad group membership or fees.

The event that prompted the discussion was a tentative plan by Chevrolet to deduct a surcharge of one percent of invoice to finance dealer ad association contributions to local and regional ad campaigns.

see AD GROUP, page 54

Broker sales rise, puzzle Ford dealers

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

Ford Division dealers have been buying thousands of cars and trucks outside standard sales channels, a phenomenon that has raised questions about defects in Ford's distribution system.

Ford dealers, particularly in the Northeast, say they are getting an unprecedented number of calls from brokers and other parties offering Ford products, sometimes in unusually large quantities.

Those who take advantage of the offers say they do it because they can't get the vehicles they need from the company. They are typically paying $150 to $500 over invoice, plus shipping, and still are able to sell the units for a profit. At the same time, though, they are wondering how anyone can get their hands on cars that appear to be so hard to get through Ford.

The issue has come to the attention of Ford and its dealers in some parts of the country. While there is some dispute over the magnitude of the problem, there is agreement that a secondary sales network corrupts the distribution system.

Many questions stem from the fact that brokered units are being shipped without sales cards — the document that registers a sale within Ford Motor Co. If a dealer arranges a sale through a broker and keeps the card, he can get credit for the sale and the right to earn additional inventory through Ford's "turn and earn" system.

Brokered cars have also clouded the issue of warranty coverage. If a dealer sells through a broker and keeps the sales card, a warranty could kick in when he turns that card in to the factory, not when the car is sold to a retail customer. And since a sale takes place twice — from one dealer to another and then to the retail owner — the end user is in a sense buying a "used" car. Buyers of used Fords pay $100 to have warranty coverage transferred.

Dealers also aren't sure whether recall notices will find their way to the owner when a car passes through extra hands before retail delivery. A Ford spokesman, however, said it can track owners through state registrations even if Ford has no record of their ownership.

see BROKER, page 54

NUMMI PAYOFF

Hendry brings new approach to rebuild Vauxhall operation

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

LONDON — Robert Hendry, a financial man for most of his 24 years at General Motors, learned manufacturing at the feet of the Japanese.

Now he's transferring that approach from the GM-Toyota New United Motors Manufacturing Inc. joint venture in Fremont, Calif., around the globe to Europe.

And, in the process, GM is collecting dividends from one of its biggest benefits in the Toyota project — learning to do things better.

Hendry's personal style — soliciting input from people at all levels of the organization — is a reflection of his experience as a start-up NUMMI person and later GM's top person there.

He starts a job by asking questions. There were many

see VAUXHALL, page 50

Robert Hendry, right, meets with top management officials of Vauxhall's Luton plant

Mazda considers U.S. truck output — Page 2
'89 Continental debuts with dual air bags — Page 3
Chevy, Pontiac eye 25% of U.S. market — Page 4

NEWSPAPER

Small firm, big plans in truck world

Viamax Baby 8 will shun dealers

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Can a Viamax succeed where a General Motors couldn't?

Newly formed by a group of investors, the small company has kept a low profile since taking out a charter earlier this year to produce Class 7½ trucks in Mt. Pleasant, Tenn.

But the small company has big plans. To develop a true Baby 8 rig and sell it without a dealer network, undercutting the industry giants, including GM, which turned over control of its heavy-truck operations to Volvo last year.

One of the investors is David Carroll, who described himself as a "heavy investor" in Viamax and as a "heavy investor" in Mini-Big-Rig, Bourbonnais, Ill. He declined to give his job title. Some other Mini-Big-Rig employees are investors in Viamax, as well, Carroll said.

Mini-Big-Rig operates a successful truck repowering and conversion operation for the hot-shot market. Those are low-frame-height medium-duty trucks used to carry light and stackable items. Hot shots can also be used as wreckers, ambulances, tank container vehicles and for other applications.

Carroll said only that Viamax has an "engineering idea for the total concept" that will help it outcompete larger rivals in the emerging Baby 8 truck segment. Those are trucks sized between Class 7 and 8 vehicles, designed mainly for regional short-haul applications.

Automotive News gleaned something of the company's plans, however, through another investor, M.M. McGinty, president of J.I.T. Associates, Nashville. The consulting firm has handled a lot of the market research for Viamax.

Viamax plans to focus its products on the bulkier, lightweight commodity market, underpricing competition while offering a more fuel-efficient design. It plans to bypass a dealer network, at least initially, selling directly to dedicated haulers and relying heavily

see VIAMAX, page 50

Continental will be first domestic car with dual air bags

SAFETY FIRST: *Continental debuts with dual air bags*

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

This Wednesday in Washington, Ford Motor Co. plans to unveil the 1989 Lincoln Continental — the first domestic car to offer driver- and passenger-side air bags as standard equipment.

The car, which was introduced late last year, is sold out through August. But a production increase scheduled for next month is expected to trim the backlog by new-model changeover time.

Government safety and insurance industry officials are expected to be on hand as Ford stages deployment of the twin air bags. The company is calling the car a milestone in automotive safety.

The event also indicates that Ford has resolved its concerns about passenger-side bags. Since passengers tend to move about more than drivers, there were questions about protecting occupants who aren't sitting upright when the bags deploy. Ford had earlier said it wouldn't offer the bags until it had resolved the so-called "out-of-position-passenger" issue.

The company has sold driver-side air bags as options on Tempo/Topaz models since the 1987 model year.

Ford will begin production of the 1989 Continental in October at its Wixom, Mich., assembly plant.

Wixom will open an addition to its paint facility next month, which will increase overall output from 42 to 46 units an hour. In the process, Continental's share of the plant's production rise from the current 9 units per hour to 15, a company source said.

Production has held at the 9-unit level since last fall. That low output has been one reason for the lean inventories — an 18-day supply on June 1. The car has also sold better than Lincoln-Mercury had expected.

The 1989 Continental is expected to carry a higher price tag because of the air bags. On the Tempo/Topaz, the single air bag is an $815 option.

Wixom will begin building 1989 Town Car and Mark VII models in July.

Strike ends at Cars & Concepts

By Dan Morrison
SPECIAL CORRESPONDENT

Unionized employees at C&C Inc. (Cars & Concepts), Brighton, Mich., approved their first contract with the vehicle conversion company June 12.

It is a three-year pact that includes annual wage increases and a no-strike clause.

Members of UAW Local 4077 voted 303 to 80 to approve the contract, ending a three-day strike that stopped work on Chrysler export models and Ford Mustang convertibles.

Starting pay for assembly workers originally was $4.50. It will now be $5.25. The assemblers' rate rises to $6.25 after 60 working days and to $8 by the third year with the company.

Assembly workers who had been with C&C one year prior to the contract will make a minimum of $9 by year three.

In addition, workers in all classifications who were at or above the maximum pay at the time of the agreement will receive semi-annual lump-sum payments of 40 cents per compensated work hour (not including overtime) starting June 13. The maximum payment will be $832 a year.

Other terms include:

- Reducing the number of job classifications from 22 to 13.
- Delaying implementation of benefits for new hires: six months for hospitalization, surgical and life insurance and one year for dental, vision and hearing benefits.
- A no-strike clause with no exceptions.
- No limitations on subcontracting and no cost-of-living allowances.

The contract is expected to be signed this week.

Meanwhile, Defiance-Vangarde of Owosso, Mich., a C&C supplier, will vote on unionization June 24.

Chrysler bows on binding arbitration

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Chrysler Motors is expected to abandon its campaign to include mandatory binding arbitration in its Jeep-Eagle franchise agreement to settle factory-dealer disputes.

Although the company publicly maintains that use of mandatory binding arbitration remains under consideration, several sources said Chrysler is expected to relent because of dealer pressure.

It is now anticipated that a mandatory binding arbitration clause will be optional in the Jeep-Eagle franchise agreement and in pacts used when re-signing Chrysler-Plymouth and Dodge dealers because of open points, stock transfers and dealership sales.

Chrysler's retreat on the controversial issue would mean that General Motors' Saturn Corp. remains the only domestic auto manufacturer with a mandatory arbitration provision in its franchise agreement.

Chrysler indicated it is considering backing down from imposing the arbitration clause at meetings held recently with the Chrysler-Plymouth, Dodge and Jeep-Eagle national dealer councils.

Chrysler's announced intent last fall to require mandatory binding arbitration in the Jeep-Eagle franchise ignited a storm of protest led by the National Automobile Dealers Association and members of the franchised dealer councils. Chrysler acquired American Motors in August 1987 and has refranchised former AMC dealers as Jeep-Eagle dealers.

NADA maintains that binding arbitration circumvents state franchise laws and the protection those laws give dealers.

Chrysler, however, terms binding arbitration "by far the most equitable and cost-effective method of settling disagreements." The company said "abusive" state laws exist that "cripple" the company's ability to do business and lead to protracted disputes that can take years to resolve.

In the wake of the protest, Chrysler twice revised the Jeep-Eagle franchise agreement. In October, the company said it would place an 18-month moratorium on the issue and temporarily make binding arbitration an option in the agreement.

The company said that during the 18 months, it would review state franchise laws with dealer association officials and conduct lobbying efforts to change laws in some states.

However, at the recent national dealer council meetings, Chrysler said it was lifting the 18-month moratorium. "We've removed the deadline," a Chrysler spokesman confirmed, "so we can focus on the issue, which is new franchising laws. Chrysler, NADA and the dealer councils will continue working to correct abusive state legislation."

Although the spokesman said mandatory binding arbitration "is still under consideration," sources said Chrysler has privately signaled to dealers that binding arbitration is likely to be optional in the contract.

INDEX

Around the world	18-24
Auction dates	37
Classifieds	38-50
Engineering	16
News briefs	8
Obituaries	54
Opinion	10
Personnel	26-28
Production	55
Sales, car	33
Sales, import car	32
Sales, truck	14
Truck industry	14

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Supplier execs to address World Congress

DETROIT — Four supplier industry executives will be among more than 30 faculty members at the 13th annual Automotive News World Congress at the Westin Hotel, July 17-20.

They are: Dr. Dieter Spethmann, chairman of the executive committee, Thyssen AG, Duisburg, West Germany; John L. Tuley, vice president and general manager, plastics division, Monsanto Chemical Co., St. Louis; Germaine Gibara, director, aluminum structured vehicle technology, Alcan International Ltd., Montreal; and Armand V. Feigenbaum, president and chief executive officer, General Systems Co. Inc., Pittsfield, Mass.

Spethmann will deliver the State of the Supplier Industry address at 8:30 p.m. Sunday, July 17.

Thyssen, which employs 130,000, is made up of more than 180 companies worldwide. Included is U.S.-based Budd Co., which is part of the German firm's capital goods and manufactured products business group.

The group, which also includes Thyssen Industrie and Reinische Kalksteinwerke, produces a wide range of automotive products and has a worldwide workforce of over 48,500 persons.

Tuley, who will speak at 2 p.m. Monday, July 18, has been with Monsanto 33 years. His assignments have included management positions in the inorganic division, textiles division, international division and Monsanto Polymer Products Co.

Tuley, who assumed his present post in 1986, has a bachelor of science degree in chemical engineering from the University of Delaware and has participated in the Columbia University advanced management program.

Gibara, a native of Cairo, Egypt, joined Alcan in 1975 as director of investor relations, a position she held until 1984 when she attended Harvard Business School's program for management development.

From 1985 to 1986, Gibara was in charge of a special strategy study for Alcan's president.

Gibara is a member of the Montreal Society of Financial Analysts, the National Investor Relations Institute, the Harvard Business School Association of Montreal and the sectoral advisory group to the Canadian government on international trade in the automotive and aerospace industries.

Feigenbaum heads an international engineering firm that designs, installs and implements quality-oriented integrated systems in major corporations throughout the world.

An innovator in quality technology and management, Feigenbaum is the originator of total quality control (TQC) and was first to define quality costs as the costs of prevention, appraisal and internal and external failures.

His "Total Quality Control" book has been published in a dozen languages and is the basic text on quality systems and improvement worldwide.

Gibara and Feigenbaum will speak at 2:50 and 3:45 p.m., respectively, on Tuesday, July 19.

The World Congress will begin with General Motors President Robert C. Stempel's State of the Industry keynote address at 7:45 p.m. Sunday, July 17.

For further information, write Automotive News World Congress, 1400 Woodbridge, Detroit, MI 48207 or telephone 313-446-6047. The cable address is TWX 810-221-5122 AUTNEW DET.

May truck sales by manufacturer and segment

		14,000 & LESS GVW CLASS 1-3	14,001-16,000 GVW CLASS 4	16,001-19,500 GVW CLASS 5	19,501-26,000 GVW CLASS 6	26,001-33,000 GVW CLASS 7	33,001 & OVER GVW CLASS 8	TOTAL 1988	TOTAL 1987
CHRYSLER-PLYMOUTH	MO	21,710						21,710	19,422
	YR	83,383						83,383	48,236
DODGE	MO	56,600						56,600	49,898
	YR	255,082						255,082	228,352
JEEP	MO	22,216						22,216	17,148
	YR	101,285						101,285	81,186
TOYOTA	MO	23,714						23,714	32,896
	YR	100,848						100,848	129,568
NISSAN	MO	14,310						14,310	15,853
	YR	69,916						69,916	92,464
MAZDA	MO	8,936						8,936	10,701
	YR	44,447						44,447	49,339
ISUZU	MO	6,781						6,781	7,104
	YR	31,642						31,642	38,491
MITSUBISHI	MO	3,705						3,705	4,647
	YR	20,815						20,815	20,379
SUZUKI	MO	6,074						6,074	6,000
	YR	29,022						29,022	36,942
RANGE ROVER	MO	222						222	220
	YR	1,367						1,367	469
FORD	MO	131,996	1,972		984	3,578	1,573	140,103	130,303
	YR	624,138	7,394		4,444	14,973	5,713	666,662	596,274
FREIGHTLINER	MO						1,869	1,869	2,000
	YR						9,756	9,756	8,775
CHEVROLET	MO	122,726		20	574	727	40	124,087	100,921
	YR	559,311		112	3,406	4,012	183	567,024	471,467
GMC	MO	36,766		772	932	1,084	111	35,665	26,550
	YR	149,099		2,544	6,686	7,548	890	166,759	142,839
KENWORTH	MO					42	1,323	1,365	1,172
	YR					219	6,331	6,550	5,448
MACK	MO				162	215	2,179	2,556	2,179
	YR				800	1,082	8,044	9,906	9,820
MERCEDES	MO				111	176		287	343
	YR				463	785		1,248	1,609
NAVISTAR	MO		15	25	1,354	2,574	2,723	6,691	5,331
	YR		86	170	8,185	12,900	13,825	35,166	28,471
PETERBILT	MO					46	1,368	1,416	1,073
	YR					134	8,289	8,423	4,064
VOLVO	MO					137	1,420	1,557	1,156
	YR					504	5,610	6,114	5,098
HINO	MO			55	59	91		205	210
	YR			268	225	396		896	782
NISSAN DIESEL	MO			51	14	56		121	119
	YR			201	148	413		898	571
ISUZU TRUCK	MO	377	33	12	64	21		507	474
	YR	2,030	142	58	526	122		2,878	2,030
MITSUBISHI FUSO	MO	184		57	39	88		342	92
	YR	534		155	184	284		1,056	357
SCANIA	MO						24	24	13
	YR						85	85	63
IVECO TRUCKS	MO	94	41	23	12			170	222
	YR	423	237	132	80			872	1,090
WESTERN STAR	MO						119	119	105
	YR						881	881	545
OTHER DOMESTICS	MO				3		112	115	141
	YR				25		354	379	490
GRAND TOTAL	MO	456,391	2,061	1,015	4,307	8,832	12,661	485,267	434,655
	YR	2,073,320	7,799	3,729	25,094	43,337	57,761	2,211,040	2,006,161
1987 YR to DATE		1,890,959	281	3,540	16,671	42,818	51,892		

NOTE: Subaru sales of 2 units included in Class 3 Grand Total and also in 1988 monthly grand total. Sales of 9 Subarus included in year-to-date 1988 Class 3 total and year-to-date 1988 Grand Total. Sales of 142 Subarus included in 1987 Class 3 and 839 in 1987 Grand Total.
Class 1-3 sales data reported by individual manufacturers; Class 4-8 data reported by Motor Vehicle Manufacturers Association.

Ford upgrades trucks

Brake, tire gains for '89 Kentucky units

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

ANAHEIM, Calif. — All 1989 F, B and L-series trucks produced at the Ford Kentucky Truck plant will have automatic slack adjuster belts and tubeless radial tires as standard equipment.

Automatic slack adjusters are in production and tubeless radials will come on line this summer, officials of Ford truck operations told a press conference at the International Trucking Show here. Both features already are standard on Ford Cargo models.

"We expect these features to deliver improved safety and performance," said Thomas D. Baughman, manager of chassis design engineering. "We are encouraged by our experience with Cargo and two years of testing for the automatic slack adjuster, including severe off-road testing and typical heavy-duty truck cycles."

Automatic adjusters help reduce the frequency and the difficulty of maintenance in addition to adding to brake life and safety. One or more brakes out of adjustment is the most frequent reason for trucking safety citations by state and federal agencies, he said.

Baughman said that Ford's use of tubeless radials on all tractors built at the Kentucky plant will make the vehicles easier to handle, thereby improving safety by reducing driver fatigue.

Fuel-economy experts will advise Ford heavy-duty and Caterpillar customers on how to get more miles to the gallon from their over-the-road Ford Class 8 trucks.

Jeff Kahn, Ford heavy-truck marketing manager, said "the specialists will consult on a wide range of fuel-economy-related issues, which typically represent about 30 percent of a heavy truck's operating costs."

Areas to be covered include the advantages and tradeoffs involved in "gear fast, run slow" strategy and how the concept applies to specific Caterpillar engines and Ford trucks. Drivetrain specifications, tire selection and the role of aerodynamics in fuel efficiency also will be covered.

PACCAR Leasing posts record revenues
PACCAR Leasing Corp., Bellevue, Wash., had record sales of more than $80 million in calendar 1987, up from $77 million the year before. Its 100 independently-owned locations leased or rented a fleet of more than 4,100 Kenworth and Peterbilt models, expanded in 1988 to include new medium-duty models.

Freightliner boss cites benefits of fewer but better suppliers

ANAHEIM, Calif. — The medium- and heavy-truck industry will move to so-called "tier 1" suppliers just as the automotive industry has done.

Peter E. Rupp, chairman of Daimler-Benz of North America Holding Company Inc. and Freightliner Corp., based the prediction partly on changes at his own company.

"We have reduced our total number of suppliers by 25 percent," Rupp told the third annual Motor Equipment Manufacturers/Heavy Duty Manufacturers Association meeting here. "The good news is I sincerely believe those suppliers who are on our vendor list now enjoy a greater sense of security than they did before."

Rupp said the "vastly improved vendor quality has been a prime contributor to a dramatic improvement in our operations."

Freightliner cut its man-hours per truck produced by a high margin, quadrupled its inventory turn rate, reduced its days' supply of material by more than 75 percent and nearly doubled its plant capacity utilization, he added.

He said the company also was able to eliminate many unnecessary options. For example, it cut more than 33 percent of its engine options. "We continue to make obscure options available, but at a price, and we don't publish them any longer in our data books," Rupp said.

He predicted that, despite changes, vendors will continue to play an important role in the industry's future.

"Even if further rationalization of truck manufacturers in the United States takes place, as I firmly expect it will, I stand here to proclaim that some of the studies that are floating around our industry and were conducted by learned institutions and consultants are wrong in stating a dramatic demise in the supplier industry, even its extinction.

"Original-equipment suppliers will have a renaissance, not a demise, if we find the working formula of optimizing our interests for what I call the 'totality of excellence,'" Rupp said. "Vertical integration is not the panacea for our industry."

Conference targets auto electronics

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — Just about everybody knows electronics comprise one of the fastest-growing automotive areas, but it's nice to see someone put his arms around that growth and attach some numbers to it.

Robert J. Eaton, General Motors vice president and group executive — technical staffs group, did just that as he spoke of Convergence, an approaching biennial electronics conference/exposition centering on automotive applications.

As the event's general chairman, Eaton put it this way: "By the turn of the century, electronics for all uses will be the world's second-largest industry, second only to agriculture. The automotive electronics industry alone is expected to grow by the mid-1990s to $35 billion in annual sales from $15 billion in 1987. The electronic content per vehicle, now at $500, could more than triple by 1995."

As one example of strong growth, Eaton cited in-car telephones. He said there are 1.1 million now, up from 250,000 in 1985.

Eaton said Convergence '88, the International Congress on Transportation Electronics to be held at the Hyatt Regency here Oct. 17-18, will identify trends in electronics and emerging technologies.

Some 1,500 engineers and researchers from all over the world will focus on the meeting's theme, "System Integration, Key to Reliability, Flexibility and Cost Effectiveness." Presentations and exhibits will include such areas as traction control, systems for traffic management and guidance and powertrain and chassis control.

"The vehicle of the future will depend on systems integration in ways we are just beginning to understand," Eaton said. "Convergence will explore the ways these and other electronic devices will change where, how and what we drive in the future."

Two keynote speakers are on the agenda. They are Robert A. Lutz, Chrysler Motors president of operations, and Peter E. Rupp, chairman of Freightliner Corp. Robert C. Stempel, GM president, will speak at the conference banquet.

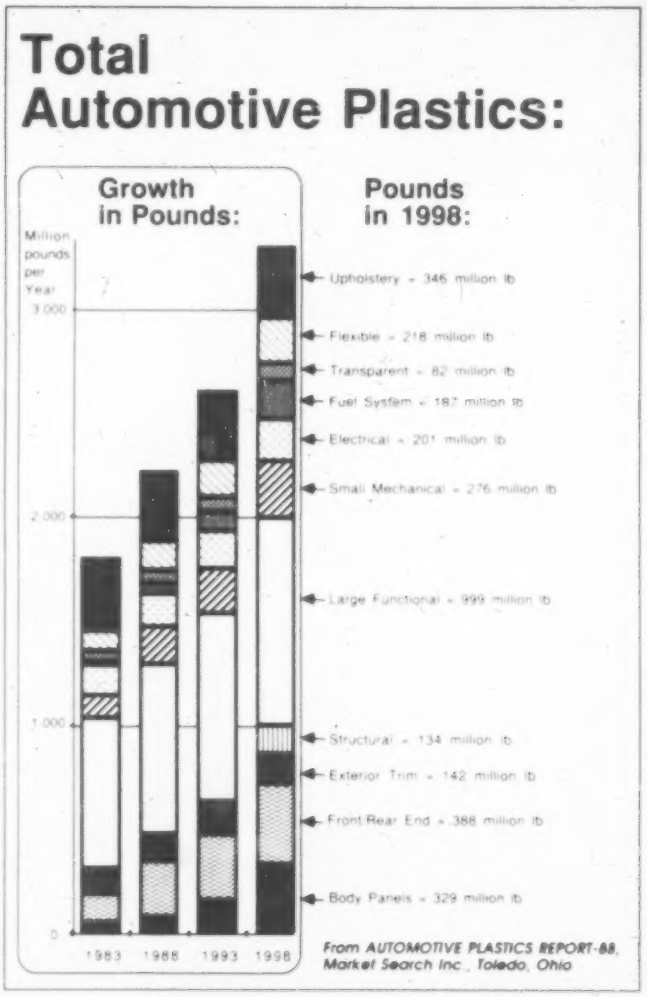
Among session topics are Trilby, GM's long-range research project; Project Alpha, Ford Motor Co.'s high-technology program; and Japan's integrated-vehicle project.

Also due for discussion are such topics as microsensors, multiplex systems, collision avoidance, air bags and navigation.

On the opening day of the meeting, a panel will discuss significant system issues.

The panel, to be moderated by Trevor O. Jones, president of International Development Corp., is expected to include Hermann Scholl, chairman and president, Robert Bosch Corp.; Jerome G. Rivard, vice president and group executive, Allied-Signal Inc.; Nagayuki Marumo, managing director, research and development, Nissan Motor Co.; Ulrich Seiffert, director, component development, Volkswagen AG; and Stuart M. Frey, vice president for technical affairs, Ford Motor Co.

Sponsors of Convergence include SAE and the Institute of Electrical and Electronics Engineers.



50% rise in plastics seen in '98 vehicles

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

TOLEDO, Ohio — A new study predicts that the use of plastics in cars and light trucks made in the United States and Canada will grow to 3.3 billion pounds in 1998 from 2.2 billion pounds this year.

In its ninth annual multiclient study, Market Search Inc. said growth during that 10-year span will be widespread and steady, but some growth areas will surprise some industry watchers.

Polyethylene gas tanks will see the greatest increase of all automotive plastics applications, said James Best, who heads the organization.

"Successful performance demonstrated in millions of tanks in Europe now has been replicated by Volkswagen and Ford Motor Co. in the United States. That experience has overcome initial product liability concerns," he said.

The Ford Pinto of the 1970s was plagued with fires, and the company in 1980 stood trial in Indiana for reckless homicide because of a fire in which three young women died. Ford was not convicted in that jury trial, but one aftereffect was a corporate reluctance to use plastic tanks and "burn up the evidence," in the words of one engineer.

Between now and 1998, the annual use of polyethylene in the tank application will increase by more than 113 million pounds, Market Search said.

Light-truck bodies and even frames will create an entirely new opportunity, consuming at least 100 million pounds per year by 1998, Best said.

The General Motors APV van, with its fiberglass-reinforced thermoset polyester body and urethane fenders, will account for around 64 million pounds per year in 10 years, the study said.

Other exceptional growth opportunities described in the study include fenders in thermoplastics and urethanes consuming 43 million pounds per year by 1998, intake manifolds in thermosets and thermoplastics offering a new market for 12 million pounds per year and composite springs with a dramatic increase to 12 million pounds per year.

"Bumper and energy absorber systems also are expected to show major growth," according to Automotive Plastics Report-88.

The study, which can be purchased for $1,995, identifies 126 specific applications in which plastics consumption will grow by at least 1 million pounds per year over the next decade. Those areas of application are described in detail in the 773 pages of new material in the report. Tables detail the projections, and charts within sections indicate trends.

Steel comeback cited

Technology helps industry show a profit

WASHINGTON — Steel, the material of choice for the auto industry for generations, is battered but advanced technology is helping it make a comeback.

The improving outlook comes after steel lost considerable ground to plastics and aluminum.

And it comes even as leaders in plastics organizations and companies make predictions of further dramatic growth for their materials in the years ahead.

Steel executives attending the annual meeting of their industry's leading trade association said a recovery is firm, is spread through most facets of the business and is growing stronger.

"Steel is emerging again as an industrial material of primary importance to the resurgence of the manufacturing sector," said David H. Hoag, LTV Steel president, in remarks to a press gathering during the 1988 general meeting of the American Iron and Steel Institute here.

In 1987, the American steel industry collectively had its first profit since 1981 when it earned $1.7 billion. The iron and steel group said the industry's net income was $1.0 billion in 1987 compared with a net loss of $4.1 billion in 1986.

Hoag said steel is competing successfully against aluminum and plastic for important automotive applications.

"Steel is being appreciated for its versatility, strength, increasing quality and stability of price when compared to other materials," he said.

Major American steel makers, Hoag said, are developing new products that allow manufacturers to reduce their total production costs and to "enhance their profitability in the face of global competition."

Hoag attributed customers' renewed interest in the metal to the steel industry's avowed dedication to reaching higher and more consistent levels of product quality control and to investments in advanced steel making and finishing technologies.

He also cited new steel making technology for part of the material's resurgence.

For example, he said the new ultra-low carbon steels, produced by the vacuum decarburization process, are growing in popularity because improved forming characteristics enable automakers to consolidate parts — to form more complex and intricate parts without interim assembly operations.

Ultra-low carbon steels also are the foundation of bake-hardenable paint-baking processes for auto and appliance makers.

Electrolytically galvanized steel, which resists rust, benefits automakers by permitting them to provide extended no-rust warranties, Hoag said.

Production cost savings of $45 per car could be obtained if automakers adopted pre-primed steel, he said.

"Complete elimination of both priming and top-coating operations could save from three to seven times that much," Hoag said.

LTV, a subsidiary of LTV Corp., is a producer of specialty steels such as stainless steel.

AUTOMOTIVE NEWS ARTHUR FLAX

Student engineers race clock, each other in SAE event

Cornell entry captures top prize in SAE college design program

SOUTHFIELD, Mich. — Engineers seldom are charged with the responsibility for a complete vehicle from design to delivery. One result: A long time may pass before problems that crop up are brought to the attention of the designers.

But in the SAE's Formula SAE program each year, student engineers have to design and build a complete racing car, maintain it and sell its virtues to judges.

The rules of Formula SAE 1988 called for students to design a prototype car that was low in cost, easy to maintain and reliable.

The car, if produced in a run of 1,000 units, would be priced at $6,000 with a market of weekend competitors in autocross competitions — a race against time, typically held through a temporary course set up in a parking lot.

Students were judged on design and performance of the cars against other competitors.

Cornell University, Ithaca, N.Y., won with a car that faculty adviser John L. Lumley called conservative in design.

Other cars sported such features as fuel-injected and turbocharged engines, but the comparatively simple Cornell entry beat them.

Lumley said Cornell team members were all automobile enthusiasts with mechanical backgrounds. But, he added, the team further developed those skills in the course of the project.

Although computers were used in the design process, much of the final design — determining where components fit best or which layout worked best — was the result of trial and error, Lumley said.

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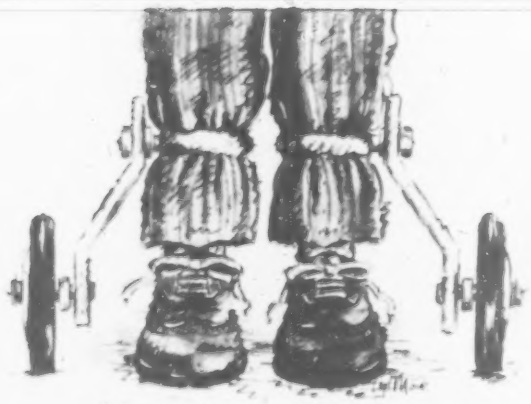

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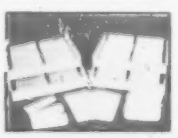

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AROUND THE WORLD

Import sales strong in Taiwan

But Opel is only foreign make to exhibit at nation's auto show

By Stephen Vines
STAFF CORRESPONDENT

Ironically the first Taipei International Auto Show, last month at Taiwan's new World Trade Center, was less than a roaring success. Nearly all the vehicle manufacturers stayed away, leaving the bulk of the space to parts makers.

It was ironical because the show was billed as a major opportunity for international exhibitors to display their wares in this rapidly growing market for imported vehicles. Yet, the only importer on hand was Opel, General Motors' West German subsidiary.

However, on the show's opening day, it was disclosed that car imports in the first quarter rose 198 percent compared with the same period last year. With sales of 32,234 cars, importers captured a record 36.5 percent of the market.

Motor-vehicle imports began to have a real impact on the Taiwan market about five years ago. The first year of significant growth was 1985, and since then the rise has been dramatic. The increase has been spurred by a combination of eased tariffs, the strength of the New Taiwan dollar and growing prosperity.

Although the government has pledged further tariff reductions and a general easing of import restrictions, imported cars continue to sell at an average 30 percent premium against domestically produced models.

Consumer enthusiasm for imported cars is so great that price appears to be a secondary consideration. A straw poll of those attending the Taipei motor show clearly indicated that most of the visitors would always buy an imported car if they could afford it.

There is particular enthusiasm for European models because, in the words of one visitor, "they are so different from Japanese cars." Most domestic producers assemble Japanese models.

Germany has held the largest share of the import market for the past few years. Mercedes-Benz and BMW lead the luxury class, and Opel is a major contender in sales of mid-range autos.

The United States is now the second biggest car importer, having moved from sixth place in 1986. Both Chrysler Motors and GM are making a strong showing in the market.

Fiat is the top Italian import and continues to show sales strength, as does its former partner, Seat of Spain, which has only recently faltered, pushing Spanish imports from fourth to seventh place.

Sweden's Volvo and Saab have enjoyed steady sales growth, making Sweden the fourth biggest importer. Britain's Rover Group has found success with its Montego cars, and Jaguar remains strong.

Most importers expect import sales to exceed 100,000 units this year, a growth rate in line with last year's record.

The success of the imports does not please the domestic producers, but their displeasure has been tempered by the overall growth of the market and, therefore, a healthy sales increase.

Last year, their sales grew 45 percent to 251,411 units; two years ago they sold only 151,680 vehicles. In the first quarter of this year, local manufacturers sold 56,080 vehicles, a 17 percent increase over the same period last year. Full-year forecasts call for a 14 percent gain in 1988.

The biggest problem area in the auto industry centers on Yue Loong, the largest manufacturer. In the first quarter, its market share slumped to 17.6 percent from an average of 31 percent last year.

The company believes that many of its problems have been caused by a change in distribution. It has stopped selling cars through its long-time exclusive distributor, China Autos, and has established its own direct sales network, which opened for business at the beginning of April. Other motor industry sources believe that Yue Loong's problems are more fundamental.

Ford Lio Ho is the main beneficiary of Yue Loong's decline. In the first quarter, its market share rose to almost 31 percent compared with a 21 percent average in 1987. It appears that the other manufacturers will retain their previous positions in the market.

None will admit it but all the domestic producers are waiting to see what impact Toyota and Mazda will have when they start selling Taiwan-assembled vehicles later this year. Both are formidable competitors and have been out of the market during its boom years.

Taiwan is still not a serious contender in the export market. Ford Lio Ho is the only significant shipper of cars, almost all of which go to Ford's Canadian subsidiary. Sanfu, which assembles both Renault and Isuzu vehicles, has also had some success with the export of Isuzu Troopers to the United States.

Taiwan is a long way from becoming a viable competitor in world markets and the increasingly fierce competition in the domestic market, after years of protection, compounds the difficulties of securing the economies of scale required to be competitive overseas.

TAIWAN MOTOR VEHICLE SALES BY MAKERS 1984-87

Manufacturer			1987	1986	1985
Yue Loong		Cars	53,951	44,933	38,081
		Trucks	3,322	9,571	12,403
		Chassis	21,065	8,414	6,734
		TOTAL	78,338	62,918	58,218
		% of Market	32.0%	37.6%	38.4%
	Export	Cars	130	—	—
		Trucks	—	—	—
		Chassis	3	—	—
		TOTAL	133	—	—
		% of Market	2.0%		
Ford Lio Ho		Cars	45,589	26,231	24,094
		Trucks	5,313	3,016	1,304
		Chassis	611	214	367
		Total	51,513	29,451	25,765
		% of Market	21.1%	17.6%	17.0%
	Export	Cars	6,505	6,000	—
		Trucks	—	—	—
		Chassis	—	—	—
		TOTAL	6,505	6,000	—
		% of Market	98.0%	98.33%	
San Yang		Cars	34,903	20,264	17,777
		Trucks	—	—	—
		Chassis	—	—	—
		TOTAL	34,903	20,264	17,777
		% of Market	14.3%	12.1%	11.7%
	Export	Cars	—	1	—
China Motors		Cars	13,786	11,239	10,527
		Trucks	12,501	11,766	12,254
		Chassis	1,291	859	1,541
		Total	28,578	23,864	24,322
		% of Market	11.7%	14.22%	16.0%
	Export		—	—	—
San Fu		Cars	15,603	10,968	8,208
		Trucks	3,113	2,851	1,609
		TOTAL	18,716	13,836	9,817
		% of Market	7.6%	8.3%	6.5%
	Export	Cars	2	100	
		% of export	†	1.6%	
Yue Tyan		Cars	23,440	13,869	13,181
		Trucks	4,835	—	—
		TOTAL	28,275	13,869	13,181
		% of Market	11.6%	8.3%	8.7%
	Export		—	1	—
				†	
Kuozui		Cars	613	—	—
		Trucks	3,835	2,944*	2,421*
		Chassis	—	—	179
		TOTAL	4,448	2,944	2,600
		% of Market	1.8%	1.8%	1.7%
	Export		—	—	—

†Less than .01% *Includes buses. Source: Taiwan Transportation Vehicles Manufacturers' Association

TAIWAN'S MOTOR IMPORTS AND EXPORTS 1985-87

IMPORTS

Cars

Year	Value (US$)	% Growth
1985	$111.17 million	
1986	$185.17 million	66.6
1987	$415.68 million	124.4

Trucks and CV'S

1985	$737,000	
1986	$1.6 million	117%
1987	$3.7 million	131

EXPORTS

Cars

1985	$140,200	
1986	$2.5 million	1,683
1987	$5.7 million	111

Trucks and CV'S

1985	$554,000	
1986	$828,200	49.4
1987	$504,900	– 64

SOURCE: China External Trade Development Council

Boost in car-truck exports reduces auto trade deficit

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The U.S. automotive trade deficit in passenger cars and light trucks improved for the second straight month by declining 8.1 percent in March.

A 57.4 percent boost in exports rather than a decrease in imports was primarily responsible for the improvement. Automotive imports grew 2.5 percent over the same period a year ago. February's deficit declined 10.4 percent.

U.S. Commerce Department figures show a trade deficit for passenger cars and light trucks of $3.430 billion for March. Total car and truck exports had a value of $1.125 billion during the month. Monthly car and truck imports were valued at $4.556 billion. The automotive trade deficit for March 1987 was $3.731 billion.

Exports of passenger cars in March totaled 84,514 with an estimated value of $898.9 million. Light-truck exports for the month were 21,565 vehicles with an estimated value of $226.7 million. Passenger-car exports to Japan increased 1,815 units, and car exports to Canada increased 18,243 units. Exports to other countries increased 6,952 units.

On the import side, Japan turned in a mixed performance for the month with the number and value of truck shipments continuing to slide, while the value of passenger car shipments stayed about even with March 1987. The number of Japanese passenger cars shipped to the United States continued to decline, however.

South Korea, Mexico and Brazil continued to post increases in car shipments. Shipments from West Germany, Sweden, Yugoslavia, Italy and France declined. Passenger-car imports from the United Kingdom were up 18.2 percent in March.

Total car and truck imports in March had a value of $4.556 billion, up 2.5 percent from $4.446 billion in March 1987. There were 442,865 finished vehicles imported into the United States in March 1988, compared with 453,687 in March of last year.

Imports of passenger cars reached 355,223 units for the month with a value of $3.897 billion. Imports of light trucks were 87,642 units, with a value of $658.5 million.

Japanese car imports dropped 6.4 percent for the month, but the value of the shipments increased 0.7 percent. Japanese truck imports were off 28.8 percent. Japan shipped 145,343 cars to the United States in March, down from 155,298 a year ago. Truck shipments were 62,901 units, down from 88,351 units last year.

West Germany, Sweden, Yugoslavia, Italy and France all shipped fewer cars to the United States in March 1988 than in March 1987. German shipments were off 33.9 percent. Sweden's shipments were down 42.4 percent. Yugoslavia saw exports to the United States fall 25.5 percent for the month after rising significantly in February.

The number of passenger cars imported from South Korea in March increased 76 percent from the year-ago month. Korea shipped 30,037 vehicles to the United States in March, compared with 17,064 in March of last year.

Imports from Mexico were 11,368 vehicles, up from 5,837 a year ago. Brazilian imports were 3,168 units for the month, up from 2,748 vehicles shipped in March 1987.

SPX to buy Bear, shop equipment firm

MUSKEGON, Mich. — SPX Corp. has agreed to acquire Bear Automotive Service Equipment Co. for $11 a share or $66 million.

SPX, a manufacturer of automotive diagnostic equipment and parts, was known as Sealed Power Corp. until changing its name at its April 27 shareholders' meeting.

Bear makes diagnostic equipment and wheel alignment and service equipment.

Under the agreement, Bear's two largest shareholders, John F. Stolle, chairman and president, and Investment AB Argentus, a Swedish company, will sell their shares to SPX, subject to the approval of both company's boards and federal regulatory review. The two shareholders own about 56 percent of Bear's stock.

U.S. AUTOMOTIVE TRADE BY VALUE

(x $1,000)

Passenger cars

Country	Trade	Mar. 1987	Mar. 1988	Apr. 1986-Mar. 1987	Apr. 1987-Mar. 1988
Japan	Export	$ 6,025	$ 24,367	$ 44,579	$ 106,686
	Import	1,343,056	1,352,140	21,082,912	21,232,893
Canada	Export	511,522	719,892	5,497,643	6,085,013
	Import	957,593	1,265,418	11,881,139	10,691,621
West Germany	Import	943,995	653,077	8,430,135	8,409,345
South Korea	Import	86,632	164,627	1,012,954	2,442,956
Sweden	Import	204,258	137,378	1,831,915	1,773,387
Mexico	Import	59,579	102,775	494,793	1,310,926
Yugoslavia	Import	18,982	14,074	109,628	137,999
United Kingdom	Import	88,683	129,886	782,314	1,231,585
Italy	Import	20,305	23,171	163,723	192,545
France	Import	26,474	19,794	177,781	207,833
Brazil	Import	13,615	17,921	19,364	301,592
Others	Export	67,087	154,713	511,490	1,082,415
	Import	29,074	17,318	152,515	299,439
Car total	Export	584,634	898,972	6,035,712	7,274,114
	Import	3,792,246	3,897,579	46,119,173	48,232,130
Trade balance		(3,207,612)	(2,998,607)	(40,083,461)	(40,958,016)

Light trucks (up to 10,000 lbs. GVW)

Canada	Export	$ 102,971	$ 183,606	$ 1,511,381	$ 1,718,451
	Import	158,842	287,772	2,156,073	2,136,493
Japan	Import	480,750	350,059	5,013,393	3,866,948
Mexico	Import	10,666	230	135,506	60,684
Others	Export	27,783	43,105	135,795	245,604
	Import	4,473	20,446	55,889	98,548
Truck total	Export	130,754	226,711	1,647,176	1,965,055
	Import	654,731	658,506	7,360,861	6,162,673
Trade balance		(523,977)	(431,794)	(5,713,685)	(4,197,618)
Car and truck total	Export	715,388	1,125,683	7,682,888	9,239,169
	Import	4,446,997	4,556,085	53,480,034	54,394,803
VEHICLE TRADE BALANCE		(3,731,609)	(3,430,402)	(45,797,146)	(45,155,634)
TOTAL U.S. Merchandise trade (customs value)	Export	21,775,700	28,971,300	221,520,700	269,835,100
	Import	33,196,700	37,111,800	372,018,800	419,078,000
TRADE BALANCE		(11,421,000)	(8,140,500)	(150,498,100)	(149,242,900)

U.S. AUTOMOTIVE TRADE BY QUANTITY

Passenger cars

Country	Trade	Mar. 1987	Mar. 1988	Apr. 1986-Mar. 1987	Apr. 1987-Mar. 1988
Japan	Export	335	2,150	2,803	7,551
	Import	155,298	145,343	2,518,707	2,377,383
Canada	Export	52,240	70,483	590,780	589,251
	Import	90,344	113,957	1,136,750	975,247
West Germany	Import	42,001	27,757	430,685	348,927
South Korea	Import	17,064	30,037	210,093	469,262
Sweden	Import	15,358	8,841	144,582	121,988
Mexico	Import	5,837	11,368	48,895	144,739
Yugoslavia	Import	7,232	5,386	43,244	54,002
United Kingdom	Import	4,197	4,962	31,371	49,347
Italy	Import	1,318	1,194	11,338	8,964
France	Import	2,746	2,149	16,855	21,207
Brazil	Import	2,748	3,168	4,095	59,017
Others	Export	4,929	11,881	39,059	81,305
	Import	1,964	1,061	10,932	19,337
Car total	Export	57,504	84,514	632,642	678,107
	Import	346,105	355,223	4,607,511	4,649,420
TRADE BALANCE		(288,601)	(270,709)	(3,974,869)	(3,971,313)

Light trucks (up to 10,000 lbs. GVW)

Canada	Export	11,471	18,432	166,522	173,930
	Import	17,850	24,566	234,901	210,632
Japan	Import	88,351	62,901	961,471	694,346
Mexico	Import	1,380	2	17,906	7,399
Others	Export	2,002	3,133	11,345	19,481
	Import	1	173	1,008	814
Truck total	Export	13,473	21,565	177,867	193,411
	Import	107,582	87,642	1,215,286	913,191
Trade balance		(94,109)	(66,077)	(1,037,419)	(719,780)
Car and truck total	Export	70,977	106,079	810,509	871,518
	Import	453,687	442,865	5,822,797	5,562,611
TRADE BALANCE		(382,710)	(336,786)	(5,012,288)	(4,691,093)

Compiled by Automotive News from official statistics of the U.S. Commerce Department, as reported by the U.S. International Trade Commission. Because of rounding, figures may not add to the totals shown.

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Conn. helps shoppers get word on lemons

HARTFORD, Conn. — New computer systems in Connecticut enable consumers to check whether cars they are considering buying have ever been repurchased by manufacturers or dealers because they are lemons.

But state officials said they still recommend that consumers try to protect themselves when buying used vehicles by talking to the previous owners and having the vehicles checked by independent mechanics.

One of the new computer systems will be run by the state Department of Consumer Protection. It will include information on all vehicles ordered repurchased from consumers under the state's lemon law.

The Department of Motor Vehicles will have available in a computer system that information and the identification numbers of vehicles repurchased under private vehicle-arbitration programs.

Both systems require the consumer to provide a vehicle's 17-digit identification number.

The record-keeping systems were developed because of reports that defective vehicles repurchased from consumers are being resold to unsuspecting motorists in Connecticut and elsewhere, sometimes in violation of state law.

In some cases, dealers and manufacturers ignored laws and regulations that require them to disclose defects or failed to meet the requirements under which a lemon can be resold without disclosing its past.

Consumer and motor vehicle officials had done little to ensure that defective vehicles were not being illegally resold in the state.

Motor vehicle officials said they are also taking steps to ensure that manufacturers comply with the law that requires them to notify the state whenever they repurchase a defective vehicle under state or private programs.

— The Associated Press

Where the U.S. market was, May 1988

	Total Sales	Pct. of Total
SUBCOMPACT	218,808	22.54
COMPACT	250,291	25.78
INTERMEDIATE	351,213	36.17
STANDARD	131,447	13.54
SPECIALITY	19,134	1.97
TOTAL	970,893	100.00

1988½ Isuzu Impulse
The 1988½ Isuzu Impulse SE is a limited-edition model that features a 2.3-liter, 110-horsepower normally aspirated four-cylinder engine. Only 551 units will be produced, and each model has power windows and door locks, air conditioning, sunroof, four-wheel disc brakes and a Lotus-engineered suspension. The car, equipped with a five-speed manual transmission, carries a $14,399 sticker price.

New Saturn job for GM Saginaw

SAGINAW, Mich. — General Motors' Saginaw Division, already tapped to provide steering components for GM's Saturn Corp., also will make rear brake drums for the new car line.

GM's Delco Moraine Division, which will produce brake assemblies for Saturn, has chosen Saginaw Division to produce the rear brake drums at its plant in Saginaw, Mich., officials said.

"It's going to start at 1,100 a day in 1991," said Dave Baldwin, director of the final drive business unit at Saginaw Division. "We look forward to that doubling as Saturn (increases) its manufacturing capacity."

The unit plans to produce 1,400 drums daily in 1992 and 1,800 in 1993, Baldwin said.

Saginaw Division was chosen earlier to provide steering components for the Saturn car, scheduled for production at a plant in Spring Hill, Tenn.

— The Associated Press

IMPORT SALES BY MODEL

	May 1988	May 1987	5 Mos. 1988	5 Mos. 1987
ACURA	10,818	9,562	49,913	40,562
Integra	5,088	5,163	22,452	23,581
Legend	5,730	4,399	27,461	16,981
ALFA ROMEO	336	637	2,223	2,765
GTV-6	0	8	503	43
Milano	127	208	924	1,045
Spider	211	421	796	1,677
AUDI	1,964	5,538	9,311	16,972
4000S	31	626	160	2,149
4000CS Quattro	6	186	60	831
5000S	935	3,518	2,586	10,135
5000CS Turbo	150	666	498	1,876
5000CS Turbo Quattro	114	448	646	1,497
80	338	0	2,827	0
90	367	0	2,545	0
Coupe GT	23	114	189	484
BMW	5,742	7,790	28,633	35,276
318i	1	6	9	14
524 TD	0	0	3	23
325	3,012	5,216	16,212	23,678
528e	903	669	3,721	4,030
535i/535iS	466	412	2,056	3,137
6-Series	188	167	599	838
7-Series	937	1,196	4,817	3,166
M3	159	13	759	13
M5	27	35	142	97
M6	49	73	215	280
CHEVROLET	11,086	9,294	51,089	49,265
Spectrum	7,416	6,395	31,341	29,652
Sprint	3,680	2,959	19,728	19,613
CHRYSLER/MITSUBISHI	10,809	9,666	49,837	49,554
Colt	8,027	6,368	37,453	31,486
Conquest	1,154	1,030	4,356	5,513
Vista	1,628	2,270	8,028	12,543
DAIHATSU	921	0	4,261	0
EAGLE/RENAULT	890	1,477	7,890	3,778
Medallion	890	1,477	7,890	3,778
FORD Festiva	5,859	1,102	29,182	1,453
HONDA	19,831	26,325	99,373	110,588
Civic/CRX	9,134	12,035	52,078	48,471
Accord	7,070	8,037	27,208	36,932
Prelude	3,627	6,253	20,086	25,185
HYUNDAI	24,269	22,383	120,452	99,867
ISUZU	2,379	3,271	6,807	11,713
I-Mark	1,628	2,652	5,991	8,493
Impulse	751	619	2,816	3,220
JAGUAR	1,809	2,304	7,999	7,832
XJ6	1,375	1,960	6,027	6,101
XJS	434	344	1,952	1,731
MASERATI	63	87	430	429
MAZDA	20,263	15,129	95,919	69,429
323	7,860	5,397	39,020	25,704
626	6,041	6,099	27,476	27,400
MX-6	653	0	5,490	0
929	2,484	0	10,647	0
RX-7	3,225	3,643	13,286	15,325
MERCEDES BENZ	8,269	8,287	35,912	38,138
190	1,832	1,804	6,802	7,992
260E	779	587	3,247	2,315
300	2,669	2,187	10,546	10,104
300SDL Turbo	7	699	85	3,047
300SEL	528	0	2,999	0
420SEL	778	1,277	4,136	5,684
560SEL	417	562	2,288	2,725
560SL	120	1,106	3,982	5,070
560SEC	1,085	162	1,663	797
Tourist	83	123	164	404
MERKUR	1,365	1,045	4,579	3,701
XR4Ti	403	711	2,145	3,367
Scorpio	962	334	2,434	334
MITSUBISHI	6,415	6,646	28,742	26,392
Starion	329	400	1,559	2,355
Cordia	716	324	2,855	1,736
Tredia	24	489	400	1,897
Mirage	778	1,696	4,776	6,531
Galant	2,424	784	6,526	5,026
Precis	1,570	1,699	9,918	5,976
Van/Wagon	574	674	2,709	2,969
NISSAN	29,752	25,732	153,112	174,271
Sentra	10,500	4,145	63,123	49,396
Pulsar	5,892	4,397	20,306	27,840
Stanza	1,924	4,645	25,108	26,630
Maxima	7,993	6,868	27,143	36,532
200SX	1,623	2,484	6,291	14,935
300ZX	1,670	2,881	9,572	17,429
Hawaii	150	504	1,589	1,507
PEUGEOT	755	706	2,714	3,885
PONTIAC LeMans	6,237	0	26,950	0
PORSCHE	1,304	2,473	7,253	10,624
924S	139	317	905	1,175
944	301	659	1,799	2,567
944S	23	185	243	1,171
944 Turbo	138	239	600	1,158
911 Coupe	291	442	1,517	1,892
911 Turbo	113	164	494	627
911 Cabriolet	187	248	677	1,115
928S	112	209	625	899
SAAB	3,107	3,897	15,705	17,808
900	566	831	2,715	3,737
900S	883	1,321	4,156	5,670
900 Turbo	745	770	3,636	3,428
9000S	244	325	1,446	1,457
9000 Turbo	634	578	3,626	3,240
Tourist	35	72	121	276
STERLING	632	1,022	4,232	5,221
SUBARU	12,891	16,126	80,724	69,171
Hatchback	436	495	2,780	3,030
3-Door	784	1,387	3,240	5,279
4-Door Sedan	2,327	4,159	10,862	15,747
XT	1,507	2,022	6,025	8,157
Station Wagon	5,656	7,263	25,296	27,289
Justy	1,981	790	12,521	3,669
TOYOTA	57,917	50,677	228,572	195,133
Corolla	15,327	9,099	57,758	36,790
Tercel	8,997	8,437	34,639	31,871
Celica	6,544	7,972	29,171	29,517
Supra	2,449	2,911	9,124	11,708
Camry	19,933	16,447	77,643	59,440
Cressida	853	1,935	4,889	8,881
Land Cruiser	685	306	3,400	1,596
Van	446	1,274	2,597	5,974
4Runner SR 5	1,972	133	8,306	557
MR2	709	1,896	4,045	7,254
Hawaii	0	267	0	1,545
VOLKSWAGEN	12,906	15,208	61,249	50,042
Cabriolet	1,212	1,382	5,804	6,320
Jetta	4,448	7,631	25,474	23,832
Vanagon	471	1,118	2,601	4,238
Quantum	219	537	1,200	2,603
Scirocco	237	0	1,342	0
Fox	6,319	3,141	24,824	9,933
VOLVO	8,369	10,402	40,468	52,881
240 Series	3,144	5,185	18,023	25,854
740 Series	4,106	3,980	17,392	20,918
760 Series	885	1,004	4,210	5,427
780	143	6	588	7
Tourist	91	227	255	675
YUGO	2,510	4,111	14,531	22,272
IMPORT TOTAL	268,906	260,297	1,250,032	1,161,822

Compiled by Karen Datkowski

Maryland bank offers car-loan rebates

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

In an effort to recoup market share for its direct retail auto loans, Maryland National Bank of Baltimore is conducting an auto loan program that offers a rebate of up to $500.

"We anticipate a doubling of our volume," said Richard M. Croswell, assistant vice president and product manager.

Maryland National Bank no longer makes indirect retail loans. Although it does handle showroom leases, the bank no longer buys retail purchase finance contracts from dealers.

The program was designed to help bank new-car loans compete more effectively against dealer-arranged financing.

The loan rebate offer, believed to be the first, is "really a very simple program," Croswell said. "We did not adjust our annual percentage rate," he said. "We're using our regular street rate of 9.9 percent."

In order to qualify, loans must be at least $11,250 and at least 48 months in length, and the car buyer must make all scheduled payments.

At the end of the loan, the bank will pay a cash rebate that varies by loan amount.

On loans of $11,250 to $12,499, the bank will rebate $100. The rebate is $250 on loans ranging from $12,500 to $15,000 and $500 on loans greater than $15,000.

The offer began May 13 and runs through June 30. Croswell declined to discuss the operational details of how the bank can afford to pay the rebates.

"The program is designed to drive business in and to generate an interest in our products," said Croswell, who conceived the rebate idea. "In those terms, it has been very successful," he said.

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DOMESTIC SALES

	June 1-10, 1988	June 1-10, 1987
Eagle	1,342	595
Chrysler	6,698	8,608
Plymouth	7,508	9,411
Dodge	12,231	11,059
Chrysler Motors	27,779	29,673
Ford	39,949	41,158
Mercury	12,622	13,925
Lincoln	5,890	5,306
Ford Motor Co.	58,461	60,389
Buick	13,323	14,867
Cadillac	4,818	6,592
Chevrolet	39,570	45,100
Oldsmobile	20,399	20,358
Pontiac	22,611	20,510
General Motors	100,721	107,427
Volkswagen	917	997
Honda	6,692	6,712
Nissan	2,418	3,341
Toyota	1,052	160
Mazda	607	—
U.S. Industry Total	198,647	208,699

Sales slip 4.8% for U.S. cars in early June

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

In the wake of major incentive reductions, sales of U.S.-built cars in the first 10 days of June slipped 4.82 percent below the depressed count for the same period a year ago.

The eight U.S. makers reported sales of 198,647 cars compared with 208,699 in the June 1-10 period of 1987.

The daily-selling rate for June 1-10 was 22,072 compared with 23,189 a year ago. Both periods had nine selling days.

Early-June sales also dropped 2.75 percent below the first 10 days of May 1988, when deliveries totaled 204,270.

Ford Motor Co.'s sales dipped 3.19 percent to 58,461 units compared with 60,389 a year ago. However, Lincoln deliveries rose 11.01 percent. Ford also said that dealer orders for the new Ford Probe have topped 100,000.

General Motors delivered 100,721 cars, 6.24 percent fewer than 107,427 in the same period a year ago. Pontiac sales continued to improve with a gain of 10.24 percent. Cadillac was off 26.91 percent. Chrysler Motors sold 27,779, down 6.38 percent from 29,673 last year, though Dodge sales rose 11 percent in the period.

Among the transplants, Toyota sold 1,052 cars, more than six times as many as the 160 sold in the first 10 days of June last year. Mazda sold 607 domestic cars; it was not marketing cars in the United States last year.

Honda's 10-day deliveries of U.S.-built cars balanced at 6,692, almost the same as last year's 6,712. Nissan's sales dropped 27.63 percent to 2,418 compared with 3,341. Volkswagen's sales declined 8.02 percent to 917 from 997 for the period last year.

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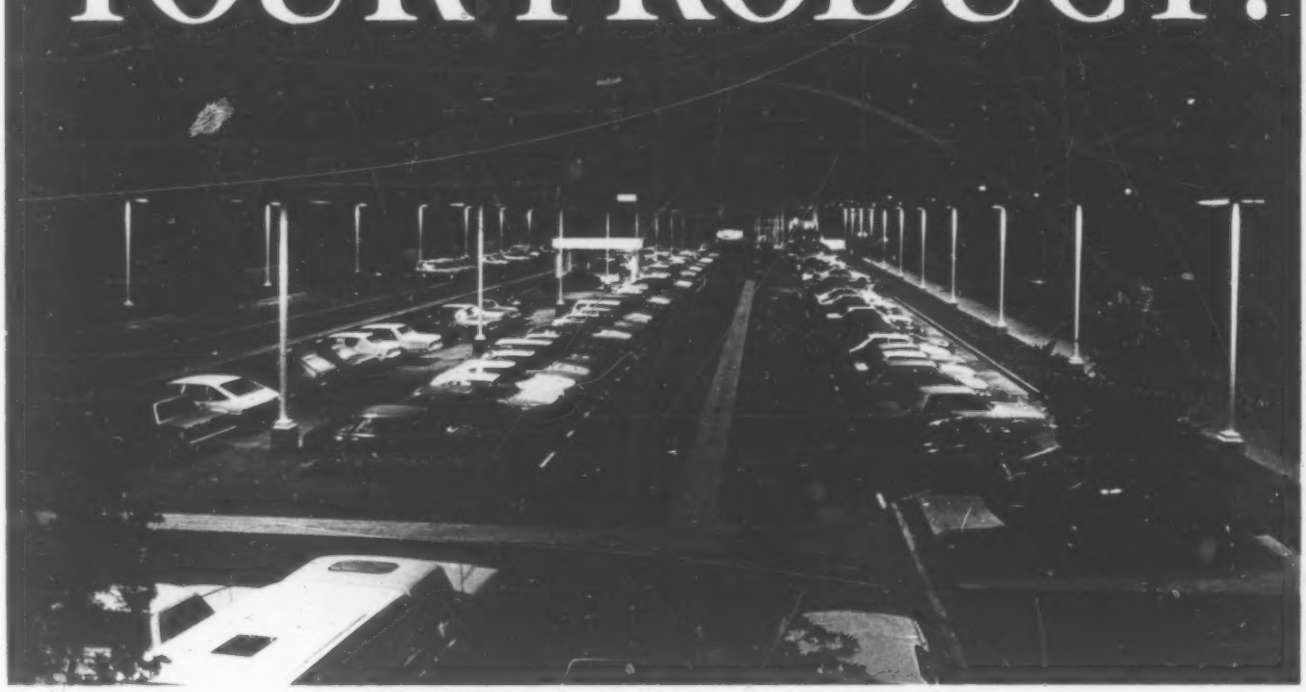

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GM salutes top-quality suppliers

DETROIT — Four General Motors suppliers have been honored as the first recipients of the corporation's new Targets for Excellence award for outstanding supplier performance.

The program, announced last September, recognizes GM suppliers who demonstrate ongoing superiority in five areas: management skills, product quality, cost, delivery and technology.

The winning suppliers were:

- Prince Corp. of Holland, Mich., with three facilities that supply GM with visors, consoles, armrests and electronic assemblies.
- GM Fisher Guide Division's Rimir plant in Metamoros, Mexico, which produces fascias for a variety of GM car lines.
- Shell Chemical's Marietta plant in Belpre, Ohio, a supplier of Kraton polymers, a family of thermoplastic elastomers used to produce conduit, shifter boots, electrical connections, shift levers and wire insulation.
- Milliken & Co., headquartered in Spartanburg, S.C., with five regional locations that supply GM with body cloth for vehicle seats, pre-cut laminated trim parts and speaker cover fabric.

GM began conducting supplier assessments last fall.

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AUCTION DATES

Chrysler Motors

June 21 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Aptco Auto Auction, Taylor, Mich.; Denver Auto Auction, Aurora, Colo.; South Seattle Auto Auction, Kent, Wash.; Golden Gate Auto Auction, Fremont, Calif.; and Nashville Auto Auction, Nashville, Tenn.

June 22 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; and Minneapolis Auto Auction, Plymouth, Minn.

June 23 — Northway Exchange, Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C.; and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

June 24 — Manheim Auto Auction, Manheim, Pa.

June 28 — Florida Auto Auction of Orlando, Ocoee, Fla.; Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Riverside Auto Auction, Riverside, Calif.; and Greensboro Auto Auction, Greensboro, N.C.

June 29 — Columbus Fair Auto Auction, Obetz, Ohio, and Southern Auto Auction, Warehouse Point, Conn.

June 30 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; Salt Lake Auto Auction, Salt Lake City; Southwest Auto Auction, Phoenix, Ariz.; and Ark-La-Tex Auto Auction, Shreveport, La.

July 1 — St. Louis Auto Auction, Bridgeton, Mo.

Used Car Sales
Auction Averages

June 1988	$5,824
Month ago	$5,795
Year ago	$5,876

Ford Motor Co.

June 21 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

June 22 — Northway Auto Auction, Clifton Park, N.Y.; Columbus Fair Auto Auction, Obetz, Ohio; and Lakeland Auto Auction, Lakeland, Fla.

June 23 — Baltimore-Washington Auto Exchange, Baltimore; Greater Houston Auto Auction, Houston; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

June 29 — Atlanta Auto Auction, Red Oak, Ga.; Concord Auto Auction, Acton, Mass.; and Southern California Auto Auction, Fontana, Calif.

June 30 — Auto Auction of Billings, Billings, Mt.; Greater Chicago Auto Auction, Chicago; and St. Louis Auto Auction, Bridgeton, Mo.

General Motors

June 21 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

June 22 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Riverside Auto Auction, Riverside, Calif.; and Omaha Auto Auction, Omaha, Neb.

June 23 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; and St. Louis Auto Auction, Bridgeton, Mo.

June 28 — A.D.E. of Birmingham; Harrisonburg Auto Auction, Harrisonburg, Va.; and Florida Auto Auction of Orlando, Ocoee, Fla.

June 29 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Indianapolis Auto Auction, Indianapolis.

June 30 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; and Nashville Auto Auction, Nashville, Tenn.

Model Breakdown
Auction Averages

	JUNE 1988	MAY 1988	APR 1988
1988	$12,577	$12,592	$12,483
1987	$8,664	$8,672	$8,638
1986	$7,322	$7,375	$7,190
1985	$5,769	$5,732	$5,904
1984	$4,515	$4,511	$4,438
1983	$3,738	$3,751	$3,792
1982	$2,500	$2,490	$2,398
1981	$1,953	$1,963	$1,937
Overall Average	$5,824	$5,800	$5,722

Kruse plans new Indiana quarters

Kruse International plans to build a $4 million auction facility near its home town of Auburn, Ind., for its Auburn-Cord-Duesenberg sale that is held annually over the Labor Day weekend.

"The sale has outgrown its current site on the grounds of the local high school," said Mike Butler, executive vice president. "We are expecting a crowd of more than 100,000 for the auction of approximately 1,700 antique and classic cars at this year's Labor Day sale."

He said construction of the 200,000-square-foot auction facility on the 250-acre site will begin this fall with completion to coincide with the 1989 Labor Day sale.

Kruse sold a record of 1,250 cars at last year's event and drew about 100,000 spectators and buyers.

Plans call for 20 entrance gates and a parking lot large enough to park 10,500 vehicles. Unlike dealer auctions that have upwards of 20 lanes, Kruse's facility will consist of one or two lanes.

"We want to remain flexible," said Butler. "This is not planned as a dealer auction so far. Antique-car auctions are a sort of community event, so we don't work at the same pace as dealer auctions where 10 lanes are going all at once."

Instead of more lanes, the company's strategy is to schedule more sales, lumping cars like 1950s convertibles, specialty vehicles and others into groups.

Kruse International, a privately held company, had sales of $100 million in 1987 and holds about 40 auctions a year, said Butler. The company sold about 10,000 vehicles last year. It has 40 full-time employees at its Auburn headquarters and another 50 in offices around the country.

Butler said the company has cornered about 75 percent of the antique-car auction market since holding its first antique-car auction 18 years ago.

AUCTION BRIEFS

CHARLES THOMAS

Tanks for the fish

A 1961 Cadillac DeVille complete with a 17-gallon freshwater fish tank built into the rear window will be auctioned at the Newport Beach Collector Car Auction July 9-10 in Newport, Calif.

Three longtime California new-car auto dealers will put their combined collections of vintage cars up for sale at the auction, which is hosted by Rick Cole Auctions.

Bob Estes, a 60-year dealer in Beverly Hills, will put up 23 vintage cars. A majority of them are Lincolns and Thunderbirds.

Jack Wall, owner of Jack Wall Chevrolet, Glendale, Calif., will consign 50 cars — 20 of them rare Corvettes including a 1955 roadster. Larue Thomas, Larue Thomas Chevrolet, Los Angeles, has consigned 23 vintage Cadillacs.

California will review emissions break

SACRAMENTO, Calif. — The California Air Resources Board will reconsider a program that allows manufacturers to sell a limited number of vehicles that do not meet state emission requirements.

The program allows carmakers to sell 49-state cars in California by drawing on a bank of credits they have built up in prior years by selling cars that were cleaner than the state's standards.

The purpose of the program is to give California buyers access to the few powertrain familiesthat do not meet the state's tighter emission regulations.

However, the board's staff now believes that some manufacturers have been abusing the program by selling cars that either could meet California standards or avoiding the state's stricter recall requirements. The board will reconsider its program at its July 14 meeting.

On another front, the federal EPA has revised its rules covering non-conformance penalties for heavy-duty vehicles attempting to meet federal emission standards but titled, registered or used principally in California.

EPA will waive collection of a penalty so long as the identical penalty is paid in California. However, EPA reserves the right to collect any penalties that have been waived if the manufacturer fails to pay the quarterly fine to California when due or if the amount paid to California is less than would have been due to EPA.

PRODUCTION

Car output slips a bit; trucks rise

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Last week's targeted domestic auto production of 167,724 dipped 1.23 percent below the prior week's 169,807 but increased 9.80 percent over the year-ago week's 152,750.

The 1987 week's output was held back by downtime at several plants for model changeover.

So far this year, 3,475,808 cars have been assembled, 6.50 percent below the 3,717,565 built last year at this point.

Companies split last week's scheduled output as follows: General Motors, 47.98 percent; Ford Motor Co., 25.11 percent; Chrysler Motors, 16.07 percent; Honda of America Manufacturing Inc., 4.58 percent; New United Motor Manufacturing Inc., 1.94 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.57 percent; Nissan Motor Manufacturing Co. U.S.A., 1.56 percent; and Volkswagen of America, 1.19 percent.

Truck output was estimated at 87,760 last week, 1.35 percent more than the previous week's 86,420 and 12.82 percent more than the year-ago week's 77,791.

Chrysler closed its Newark, Del., plant today for a 16-week model changeover to the new Plymouth Acclaim and Dodge Spirit four-door sedans. The shutdown affects about 1,600 workers.

On Aug. 1, Chrysler will lay off 1,200 workers at its Kenosha, Wis., plant for four weeks because of a material shortage caused by a change in production plans.

A company spokesman said Dodge Omni and Plymouth Horizon output at Kenosha had been scheduled to end in July but now is slated to continue until the end of 1988. The change led to shortages of steel and other materials.

GM began building 1989 Buick Skyhawks at its Janesville, Wis., plant last week. Production of the Skyhawk was temporarily halted when GM closed its Lordstown, Ohio, plant in April. GM scheduled output of two units last week.

GM slated overtime last Saturday at its Lordstown, Ohio, Flint, Mich., Pontiac, Mich., Shreveport, La., and Moraine, Ohio, plants.

All Ford plants except the Louisville, Ky., facility are slated for daily overtime this week.

Car build falls 9% in Canada

Canadian auto production was scheduled at 24,646 cars last week, 9.36 percent below the previous week's 27,192 but 34.69 percent more than last year's 18,298.

So far this year, 579,350 cars have been assembled, 41.84 percent more than the 402,097 built last year at this point.

Estimated truck output of 20,555 units last week increased 2.31 percent over the prior week's 20,091 and rose 13.03 percent over the year-ago week's 18,186.

Year-to-date, 459,705 trucks have been completed, 15.63 percent more than the 397,565 assembled last year at this time.

As reported earlier, Chrysler Motors' Bramalea, Ontario, plant is idle until June 27 for line adjustments.

U.S. CAR	Week Ended June 18, 1988	Week Ended June 20, 1987	Week Ended June 14, 1988	June to Date	Jan. 1 to June 18, 1988	Jan. 1 to June 20, 1987
Alliance	0	0	0	0	0	15,539
Total Eagle	0	0	0	0	0	15,539
Horizon	2,500	0	2,537	6,095	46,844	32,997
Sundance	2,600	2,188	2,644	6,814	51,816	51,095
Reliant	3,200	2,316	3,297	8,047	52,370	59,030
Caravelle	100	1,055	170	551	9,843	27,165
Gran Fury	300	79	492	1,010	6,711	2,152
Total Plymouth	8,700	5,638	9,140	22,518	167,584	172,439
LeBaron K	0	1,596	0	0	7,955	41,605
LeBaron J	2,200	4,102	2,116	5,779	37,370	58,220
LeBaron GTS	200	1,125	280	656	4,546	21,442
N. Yorker E-Class	0	1,711	0	0	0	42,008
N. Yorker C-Class	2,800	0	2,870	7,023	57,686	0
Fifth Avenue	300	972	336	748	14,638	20,527
Total Chrysler	5,500	9,506	5,602	14,206	120,495	183,802
Omni	2,400	0	2,508	5,921	46,406	28,363
Daytona	2,200	2,044	2,128	5,677	36,328	28,603
Shadow	2,300	2,628	2,290	6,020	53,156	51,769
Aries	2,900	2,043	3,083	7,164	44,520	55,660
Dodge 600	100	1,015	166	536	8,658	24,293
Dynasty	2,300	0	2,298	5,714	53,359	0
Lancer	150	641	171	421	4,988	13,495
Diplomat	400	319	383	932	10,792	3,782
Total Dodge	12,750	8,690	13,027	32,385	258,207	205,965
CHRYSLER MOTORS	26,950	23,834	27,769	69,109	546,286	577,745
Escort	9,594	7,518	9,420	24,289	184,022	183,113
Mustang	4,277	4,498	4,579	10,930	102,173	105,974
Tempo	3,926	3,707	3,996	9,873	95,747	94,170
Taurus	9,323	7,941	9,623	23,003	195,820	210,770
Thunderbird	3,796	3,544	3,863	9,487	78,582	81,175
Total Ford Div.	30,916	27,308	31,481	77,581	656,344	675,202
Lynx	0	210	0	0	0	19,786
Topaz	1,592	1,381	1,544	3,836	35,819	31,070
Cougar	2,506	2,437	2,587	6,293	58,249	76,249
Sable	2,909	2,595	3,062	7,303	68,116	66,851
Total Mercury	7,007	6,623	7,193	17,432	162,184	193,956
Continental	924	472	949	2,400	22,124	9,104
Mark VII	459	549	463	1,190	12,144	13,502
Lincoln	2,809	3,058	2,848	7,265	70,671	67,835
Total Lincoln	4,192	4,079	4,260	10,854	104,939	90,441
Total L-M Division	11,199	10,702	11,453	28,287	267,123	284,397
FORD MOTOR CO.	42,115	38,010	42,934	105,868	923,467	959,599
Skyhawk	2	342	0	2	11,352	15,241
Skylark/Somerset	1,749	1,135	1,521	3,955	23,480	35,449
Century	3,420	3,890	3,790	8,984	53,593	89,539
Regal (rwd)	0	948	0	0	0	22,384
Riviera	128	254	159	369	3,344	7,984
Electra	2,254	2,443	2,259	5,825	42,872	48,673
LeSabre (fwd)	2,500	4,662	2,450	6,154	61,142	64,461
LeSabre (rwd)	205	81	224	559	4,825	5,143
Reatta	209	0	220	506	2,883	0
Total Buick	10,467	13,755	10,623	26,353	203,491	288,874
Cimmaron	0	181	0	0	3,696	7,212
Eldorado	1,006	606	1,212	2,838	21,065	9,525
Seville	601	563	725	1,690	13,103	11,816
Brougham (rwd)	400	1,000	467	1,397	17,576	37,089
Deville (fwd)	3,540	2,908	3,423	8,663	87,470	78,820
Allante	0	135	56	87	1,135	1,913
Total Cadillac	5,547	5,393	5,883	14,676	144,045	146,375
Cavalier	9,314	8,471	7,926	21,067	171,247	181,215
Camaro	2,483	3,362	2,356	6,019	42,578	52,618
Celebrity	5,230	5,717	5,335	13,046	89,879	175,599
Corsica/Beretta	9,148	7,009	9,393	22,988	198,129	131,345
Monte Carlo	0	1,204	0	0	0	35,802
Caprice	4,900	1,928	5,692	12,925	96,629	97,825
Corvette	440	640	446	1,100	10,283	14,654
Total Chevrolet	31,515	28,331	31,148	77,166	608,745	689,058
Calais	3,243	3,636	3,040	8,310	58,290	64,609
Firenza	0	621	0	0	5,220	5,563
Cutlass Ciera	1,600	5,161	1,571	3,815	6,239	91,329
Cutlass Supreme	4,050	1,870	4,064	10,043	100,249	35,767
Toronado	405	544	478	1,137	9,167	9,208
88 (fwd)	3,428	2,171	3,956	9,083	81,197	93,943
88 (rwd)	150	412	149	378	5,877	9,560
Olds 98	1,602	965	1,580	3,945	40,036	34,775
Total Oldsmobile	14,478	15,380	14,818	36,711	306,275	348,352
Sunbird	2,630	2,524	2,151	6,079	52,552	56,593
Grand Am	5,340	5,163	6,174	13,979	119,581	126,812
Firebird	1,788	2,058	1,568	4,146	31,365	38,845
Grand Prix	3,780	0	3,264	8,819	60,851	0
Pontiac 6000	1,600	1,995	1,452	3,809	37,691	40,180
Bonneville	2,753	0	3,260	7,314	55,338	65,436
Safari/Parisienne	90	125	103	263	4,098	5,253
Fiero	500	962	503	1,003	9,650	19,301
Total Pontiac	18,481	12,847	18,475	45,412	371,126	352,420
GENERAL MOTORS	80,488	75,706	80,947	200,317	1,633,682	1,825,079
HONDA	7,680	6,261	7,699	18,939	176,391	157,380
Civic	2,403	2,688	2,429	5,922	47,484	53,051
Accord	5,277	3,573	5,270	13,018	128,907	104,329
MAZDA†	2,631	0	2,541	6,222	41,946	0
NISSAN	2,610	2,957	2,594	6,470	47,992	67,767
NUMMI	3,250	3,992	3,311	8,162	76,922	92,470
Corolla	1,200	889	1,243	3,035	28,295	19,050
Nova	2,050	3,103	2,068	5,128	48,627	73,420
VOLKSWAGEN	2,000	1,990	2,012	4,990	29,122	37,525
Golf/GTI	2,000	1,740	2,012	4,990	23,589	31,624
Jetta	0	250	0	0	5,553	5,901
Total Cars, U.S.	167,724	152,750	169,807	420,078	3,475,808	3,717,565
Total Cars, Canada	24,646	18,298	27,192	67,773	570,350	402,097
U.S., Canada Cars	192,370	171,048	196,999	487,851	4,046,158	4,119,662
U.S., Canada Cars and Trucks	300,685	267,025	303,510	758,547	6,531,575	6,330,323

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the 929 and Ford Probe.

CANADIAN CAR	Week Ended June 18, 1988	Week Ended June 20, 1987	Week Ended June 14, 1988	June to Date	Jan. 1 to June 18, 1988	Jan. 1 to June 20, 1987
Eagle	0	—	0	0	0	—
Premier	0	—	1,681	2,613	33,569	—
CHRYSLER MOTORS	0	93	1,681	2,613	33,569	2,863
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	3,268	—	3,285	8,679	96,136	—
Topaz	1,628	—	1,617	4,045	33,529	—
Crown Victoria	2,832	—	2,793	7,327	66,791	—
Grand Marquis	2,928	—	2,944	7,608	66,685	—
FORD MOTOR CO.	10,656	10,829	10,639	27,659	263,141	257,883
Celebrity	645	—	650	1,690	10,680	—
Cutlass Ciera	6,915	—	7,361	18,861	135,466	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,400	—	1,532	3,827	26,592	—
Regal	3,800	—	4,089	9,906	80,139	—
GENERAL MOTORS	12,760	6,778	13,632	34,284	252,877	131,177
Civic	1,050	—	1,060	2,657	5,088	—
Accord	0	—	0	91	12,315	—
HONDA	1,050	373	1,060	2,748	17,403	5,089
VOLVO	180	225	180	468	3,360	5,085
Total Cars, Canada	24,646	18,298	27,192	67,773	570,350	402,097

U.S. TRUCK☆	Week Ended June 18, 1988	Week Ended June 20, 1987	Week Ended June 14, 1988	June to Date	Jan. 1 to June 18, 1988	Jan. 1 to June 20, 1987
Caravan	1,900	—	1,596	4,946	48,100	—
Dakota	2,000	—	2,087	5,124	55,827	—
Mini-Ram Van	300	—	366	825	7,588	—
Pickups	2,000	—	2,065	5,099	34,594	—
Total Dodge	6,200	8,354	6,114	15,994	146,109	127,500
Cherokee	4,450	—	4,345	10,974	88,336	—
Commanche	1,050	—	1,000	2,541	22,959	—
Grand Wagoneer	350	—	350	866	7,280	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	297	646	6,301	—
Total Jeep	6,050	5,130	5,992	15,029	130,076	104,382
Voyager	1,700	—	1,436	4,428	44,320	—
Total Plymouth	1,700	—	1,436	4,428	44,320	—
CHRYSLER MOTORS	13,950	13,484	13,542	35,452	320,505	231,882
Aerostar	4,474	—	3,678	9,659	104,778	—
Bronco	1,353	—	1,234	3,262	29,683	—
Bronco II	2,509	—	2,509	6,184	65,362	—
Econoline	5,147	—	5,198	12,779	120,070	—
Heavy trucks	1,742	—	1,510	4,061	33,645	—
Light trucks	10,491	—	10,281	25,676	246,519	—
Ranger	7,881	—	7,891	19,596	177,130	—
Total Ford Div.	33,597	30,125	32,351	81,418	777,188	731,931
FORD MOTOR CO.	33,597	30,125	32,351	81,418	777,188	731,931
Astro	3,218	—	3,883	9,054	82,759	—
Blazer	648	—	679	1,610	13,517	—
Mediums/Heavies	440	—	433	1,065	8,785	—
P-Model	893	—	807	2,095	18,900	—
Pickups	6,967	—	7,518	17,986	161,290	—
S-10	6,515	—	5,900	15,681	139,880	—
S-10 Blazer	3,663	—	3,666	9,319	79,634	—
Sportsvan/Van	2,312	—	2,041	5,483	41,863	—
Suburban	1,779	—	1,780	4,218	35,759	—
Total Chevrolet	26,435	19,740	26,707	66,511	582,387	531,286
Jimmy	165	—	169	369	3,984	—
Mediums/Heavies	660	—	658	1,632	19,120	—
P-Model	130	—	194	418	2,753	—
Pickups	1,914	—	2,100	5,042	49,890	—
S-15	1,478	—	1,247	3,462	32,560	—
S-15 Jimmy	952	—	901	2,355	20,842	—
Safari	802	—	935	2,213	21,149	—
Suburban	668	—	763	1,727	16,769	—
Vandura/Rally Vans	657	—	468	1,462	17,478	—
Total GMC	7,426	8,177	7,435	18,681	184,545	182,218
GENERAL MOTORS	33,861	27,917	34,142	85,192	766,932	713,504
NAVISTAR	1,932	1,672	1,962	4,796	42,466	36,839
NISSAN	1,670	1,843	1,673	4,142	53,171	40,490
AM GENERAL*	450	450	450	1,170	10,710	5,550
MISCELLANEOUS*	2,300	2,300	2,300	5,960	54,740	52,900
Total Trucks, U.S.	87,760	77,791	86,420	218,150	2,025,712	1,813,096

CANADIAN TRUCK	Week Ended June 18, 1988	Week Ended June 20, 1987	Week Ended June 14, 1988	June to Date	Jan. 1 to June 18, 1988	Jan. 1 to June 20, 1987
Caravan	3,150	—	2,982	7,871	71,588	—
Mini-Ram Van	324	—	324	839	7,044	—
Ram Wagon	520	—	563	1,424	12,000	—
Ram Van	1,530	—	1,469	3,878	30,979	—
Total Dodge	5,524	8,537	5,338	14,012	121,611	199,966
Voyager	2,670	—	2,615	6,847	65,379	—
Total Plymouth	2,670	—	2,615	6,847	65,379	—
Wrangler	1,018	—	1,080	2,567	24,145	—
Total Jeep	1,018	778	1,080	2,567	24,145	15,987
CHRYSLER MOTORS	9,212	9,315	9,033	23,426	211,135	215,953
FORD MTR. (lt. trks.)	3,648	3,539	3,518	9,327	85,046	76,240
Light trucks	3,465	—	3,747	7,999	73,064	—
Vans	1,467	—	1,533	4,031	30,202	—
Total Chevrolet	4,932	—	5,280	12,031	103,266	—
Light trucks	1,815	—	1,469	5,510	38,825	—
Vans	678	—	526	1,557	16,058	—
Total GMC	2,493	—	1,995	7,067	54,883	—
GENERAL MOTORS	7,425	5,106	7,275	19,098	158,149	100,675
NAVISTAR	270	226	265	694	5,375	4,697
Total Trks., Canada	20,555	18,186	20,091	52,545	459,705	397,565
U.S., Canada Trks.	108,315	95,977	106,511	270,696	2,485,417	2,210,661

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News

June 27, 1988

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Ford OKs dealer purchase by public firm

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — The closely watched proposed joint venture between a publicly held British firm and a group of California dealerships cleared a major hurdle, winning the approval of Ford Motor Co. and making public ownership of a domestic franchise a reality for the first time.

The joint venture between Campbell Automotive Group Inc. and Lex Service PLC was also approved by Mitsubishi Motor Sales of America Inc. last week. The approvals will permit Campbell, which owns seven dealerships in Orange County, Calif., to sell a 50 percent interest for $13.5 million to Lex, the largest retailer of cars and trucks in the United Kingdom.

Still other approvals are needed from several of the seven makes sold by Campbell, but industry eyes were on the Ford approval since that represented the largest franchise held by the chain. The factory had frowned on public ownership of its dealerships.

In addition to Ford and Mitsubishi, other franchises in the Campbell group include Nissan, Mazda, Audi, Porsche and Volkswagen. No rejections were anticipated.

While public ownership has been opposed by the manufacturers, dealers are now exploring the option as a source of capital for costly expansion.

"Obviously, we are very pleased that Ford acted quickly and rationally in approving the agreement," said John Campbell, president of Campbell Automotive. "We are looking forward to showing that our joint venture can do business at a level of customer satisfaction that Ford and our customers ex-

see LEX, page 61

Big-car rise due in Japan with tax cut

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Japan's seemingly innocuous proposal to change its auto taxation system — far from dull-sounding internal policy-making — could have far-reaching impact around the globe, allowing Japanese manufacturers to boost big-car production while cutting costs even more.

The tax-law changes could also go a long way toward opening this market to outsiders, notably American and European manufacturers who traditionally produce bigger cars.

But the big gains from a change in the Japanese tax law would benefit the larger Japanese companies — with Toyota leading the pack — who could further their so-called "product rationalization" programs and gain greater economies of scale.

By opening the Japanese market for larger cars and larger engines through lower taxes, Japanese manufacturers would be freed from the design constraints dictated by those laws that created a two-tier product strategy — large cars for export, smaller versions for domestic consumption.

And by selling more big cars at home, the makers will be able to drive their production costs downward and boost the profits they bring in.

The change also takes on added significance in that Japan, as a result of the run-up in the yen, has become a high-wage producer relative to the United States. The manufacturers will need those larger cars to absorb the differential and remain competitive on a worldwide basis.

While transplants may build trucks, economy and family cars, and low-wage newly industrialized countries may flood entry-level markets, the Japanese will be able to save jobs by building the next wave of luxury cars in Japan.

In addition, a strong yen and exploding real estate values in Japan have created a luxury-car boom in the world's third largest car market — an opportunity that could prove to be a gold mine for the domestic makers.

see NEW TAX, page 61

Saturn Corp. picks plastic for its car body

Reatta is a pleasant dilemma for Buick

Plastic Saturn, Reatta rage

DuPont's Bexloy called body choice

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

CHICAGO — When Saturn Job One moves down its spanking-new Spring Hill, Tenn., assembly line in the summer of 1990, it will be wearing a skin of plastic, not sheet steel.

Industry suppliers at a convention here say a cage-like steel structure will support the fiberglass-reinforced plastic in much the same way the steel space frame supports the plastic outer panels of the Pontiac Fiero.

When the death knell for that car was rung, there was speculation that the space frame construction concept would be abandoned for automobiles. The reports of Saturn's injection-molded plastic body, therefore, are surprising many in the industry.

At Saturn headquarters in Troy, Mich., a spokesman said, "We are not talking about

see SATURN, page 60

New Buick sold out, sidesteps Allante pitfall

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

LANSING, Mich. — As Cadillac struggles to sell its two-seat luxury sports car, Buick suffers from a different dilemma: How to cope with increasing demand for its similar specialty vehicle, Reatta.

Buick's is a dilemma each General Motors division — and every automaker — dreams about.

For the 1988 model year, all 3,000 copies of the $25,000 Reatta scheduled to be built at the 650,000-square-foot Reatta Craft Centre in East Lansing, Mich., are spoken for. Cadillac, meanwhile, has restricted Allante production to one-third of its capacity and has taken the car out of production for 2½ months.

Six months after Reatta was introduced to the public, the market is being generous to

see REATTA, page 60

GM's Johnson may quit today

By Charles M. Thomas and Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTERS

General Motors is expected to announce today that Elmer W. Johnson, executive vice president of the operating staff, will leave the company and return to his law practice with the Chicago-based firm of Kirkland & Ellis.

Elmer Johnson

He joined GM in 1983. Speculation that Johnson — one of four contenders to replace Roger B. Smith as GM chairman when he retires in 1990 — may depart began surfacing last week on the heels of an article in American Lawyer magazine.

The article suggests that Johnson's counter-culture tendencies were not easily tolerated within the strict corporate confines of GM.

James Gustafson, a professor at Emory University in Atlanta, Ga., and longtime friend, said he spoke to Johnson three weeks ago and was told by him that resigning was a possibility.

"He didn't talk much about it but he was obviously frustrated by the bureaucracy," said Gustafson. "He mentioned reshaping his whole situation there."

He added that if Johnson has resigned, it would

see JOHNSON, page 60

Training for the top: The Ford School

Gilmour tells how program pursues goal of excellence

By Al Fleming
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — Who is most likely to succeed Donald E. Petersen as chairman of Ford Motor Co.?

Who is in line to become the next president of Ford of Europe, or the next executive vice president in charge of North American automotive operations?

What are the probable next steps up the corporate ladder for cousins Edsel B. Ford II and William Clay Ford Jr.?

The answers to those questions, along with other juicy morsels of management information, lie behind the locked doors of a top-secret room on the 11th floor of Ford world headquarters here.

Its official name is the Management Development Conference Room. Unofficially, it's dubbed the War Room.

Says Allan D. Gilmour, executive vice president in charge of international automotive operations, "It's

see GILMOUR, page 58

AUTOMOTIVE NEWS/JOE WILSSENS

Allan D. Gilmour

Some good ones got away to lead other big companies

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — As a group, they go by some motley names — "retreads," "Fordos," "WIWAFs," "dropout kids" — but the people who have left jobs at Ford Motor Co. over the years make up an impressive roster of executive talent.

Ford, more than any other domestic automaker, has carried a reputation for supplying executives to other companies. And its pipeline has gone well beyond Chrysler Corp., where its most famous alumnus — Lee Iacocca — has transplanted an entire team of Ford men into the front office.

Between the early 1950s and the early 1980s, Ford lost 16 officers who went directly to the presidency of other companies, according to Eugene Jennings, a business professor at Michigan State University. Jennings has been charting auto industry "dropouts" for more than three decades.

see FORD, page 56

Daimler-Benz, China initial truck deal — Page 2

Is Chrysler buying DeTomaso? — Page 3

Buick, Olds, Cadillac eye bigger share in '89 — Page 4

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Daimler-Benz, China sign heavy-truck agreement

By Stephen Vines
STAFF CORRESPONDENT

BEIJING, China — West Germany's Daimler-Benz AG has signed the largest agreement to date for the production of heavy trucks in China.

The contract is for technology transfer and assistance along with parts supply for a truck-making venture in China's Inner Mongolia Autonomous Region.

Announcing the agreement at the start of the 1988 China Automotive Exhibition last week, Mercedes-Benz China President Michael Bassermann said the goal was to build 6,000 trucks per year ranging in size from 16 tons to over 40 tons.

The German company's partner is North Industrial Corp. (Norinco) of Beijing, one of China's largest industrial conglomerates.

Bassermann told Automotive News the agreement does not involve any direct investment by his company because Norinco is well funded and does not require additional capital.

He declined to estimate the value of the contract but said the technical cooperation aspects were being provided at cost while complete knockdown kits would be supplied on the "usual commercial basis."

Bassermann said the amount of money involved "could be a lot, or it could be a little, the idea at the moment is to get the factory running."

The current Norinco factory in Baotou, which will house the new program, makes heavy-duty off-road vehicles. Bassermann said it will be possible to start production in the first half of 1990. He stressed that there would be a fairly slow start-up, aiming for an ambitious 95 percent local content once it reaches maturity.

Negotiations for the contract started three years ago.

News of the Daimler-Benz contract comes after what appears to be the failure of the only other foreign heavy-truck-making venture, involving the Austrian company Steyr. There are also few signs of progress on the technology transfer agreement with Fiat's truck subsidiary, Iveco, for the production of medium-range trucks.

Japan's Isuzu, however, is still doing steady business at the lighter end of the market with 1.5- and 1.7-ton truck assembly at two plants.

Meanwhile, Daimler-Benz has suffered a minor setback in its attempts to make a greater impact on China's car market — losing out to Volkswagen in a bid to produce mid- and high-grade automobiles at the First Automotive Works factory.

Damiler-Benz had hoped to expand upon its contract with First Automotive Works to supply CKDs for the assembly of 1,000 limousines.

The agreement with Volkswagen is for technology and equipment transfer for the production of a new car based on the Audi 100. The Chinese optimistically forecast that they will produce 30,000 annually within three years, with production eventually rising to 150,000 per year in 1995.

Volkswagen is highly regarded in China due to the success of the Shanghai Volkswagen joint venture, which Chinese officials often cite as a model for foreign cooperation.

Report cites global might of the Big 3

Some European, Asian firms at risk

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The relatively good health of the U.S. Big 3 could mean bad times ahead for the global auto industry.

That is the prediction of a report by the International Labor Organization.

Faced with growing worldwide overcapacity in automobile manufacturing and flat or falling demand for cars in most global markets, one or two of the smaller European or Japanese auto companies may face extinction in the 1990s, the report says.

The reason for that somewhat surprising prediction is the unexpected resilience the Big 3 have shown in the United States.

In recent years, General Motors has lost market share, but Ford Motor Co. and Chrysler Motors have increased sales. Now, European and Asian automakers should worry whether the capacity they built to take advantage of a drop in Big 3 sales was a mistake, the report warns.

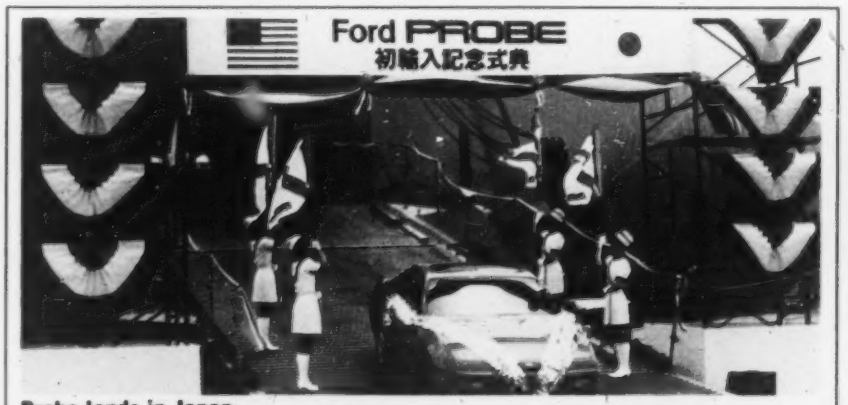
The study, "International Structural Change in the Automotive Industry: A North-South Perspective," also cautions, "If the United States does make a comeback in the major exporters' league, the market situation would be truly dramatic."

The report estimates that worldwide overcapacity was 3.3 million cars in 1985. It does not provide a more recent number, but does list the considerable new U.S. capacity built or planned since 1985. The report observes that global automotive consumption seems to be falling from its 1986 high of 33.2 million units.

The study, written by Peter O'Brien and printed in Geneva by the International Labor Organization, estimates Europe will be hardest hit by overcapacity with as much as three-quarters of the world's excess automotive output. Labor cutbacks in France, Italy and the United Kingdom can be expected to displace between 5,000 and 15,000 workers, the report says.

In the 1990s, Europe will have to find a way to cut back production, and the United States and Japan will have to jointly scale back their output, the report advises.

see STUDY, page 12



Probe lands in Japan
The first shipment of U.S.-built Ford Probes was greeted in Japan last week with a ribbon-cutting ceremony, brass band and other fanfare. Mazda Motor Corp. will begin selling the car in September.

NHTSA won't end Audi probe

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Despite pleas from Audi dealers to end its probe of alleged sudden acceleration in Audi 5000 models, NHTSA said it will continue its two-year-old investigation.

NHTSA Administrator Diane Steed on Friday sent a response declining to end the inquiry.

"It would be premature to close the investigation pending completion of the (recall) audit," she wrote.

Lee G. Seidman, a Cleveland Audi dealer and chairman of the American International Automobile Dealers Association, and Robert McElwaine, president of the dealer group, met last week with NHTSA officials to present a letter signed by 10 Audi dealers. The dealers asked that the agency end is defect investigation.

An Audi spokesman said the company did not request the meeting.

The letter demanded an "immediate end" to the probe because of the appellate court's ruling in the General Motors X-car case that said NHTSA failed to prove the car had a safety-related defect. The court also held that customer complaints alone are not evidence a defect exists.

Meanwhile, Rep. George J. Hochbrueckner, D-N.Y., and the Center for Auto Safety have started surveying members of the Audi Victim's Network and persons who have complained to NHTSA and Audi about the 5000 model. The effort was launched to keep pressure on the safety agency over the sudden acceleration issue.

Also last week, Volkswagen of America reached an out-of-court settlement in a sudden-acceleration case it lost in White Plains, N.Y., that subsequently was thrown out of court.

Judge Matthew F. Coppola had ordered a new trial because the jury had seen newspaper and television accounts and heard inadvertent references to post-manufacturing changes in the Audi 5000 contrary to court instructions.

The jury had ruled in favor of Marie Rustin, who said an earlier back injury was aggravated when her car was struck by an Audi 5000 in a drive-in bank line.

The driver of the Audi, Sally Mears, claimed her car experienced sudden acceleration. She had failed to bring the car in for two factory recalls, one for adjusting pedal height and the other to install an automatic shift lock.

Automotive News Staff Reporter Helen Kahn contributed to this report.

$4,000 rebate attacked in lawsuit against Audi

By Helen Kahn
AUTOMOTIVE NEWS STAFF REPORTER

A $76 million suit filed in a New York court charges Volkswagen of America and Audi of America with false and deceptive practices in a current sales promotion.

The program offers former and current owners a $4,000 rebate on leftover 1988 Audi 5000s and gives salesmen $250 bonuses for selling Audi 80/90 models.

The suit has two plaintiffs, one in New York and another in Massachusetts, but seeks to represent more than 400,000 persons who received the rebate offer.

The action coincides with reports that the Federal Trade Commission is considering "bait and switch" charges against the company on the rebate offer. The commission will neither confirm nor deny that.

However, various state attorneys general have shown interest in pursuing possible "bait and switch" cases.

The New York suit charges that Audi's "Private Purchase Plan II" offering a $4,000 rebate on the purchase of 1988 Audi 5000s is "deceptive" since Audi knows it does not have enough 1988 cars to "meet reasonably anticipated response." Rather, the suit charges, the intent was to "jumpstart" sales. It says the same is true for bonuses offered to dealers and salesmen.

A spokesmen for Audi of America said the law firm simply does not understand how the car business works, especially at the end of the model year when rebates and incentives are common because stock is limited. He said the company estimates it takes 243,000 potential customers to generate 5,500 sales.

Honda official belittles work with British

By Edward Peabody
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Honda Motor Co. Ltd. has learned little technologically from Austin Rover Group Ltd., its British partner in automaking.

In fact, dealing with the British has been a frustrating experience — "much talk and negotiation with few conclusions reached," according to Nobuhiko Kawamoto, president of Honda R&D Co. Ltd., who spoke last week following the EniChem Detroit Grand Prix.

Kawamoto touched on several other subjects during a press briefing: Honda's plans to design and manufacture cars in the United States exclusively for North America; its commitment to build subcompact cars and eschew trucks; a new technical direction, which he dubbed "interfusion;" and Honda's research and development philosophies.

Honda's affair with Austin Rover Group began nearly 10 years ago. In 1981, they agreed to develop and build an upscale car — the Acura Legend/Rover 800. It reached the U.S. market as the Sterling in 1986.

Despite frustration felt by the Japanese when dealing with the British, Honda and Austin Rover eventually settled their differences because they had a product to get out, Kawamoto said. But when asked if his experience with the British had yielded Honda little technologically but much in terms of cultural frustration, Kawamoto thought for a moment, then simply replied, "Yes."

Kawamoto's remarks were "a little surprising" to Austin Rover officials. "We believe the relationship to be mutually beneficial — not one-way," said Brian Johns, Austin Rover public affairs director.

Johns noted that at the recent launch of the newest Honda-Rover joint-venture product, the Concerto, in Japan, Honda Motor Co. officials were upbeat about their relationship with Austin Rover.

He added that one of the things Honda has learned from Austin Rover is how to package car interiors.

Johns said Honda developed the powertrains and associated electronics for Legend and Sterling, and Austin Rover performed computer-aided body engineering for both companies. He added that Concerto will follow in the path of Legend and Sterling.

However, the agreement between Honda and Austin Rover to co-produce Concerto is not expected to follow the Legend/Sterling pact down the tubes. Honda and Austin Rover announced earlier this year that they will cease joint production of the luxury models this fall because of quality problems with the early British-built Legends and lower-than-expected production volumes. Honda will continue to build the Legend in Japan and Austin Rover will build Sterling in England.

On other topics, Kawamoto said Honda plans to produce cars in the United States exclusively for North America, but that is "in the very far future."

Kawamoto also spoke of Honda R&D's new technical direction, which he called "interfusion." He said Honda is not in a "fashion competition" with those that pursue with abandon the latest trends, such as turbocharging and multiple camshafts.

Rather, Honda is stressing efficiency. No matter how high an automobile's technology, it should benefit the driver, Kawamoto said.

Survey knocks some marques, lauds Cadillac

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

The nation's best-known automotive nameplates are not necessarily the brands that carry the best image, according to a national consumer survey.

Take names such as Pontiac, Dodge and Volkswagen. The three are among the best-known corporate brands in the United States. But when consumers were asked how they felt about those nameplates, the three ranked low in esteem.

Landor Associates, a New York-based image consulting firm, recently asked 1,000 consumers in 12 U.S. markets about awareness and perceptions of 672 corporate brands — from cars, to soap. Landor, which has designed the Saturn Corp. logo and worked on projects for Mercedes-Benz, said it equally weighed the consumer group in terms of income level and gender.

A brand's "Share of Mind Rank" — or the level of consumer awareness about a given brand — was combined with its "Esteem Rank" — a measurement of how good its image is with consumers — to give an overall "Brand Power Rank."

Coca-Cola and Campbell's Soup were the top two brands in Brand Power Rank, followed by Pepsi Cola and communications giant, ATT.

Cadillac had the highest Brand Power Rank among the 27 automotive nameplates included in the Landor survey, while Mitsubishi scored the lowest. Cadillac ranked 26th and Mitsubishi ranked 299th in brand power among 672 corporate brands.

Stewart Owen, director of research for Landor Associates, attributed Cadillac's high score to the perception of Cadillac as "a symbol of the best."

Cadillac ranked 81st in terms of esteem and 16th in share of mind (awareness). Other automotive brands ranked higher than Cadillac in esteem but their Brand Power Ranks were diminished by lower awareness levels.

Owen noted that the domestic makers generally have very high awareness levels but do not get comparatively high esteem levels.

IMAGE RANKINGS OF 672 PRODUCTS

Automotive	Brand Power Rank	Share of Mind Rank	Esteem Rank
Cadillac	26	16	81
General Motors	27	6	199
Chevrolet	28	9	137
Rolls-Royce	30	147	8
Ford	31	14	114
Mercedes-Benz	37	94	23
Honda	62	95	64
Toyota	64	67	99
Oldsmobile	70	40	144
BMW	71	218	24
Porsche	73	123	55
Chrysler	75	54	141
Volkswagen	112	32	401
Buick	131	86	238
Jaguar	139	227	85
Pontiac	149	83	325
Dodge	163	59	452
Nissan	169	152	209
Volvo	171	179	172
Datsun	177	129	255
Ferrari	206	262	147
Mazda	207	246	170
Plymouth	225	125	418
Lincoln	244	266	220
Subaru	272	239	327
Mercury	280	254	332
Mitsubishi	299	307	284

SOURCE: Landor Associates

AUTOMOTIVE NEWS/JOE WILSBENS

Ayrton Senna's McLaren-Honda won the June 19 Detroit Grand Prix with an average speed of 82.2 mph

Ford races alone — for now

But other domestics may join for promo, engineering

By Dan Morrison, Wes Raynal and Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTERS

DETROIT — Despite grumbling from drivers about track conditions, auto manufacturers and suppliers involved with the seventh annual Detroit Grand Prix said they were confident the event will produce promotional and technical benefits.

EniChem, the Italian petrochemical company, reported "very positive" results from its sponsorship.

Honda's involvement continued on the racetrack — powering race winner Ayrton Senna.

A Honda Formula 1 spokesman said the company's young engineers get training in Formula 1.

"Of course, the advertising aspects of F1 are very beneficial to us as well, although I'm really not sure how much in the United States, compared to Europe and other parts of the world," he added. Honda funnels its F1 success to its advertisements for Acura.

Ford was the only domestic automaker involved in this year's Formula 1 race. Ford of Europe Engineering and Ford Electronics helped develop Thierry Boutsen's third-place Benetton-Ford car that ran with a DFR 3.5-liter normally aspirated engine.

"Since the rules have changed to phase out turbos in 1989, we're concentrating on the normally aspirated engine," said Ford Director of Special Vehicle Operations Michael Kranefuss.

"Ford Europe is planning dealer promotions next year, but a lot is dependant on how the Benetton car does next year," he said. Ford was clearly the most active promoter of the event this year, sponsoring parties and arranging media interviews.

Formula 1 also allows Ford to experiment with systems that can later be used in production cars.

Ford Electronics has developed an experimental electronic engine management system for the Benetton car. Normally under the dash in production vehicles, the Benneton car's version, called EECIV, is mounted next to the engine, where heat and dirt can get to it.

"The intention is to develop a packaging system that can withstand race conditions. If successful, it may be used in future production models," a spokesman said.

Another Ford spokesman said rule change to prohibit turbochargers in 1989 will allow more domestic makers and suppliers to become involved with Formula 1 for much less money.

Chrysler will make a go at Formula 1 in 1989 with a new V-12 Lamborghini engine in the Larrousse-Calmels car.

Asked if General Motors is considering a Formula 1 powerplant effort, Chevrolet Chief Engineer Fred Schaafsma said GM is always looking at motorsports but, "I can't confirm that we are looking at Formula 1. It would be intriguing as an engineering project. Formula 1 really is big league."

Before GM could get involved in Grand Prix racing, the company would first have to determine which products would be best to promote in the mainly European series and which name would be cast on the engine.

Three-day attendance was down from 246,000 in 1987 to 236,340 this year. CBS estimated 3.36 million U.S. viewers watched the Formula 1 race this year, 738,000 more than in 1987. Commercial sponsorship was consistent with last year, it said.

Is Chrysler about to buy DeTomaso?

Firms deny deal after stock flurry

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Speculation that Chrysler Corp. might buy DeTomaso Industries touched off last week's heavy trading and higher prices for the common stock of the New Jersey-based DeTomaso Industries, which has a 66 percent indirect equity in Maserati S.p.A.

DeTomaso Industries' common stock, which had been trading in the range of $7 a share for several months, climbed to $14 a share between June 17 and June 23, according to a stock analyst.

Traded volumes, which typically total 1,000 shares daily, reached 39,000 shares last Wednesday and 77,400 shares Thursday, according to Frank J. Lazar, vice president of Financial American Securities, Cleveland. By early afternoon Friday, 16,000 shares had been traded in a range of $10.75 to $11.50 per share.

Lazar has traded DeTomaso Industries for 10 years and followed the company for 14 years. He said Financial American controls one-third of the floating shares — shares owned by those other than Alejandro DeTomaso's family and close associates.

Lazar said that rumors of a possible purchase of DeTomaso Industries by Chrysler were fueling the heavy trading.

Both companies discounted a possible buyout. DeTomaso Industries last Thursday afternoon issued a statement stating that rumors that Chrysler would pay $40 to $50 a share in an August buyout were "absurd."

The DeTomaso Industries statement curbed the trading activity, and the stock closed at $11 per share Thursday, down from a high of $14 earlier in the day, according to Lazar.

Last Thursday, DeTomaso Industries General Counsel Howard Chase said he had spoken with Chrysler officials about the rumored August bid and had been told they were unaware of any such action.

Chase said a takeover by Chrysler could only be completed if DeTomaso Industries Chairman and President Alejandro DeTo-

see DeTOMASO, page 61

INDEX

Around the world	26-32
Auction dates	42
Classifieds	43-52
Coming events	35
News briefs	8
Obituaries	4
Opinion	10
Personnel	20-24
Production	63
Recreation on wheels	16
Spec. car	62

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'M' is a theme line for World Congress

DETROIT — Megadealers, motorsports, media and markets will be major subjects of discussion during the 13th annual Automotive News World Congress at the Westin Hotel, July 17-20.

Among faculty members tackling those topics will be: J.R. "Rick" Hendrick III, owner of Hendrick Management Corp. and Hendrick Motorsports, Charlotte, N.C.; Marian G. Confer, director of marketing services, Family Circle magazine, New York; Stuart J. Hamilton, manager of sales operations, Volkswagen United States Inc., Troy, Mich.; Leon D. Rosen, national marketing services manager, American Isuzu Motors Inc., Whittier, Calif.; and Albert T. Warner, director, motor vehicle division, office of automotive industry affairs, U.S. Department of Commerce, Washington.

Hendrick Management Corp. controls 20 dealerships in seven states. Franchises include Chevrolet, Honda, Acura, Toyota, BMW, Mercedes-Benz, Volkswagen, Volvo, Porsche, Audi, Sterling, Suzuki, Range Rover, Subaru and Kenworth. Hendrick will address the World Congress at 10:30 a.m. Monday, July 18.

Confer joined Family Circle in 1985 as research director, following five years in that post at The New Yorker. She will speak at 2:50 p.m. Monday, July 18.

Hamilton became manager of sales operations at VW U.S. this month. Previously, he was manager of market representation. Hamilton's talk is scheduled for 2 p.m. Tuesday, July 19.

Prior to joining American Isuzu eight years ago, Rosen was with Samsonite and Chinook International. Rosen's will speak at 2 p.m. Tuesday, July 19.

Warner's division in Washington is responsible for analyzing all developments within U.S. and foreign automotive industries and recommending appropriate policy options affecting the U.S. auto industry. Warner will speak at 11:15 a.m. Tuesday, July 19.

The World Congress will begin with General Motors President Robert C. Stempel's State of the Industry keynote address at 7:45 p.m. Sunday, July 17.

For further information, write Automotive News World Congress, 1400 Woodbridge, Detroit, MI 48207 or telephone 313-446-6047. The cable address is TWX 810-221-5122 AUTNEW DET.

Kahn retires in Washington

WASHINGTON — Helen Kahn will retire June 30 after 27 years in the Automotive News Washington Bureau. She has been Washington bureau chief since 1964.

As a reporter, Kahn has long been adept at spotting Washington currents that would have a major effect on the auto industry. She was the first to recognize the impact of Ralph Nader, and she tabbed the industry-government safety confrontation as a prime story long before it became big news throughout the country.

In retirement, Kahn will continue to report for Automotive News on a part-time basis, covering the EPA and legal activities related to the industry — beats she pioneered.

Heated-windshield option will melt ice on '89 Cadillacs

ANDERSON, Ind. — General Motors' Delco Remy Division soon will begin producing a heated windshield it says will get rid of ice with the flip of a switch and will be standard on almost all cars in 10 years.

The ElectriClear windshield will melt one-tenth of an inch of ice within two minutes without any help from wipers, its designers said. Unlike the conventional electric-grid rear defogger, the ElectriClear has no lines and is just slightly tinted. It clears ice through a computerized heating system controlled by the driver.

Delco Remy, in a joint venture with Libbey Owens-Ford of Toledo, Ohio, will begin production of the ElectriClear in midsummer. It will be an option on 1989 Cadillac DeVille and Fleetwood models. Production will be 40,000 units annually at first and could rise to 3 million, Delco Remy said.

Ford Motor Co. introduced heated windshields on its 1986 Taurus and Sable and offers it on the 1988 Continental. The Ford windshield, called Insta-Clear, is a $250 option.

GM has not said how much the ElectriClear windshield will cost.

"Within the next 10 years, we're looking for this to be on 90 percent of all vehicles," said Neil Cráteau, director of new product marketing for Libbey-Owens-Ford. "We think in the next 10 years the heated windshield will be used as much as the rear-window defogger."

Libbey-Owens-Ford is not affiliated with Ford Motor Co. It developed the ElectriClear windshield in cooperation with Delco Remy. In the ElectriClear joint venture, Libbey-Owens-Ford will provide the windshield and Delco Remy will manufacture ElectriClear's power and computer systems.

ElectriClear production will require expansion of Delco Remy's alternator line and the creation of lines for the product's power module and electronic control system, a Delco Remy spokesman said. However, he said initial production will not require additional workers at the Delco Remy plant, which now employs about 7,000.

— The Associated Press

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STUDY

FROM PAGE 2

The study also theorizes that the number of automobile manufacturing and exporting nations will hold fairly constant until the world's overcapacity is addressed. The reason new countries will be unable to join the automobile manufacturing club is because new production is dependent on investment from automobile manufacturers in Europe, Japan and the United States, and they already are worried about overcapacity.

The study reports that during the past two decades global car production has increased 38 percent. Between 1980 and 1986, output in Japan and Brazil increased 240 percent; output in Spain increased 300 percent; and production in South Korea was up 500 percent.

In contrast, production fell 40 percent in the United Kingdom; remained fairly static in Italy; and increased slightly in the United States, West Germany and France. Global auto sales went up 35 percent during that period.

Between 1981 and 1985, the 12 leading companies decreased their combined output by an estimated 6.1 million vehicles, mostly by slowing down the rate of assembly, the report says.

In 1985, Renault and Peugeot-Citroen used their capacity at 69 percent and 78 percent, respectively. The figures were 80 percent for Fiat, 87 percent for Honda, 94 percent for Volkswagen-Audi and 98 percent for GM. Capacity utilization for GM and Volkswagen-Audi has declined since then.

The study points to other trends, including:

- The automobile industry will no longer be a major source of future employment. There will be fewer — but better jobs — with the emphasis on technical and engineering staffs.
- Rapid change in production and organization systems will take the competitive edge off low-cost labor. The success stories of Brazil, Mexico and South Korea will have little chance of being repeated elsewhere.
- Overall demand is unlikely to expand substantially, due mostly to slow growth in the world economy. Steady demand will mean fierce competition and protectionist pressures.
- Tight markets could increase the frequency of direct investment and joint ventures in the automobile industry.

The report said automakers must be judicious in their choice of production sites and products, flexible in their reaction to market changes and adept at managing engineering and supply systems linked to component suppliers if they are to prosper in the 1990s.

U.S. AUTO CAPACITY

Company	1985 capacity (million units)	1990 Expected capacity[a] (million units)
General Motors	5.00	5.40
Ford	1.80	1.80
Chrysler	1.35	1.65
AMC	0.13	0.13
Volkswagen	0.11	0.11
Honda	0.15	0.36
Nissan	0.07	0.24
NUMMI	0.08	0.25
Mitsubishi/ Chrysler	—	0.24
Toyota	—	0.25
Fuji/Isuzu	—	0.12
Total capacity	8.69	10.59
of which (%) ..		
United States firms	95.2	82.9
Foreign firms[b]	4.8	17.1
United States auto sales	10.70	10.80
Imports	2.71	3.40[c]
Domestic sales	7.99	7.40
Excess capacity	0.71	3.19[c]
Capacity utilization (%)	92.0	69.9[c]

[a]—Figures in this column are on best estimates available at the time of writing. Changes could, of course, occur either because additional foreign firms decide to construct plants which come on stream quickly (e.g. Hyundai) an American firm is closed down (e.g. AMC), or present calculations of the date at which plants will reach full capacity working turn out to be too optimistic.

[b]—NUMMI, a 50/50 joint venture between Toyota and GM, is treated as a foreign firm for purposes of this calculation.

[c]—This figure assumes that foreign-based firms realize their current production and marketing plans and that no further protective barriers are imposed.

[d]—Assuming that there are no CBU exports from the United States. If there are, excess capacity would fall and capacity utilization rates rise.

SOURCES: Industry journals

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O

LaForza selected as new name for Fissori sport-utility in U.S.

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

HAYWARD, Calif. — Fissori North America is changing its name but still expects to have a Range Rover-class vehicle on sale by October.

The new corporation is called LaForza Automobiles Inc., after buying out Italian coachbuilder Rayton Fissore's interest in the luxury sport-utility vehicle, said Robert P. Oliver, chairman and chief operating officer.

LaForza also will be the name of the vehicle, which originally was to be on sale late this summer as the Fissori (the U.S. spelling was changed as a prononciation guide).

"It would have been wrong to call it a Fissori because it won't be their vehicle any more anyhow," Oliver said. "We thought we might as well just bite the bullet on the name change before we had dealers and vehicles on the road."

Oliver said the manufacturing process will remain essentially the same even without Rayton Fissore. The LaForza chassis and body will be still be sourced in Italy and shipped to Cars & Concepts in Brighton, Mich., where a 5-liter Ford V-8 engine and a shift-on-the-fly, four-wheel-drive transfer case and Ford automatic overdrive transmission will be added.

LaForza is still projecting sales of 2,000 units the first 12 months, starting with about 30 dealers this summer and 60 by year end. The vehicle will have a retail price of $38,850.

While the volume and price are similar to Range Rover, Oliver said LaForza has more potential than the British 4wd luxury import, despite starting with a unknown name. LaForza means "the strength" in Italian.

"It's a larger vehicle than the Range Rover and we'll be aiming at a different market, selling it as more of a touring vehicle," Oliver said.

LaForza also has committed itself to greater volume, based on favorable marketing studies and dealer response, plus the greater production capability of its Italian supplier, Oliver said. The company garnered more than 300 dealer inquiries at the National Automobile Dealers Association convention last February in San Francisco, he said.

Rayton Fissore, which introduced a diesel version of the vehicle several years ago, called Magnum in Europe, was bought out by LaForza's British-based parent company, Automotive Industries. Automotive Industries also is the majority stockholder of an Italian manufacturing liaison office in Turin.

Boats called good line for auto dealers

By John A. Russell
SPECIAL CORRESPONDENT

NEW YORK — A major boat manufacturer and a marketing company in South Carolina have joined forces to expand a boat dealer network utilizing auto dealers.

The marketing company, North American International Marine Co. Ltd. of Columbia, S.C., is calling the boat franchise the "sixth profit center" for auto dealers.

The firm is headed by Michael Cary, a former Toyota regional executive and auto dealer. It is spearheading the drive for Sun Runner Marine of Spokane, Wash.

Dave Henry, chief executive officer of Sun Runner, said that as the marine business grows, auto dealers are ideal candidates for a marine franchise. Among the advantages for dealers, he said, are better margins on boats and the fact that most inboard engines are based on auto engines so dealer service staffs already are familiar with the powerplant.

"Auto dealers are aggressive and understand flooring," he said. Dealers also understand finance and insurance and know how to retail products, he added.

He termed this concept the "wave of the future," saying that the concept of buying a boat from a dealer "on the water" is "outmoded."

Cary said the marine business is an ideal profit center for the auto dealer and auto dealers bring to the marine industry a retail sophistication.

And the grosses for the dealer are high — they average $2,500 to $5,000 per sale.

Sun Runner has been in business for 14 years. It produces boats in various lengths from 16.5 feet to 61 feet. Cary said the auto dealer only has to utilize his existing capacity and can floorplan the inventory.

He said dealers have all the necessary facilities to take advantage of this concept. The boats arrive at the dealership on trailers, ready to go and covered. The dealer can use the space on his lot and stock replacement parts in his parts department.

Sales and service training will be provided by North American International Marine Co. Ltd., Cary said, adding that the dealer needs only one mechanic and a salesman to support the operation.

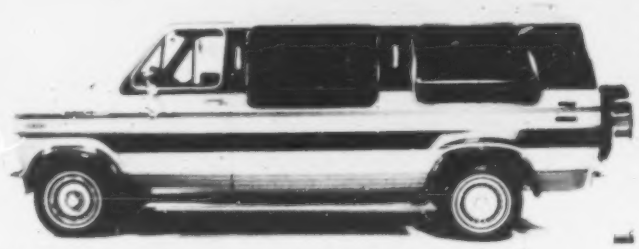
The boat business itself is booming, he said, especially since several major financial institutions, including General Motors Acceptance Corp., are now financing boats. The total pleasure boat business is approximately $16 billion per year.

And, Cary said, the business is not confined to coastal areas. Boat sales are brisk in any area near lakes, he said.

A marine division for auto dealers can supply extra profits by using existing facilities and personnel, Cary said.

Sun Runner is offering an exclusive franchise area, Cary said. The franchise agreement is with Sun Runner, not with North American International, and the company offers a lifetime warranty on the hulls of its boats.

Cary said he is targeting entry-level buyers with the program.



Royal Vans' top-of-the-line Southern Belle conversion model

Texas firms rebound

7 van converters in top-volume ranks

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Since the 1984-1985 slump in the oil patch, Texas — and the Southwest — have been staging a comeback in the van conversion business.

Seven Texas van conversion pool companies were included in Automotive News' recent compilation of top-volume converters, underscoring the importance of the region.

Bentley Good Times Van, Grandview, Texas, is Chevrolet's ninth largest converter. High Caliber Vans, Mansfield, Texas, and Regency Vans Inc., Arlington, Texas, ranked sixth and seventh, respectively, on Dodge's list.

Road Runner Vans Inc., Richardson, Texas, had the eighth fastest retail turnover rate among Dodge pool accounts.

Tra-Tech, Fort Worth, Texas; Premier Editions, Marshall, Texas; and Royal Vans of Texas Inc., Round Rock, Texas, also made the top 10 volume lists for GMC and Ford.

Royal Vans, a Ford-only pool account, has been a particularly fast mover this year. Its 33 percent sales increase will put it well over 1,000 wholesale deliveries in the 1988 model year, according to Timothy Buck, vice president of the family-owned firm. His father, Raymond Buck, is president.

Like many other Ford converters, the company is selling every chassis it can get and could do better if it had more product to sell.

Equally important, though, is Royal's retail turn rate.

Buck said Royal has been at or near the top of Ford's turn-rate list the past several months "because we've been concentrating on dealers who are aggressively marketing our vans and working closely with them in that regard."

Ford does not publish its retail turn rate, but does give individual dealers their ranking over the phone.

Royal Vans has been operating autonomously since 1982. Prior to that, it was a part of Royal Coach, which is now part of the Gerwin organization. The converter distributes throughout Texas, Louisiana, Oklahoma and Arkansas and, to a lesser extent, Kansas.

Its current expansion plans center on trying to pick up another bailment pool account from Chevrolet or GMC.

For the most part, Royal Vans plans to continue concentrating on its current markets, expanding its presence there and slowly expanding geographically.

Royal Vans has about 70 dealers, the majority very aggressive in retailing van conversions, Buck said.

The company works closely with them to develop their profitability in selling its products. It helps them develop advertising and works on keeping customers happy after the sale through quality product, warranty and service, he added.

Right now, it has enough dealer orders to carry it well through the summer.

Buck described his conversions as "classy and elegant, but attractively priced." The majority wholesale in the $3,500 to $4,500 range on full-sized chassis.

For 1989, Royal plans to stay with the formula that has made it successful, without any drastic change in products or image, Buck said.

Shipments move up, but dip is predicted

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Wholesale RV shipments continued to rise in April, though some forecasters look for a slight decline in the third quarter.

John W. DeWolf, economic consultant to the Recreation Vehicle Industry Association, said the recent sharp rise in interest rates makes a sales dip almost inevitable, though he believes it will not approach the status of an industry recession.

He said he believes the drop will show up in the third quarter.

As a result, DeWolf is now predicting wholesale shipments of 219,000 units in 1988, up slightly from 218,300 last year.

He predicted that "towables," including travel and park trailers, fifth wheels and folding camping trailers, will be up 5 percent; truck campers will be up 4 percent; while motor homes will be off more than 8 percent.

With their strong first-quarter start, van conversions are expected to have their best year ever. DeWolf sees a gain of almost 3 percent to 187,000 units in 1988.

However, he believes that in 1989 van conversion shipments could fall between 9 percent and 10 percent, to just below 170,000 units.

For the first four months of calendar 1988, van conversion shipments totaled 66,300, up 5.07 percent over 63,100 a year earlier.

Conversion shipments in April totalled 18,800, a 12.57 percent rise over the 16,700 shipped in April last year.

Total RV shipments of 43,000 in April were up 6.44 percent over 40,400 a year earlier.

For the first four months of calendar 1988, RV shipments totaled 148,000, a 3.79 percent increase.

Meanwhile, shipments of van chassis without seats from Detroit manufacturers to converters dropped off in April. The four major domestic van suppliers shipped 21,200 van chassis with the seat-delete option in April, a 7.42 percent drop from 22,900 a year earlier.

They shipped 17,000 full-sized van chassis in April, a drop from 19,600 last year, and 4,200 compact chassis, up from 3,300 last year.

Manufacturers shipped 86,000 chassis to converters during the January-April period, up 1.29 percent from 84,900 in first four months of 1987.

They also shipped 69,000 full-sized chassis during that period, compared with 71,900 in like 1987, and 17,000 compact van chassis, up from 13,000 a year earlier.

One of the reasons for the decline in April's van chassis shipments was the chassis shortage Ford has been experiencing.

Because of the strength of its chopped van business, Ford has been funneling more Econolines into the high-cube/parcel-delivery van market and also has been continuing chopped van shipments to the RV side of the market.

Recreational Vehicle Wholesale Deliveries

	April 1988	April 1987	% change	4 mos. 1988	4 mos. 1987	% change
Travel trailers	7,600	7,400	+ 2.7	23,400	24,200	- 3.3
Park Trailers	700	600	+16.7	2,600	2,300	+13.0
Travel trailers—fifth wheel	3,600	2,900	+24.1	11,400	9,300	+22.6
Folding camping trailers	3,800	4,100	- 7.3	15,600	14,500	+ 7.6
Truck campers	1,200	1,200	+00.0	3,800	3,700	+ 2.7
Towable RV total	16,900	16,200	+ 4.3	56,800	54,000	+ 5.2
Conventional (type A)	4,000	3,800	+ 5.3	14,200	13,400	+ 6.0
Van Campers (type B)	500	700	-28.6	1,700	2,300	-26.1
Chopped ...ns (all)	2,800	3,000	- 6.7	9,600	9,800	- 8.2
Motor home total	7,300	7,500	- 2.7	24,900	25,500	- 2.4
Van conversions	18,800	16,700	+12.6	66,300	63,100	+ 5.1
TOTAL ALL RVs	43,000	40,400	+ 6.4	148,000	142,600	+ 3.8

Source: Recreation Vehicle Industry Association

RV firms retain sales rights at Kansas shows

RESTON, Va. — Members of the recreation vehicle industry in Kansas were successful in preserving their right to sell RV products to consumers at RV shows throughout the state, though a new rule taking effect there is likely to impact the automotive market.

The Recreation Vehicle Industry Association said the RV industry successfully gained exclusion from the new Kansas law, HB 3085, which would have prohibited all sales at vehicle shows and limited sales to the dealers' established places of business.

Dianne Farrell, RVIA vice president of government affairs, said, "Bills like this outlawing sales at vehicle shows are intended more for the automotive than the RV industry.

"Typically," she said, "they are introduced at the request of state new-car dealer associations to alleviate the problems their members have with rental-car firms that sell new and used rental models at significantly lower prices than local auto dealers in communities without appropriate dealership facilities for warranty and repair service."

RVIA lobbied state officials nationwide for two years to get RVs excluded from proposed legislation that prohibits the sale of vehicles at shows.

In addition to its recent victory in Kansas, the association has succeeded in Georgia, Texas, Utah, Maryland, Missouri, Oklahoma, California, Washington, Kentucky and Illinois.

It plans to pursue exemptions from similar legislation in all other states that threaten to prohibit sales at vehicle shows.

Meanwhile, RVIA tentatively set July 27-28 as the drawing dates for supplier and manufacturer exhibit space, respectively, at its 36th annual RVIA Recreation Vehicle Show in Los Angeles in November.

Bob Lee, president of Country Coach Inc., Junction City, Ore., and chairman of RVIA's Los Angeles show committee, said supplier and manufacturer space will be assigned by lottery, starting at 9 a.m. each day at RVIA's Western region office in Orange, Calif.

First draw will go to RVIA members with seniority as show participants, second draw to all other RVIA members and third draw to nonmember exhibitors.

Suppliers received initial space offerings in late May. To participate in the space drawing, supplier exhibitors must submit their application with a 50 percent deposit no later than July 21.

The initial offering of space to manufacturers brought requests from 75 exhibitors, covering 391,234 net square feet.

To participate in the space drawing, manufacturer exhibitors must submit a deposit for 40 percent of the cost of their space request by July 21.

Any applications with deposits received after the specified deadline will be assigned space after all other requests for space have been assigned.

Potential exhibitors are not required to be present at the drawings. However, persons planning to attend must notify RVIA's Western region office in writing by July 21.

Exhibitors attending the drawing will not be permitted to change their written booth selections during the space assignment procedures. Booth selections may be changed on a first-come, first-served basis only after all exhibitors participating in the drawing receive their contracts for space and booth assignments.

The show will be held at Dodger Stadium in Los Angeles and is the largest event of its kind in the Western United States. It is open to the trade Nov. 1-2 and to the public Nov. 4-13.

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AROUND THE WORLD

REGISTRATIONS

UNITED KINGDOM — Cars

	4 mos. '88	4 mos. '87
BMW	14,191	13,393
Daihatsu	696	1,745
Fiat Auto	27,890	28,572
Fiat	25,330	21,997
Lancia	1,397	1,181
Alfa Romeo	1,143	434
Ford	169,024	132,856
FSO	1,877	1,552
GM-Vauxhall	112,429	98,519
Honda	8,200	7,060
Hyundai	3,542	2,351
Isuzu	1,096	755
Jaguar	5,378	4,118
Lada	9,705	7,100
Lotus	208	164
Mazda	8,484	4,864
Mercedes-Benz	8,764	6,145
Mitsubishi	4,333	4,193
Nissan	38,708	25,123
Panther	0	28
Peugeot SA	62,428	47,280
Citroen	23,046	14,799
Peugeot/Talbot	39,382	32,441
Reliant	58	57
Renault	31,875	28,804
Rolls-Royce	333	328
Rover Group	115,593	111,166
Austin Rover	112,869	108,446
Range Rover	1,781	1,743
Saab	3,708	3,573
Skoda	6,398	4,185
Subaru	1,743	1,559
Suzuki	2,280	1,388
Toyota	12,991	11,542
Volkswagen	41,994	42,958
VW-Audi	39,518	40,212
Seat	2,448	2,774
Volvo	28,255	28,219
Zastava	2,809	2,535
Others	413	251
Total	769,701	660,899

WEST GERMANY — Cars

	6 mos. '88	6 mos. '87
BMW	3,366	2,134
Daihatsu	582	519
Fiat Auto	3,437	3,430
Fiat	2,830	2,193
Lancia	22	704
Alfa Romeo	583	533
Ferrari	22	5
Ford	18,316	14,286
GM-Opel	13,156	13,220
Honda	2,361	1,576
Isuzu	102	46
Jaguar	86	39
Lada	754	617
Lotus	7	8
Maserati	16	1
Mazda	8,128	5,844
Mercedes-Benz	4,087	3,030
Mitsubishi	2,569	1,222
Nissan	9,188	5,858
Peugeot SA	6,400	4,252
Citroen	2,093	1,579
Peugeot/Talbot	4,347	2,673
Porsche	151	99
Renault	1,988	1,821
Rolls-Royce	7	7
Saab	11,985	12,229
Skoda	30	42
Subaru	781	709
Suzuki	1,492	882
Toyota	11,519	8,972
Volkswagen Group	16,334	15,713
VW	10,115	9,992
Audi	6,224	5,721
Volvo	33,415	31,478
Others	33	22
Total	147,139	127,859

BRAZIL (sales) — All vehicles

	4 mos. '88	4 mos. '87
Agrale	322	518
Engesa	85	150
Fiat	28,775	33,412
Ford	42,630	43,749
General Motors	61,541	45,466
Gurgel	436	693
Mercedes-Benz	11,822	11,014
Saab-Scania	1,513	1,129
Santa Matilde	0	12
Toyota	1,403	1,107
Volkswagen	73,230	66,431
Volvo	894	821
Total	214,689	199,644

SWEDEN — Cars

	6 mos. '88	6 mos. '87
BMW	799	739
Dacia	24	57
Daihatsu	480	677
Fiat Auto	2,089	2,868
Fiat	1,799	2,855
Lancia	42	58
Alfa Romeo	186	177
Ferrari	1	0
Ford	4,283	5,538
FSO	89	248
GM U.S./Opel	6,889	7,881
Honda	795	829
Jaguar	19	19
Lada	551	1,402
Mazda	3,981	4,257
Mercedes-Benz	439	594
Mitsubishi	589	969
Nissan	1,938	2,065
Peugeot SA	4,729	4,460
Citroen	2,117	2,565
Peugeot/Talbot	2,668	1,895
Porsche	2	7
Renault	380	141
Rover Group	187	188
Saab	193	371
Skoda	821	1,124
Subaru	171	124
Suzuki	138	88
Toyota	4,318	5,019
Volkswagen Group	3,460	3,330
VW	2,914	2,436
Audi	394	538
Seat	152	356
Volvo	1,682	1,814
Wartburg	117	305
Zastava	166	362
Total	36,418	45,788

WEST GERMANY — Cars

	4 mos. '88	4 mos. '87
Alpina	97	88
BMW	57,532	49,819
Daihatsu	3,976	3,088
Fiat Auto	49,959	49,702
Fiat	44,964	42,998
Lancia/Alfa Romeo	4,916	6,912
Ferrari	199	182
Ford	86,956	91,817
GM-Opel	142,039	148,757
Honda	15,141	14,494
Isuzu	2,056	1,987
Jaguar	736	773
Jeep	729	288
Lada	3,460	3,923
Mazda	30,361	28,353
Mercedes-Benz	163,782	161,796
Mitsubishi	18,957	22,851
Nissan	25,294	25,268
Peugeot SA	36,822	41,222
Citroen	13,589	14,261
Peugeot/Talbot	26,322	26,548
Porsche	2,789	3,174
Rover/Metro	32,344	32,029
Rover Group	3,019	3,234
Saab	1,285	1,633
Skoda	689	788
Subaru	4,537	5,188
Suzuki	6,883	6,235
Toyota	25,481	28,367
VW Group	285,417	272,372
VW	196,810	200,548
Audi	84,430	68,871
Seat	4,317	2,953
Volvo	1,448	1,094
Others	872	929
Total	941,367	947,488

JAPAN — Cars

	3 mos. '88	3 mos. '87
Daihatsu	21,083	21,478
Fuji	20,368	18,364
Honda	169,050	74,328
Isuzu	13,328	14,918
Mazda	51,282	50,009
Mitsubishi	54,082	44,102
Nissan	242,775	220,907
Suzuki	17,351	15,686
Toyota	449,727	393,144
Imports (all)	25,175	19,506
Total	966,787	891,884

Vans, trucks, buses

Daihatsu	116,359	103,694
Fuji	69,138	69,116
Hino	16,891	12,526
Honda	45,648	61,539
Isuzu	36,910	29,077
Mazda	44,218	37,284
Mitsubishi	117,439	103,372
Nissan	82,082	71,878
Nissan Diesel	9,312	7,277
Suzuki	116,716	113,491
Toyota	122,154	104,664
Imports (all)	182	49
Total	774,049	707,747
Total Vehicles	1,770,898	1,576,686

PRODUCTION

JAPAN — Cars

	3 mos. '88	3 mos. '87
Daihatsu	40,282	43,736
Fuji	70,692	74,244
Honda	282,327	246,464
Isuzu	39,089	51,990
Mazda	219,411	212,143
Mitsubishi	150,524	139,243
Nissan	167,334	482,982
Suzuki	78,283	71,804
Toyota	747,586	642,972
Total	2,041,177	1,894,534

Vans, trucks, buses

Daihatsu	125,992	114,126
Fuji	93,084	98,326
Hino	19,527	14,249
Honda	80,509	84,606
Isuzu	104,134	90,316
Mazda	86,163	98,772
Mitsubishi	170,217	165,946
Nissan	113,145	135,729
Nissan Diesel	12,259	8,016
Suzuki	142,918	135,911
Toyota	303,601	295,121
Others	* 88	87
Total	1,171,397	1,147,943
Total Vehicles	3,212,774	3,168,631

FRANCE — Cars

	9 mos. '88	9 mos. '87
Peugeot S.A.	488,529	486,786
Citroen	197,293	171,488
Peugeot/Talbot	283,370	255,339
Renault	378,033	377,651
Total	886,891	809,466

Vans, trucks, buses

Matra	29	56
Iveco-Unic	10	19
Peugeot S.A.	43,053	42,072
Citroen	22,295	19,609
Peugeot/Talbot	23,758	25,416
Renault/MVI	70,888	73,466
Bovers	14	36
Total	122,965	115,661
Total Vehicles	889,688	916,117

Argentine engines to power new Brazilian Fiat in 1991

SAO PAULO, Brazil — Fiat Automoveis SA, the wholly owned Brazilian subsidiary of the Italian automaker, is planning to use Argentine-built engines exclusively in a new medium-sized vehicle being readied for introduction in 1991.

The engines will be supplied by Fiat affiliate Sevel, which builds cars under license in Argentina. The company also makes the 1.5-liter engines that power Fiat's Brazilian-built Uno line of cars.

Sevel builds Fiat's Regatta, for which it makes 1.6- and 2-liter engines, in Argentina.

A Fiat Automoveis source said the company is considering bringing in two versions of the 2-liter engine built by Sevel, a standard and a high-performance model, and perhaps adding the 1.6-liter later.

The new car, which some insiders are calling the "new Regatta," may actually be a sedan version of the Tipo that was introduced recently in Europe. It would compete in Brazil's prime market segment against top sellers like General Motors' Monza and Volkswagen's Santana.

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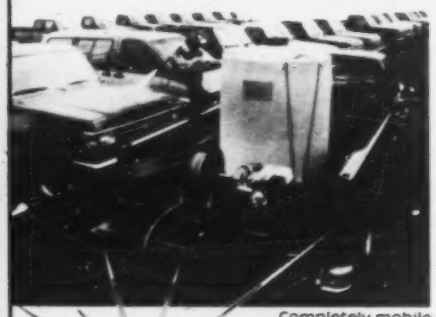

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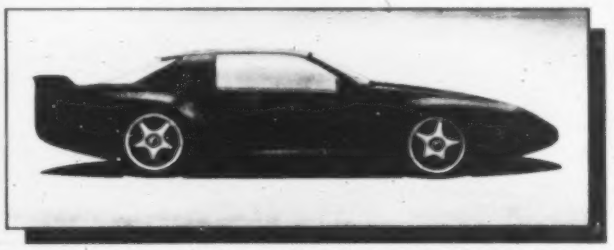

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AROUND THE WORLD

European car sales move ahead

Gain resumes after one-month lapse; Peugeot leads advance

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Following a decline in April — the first in 15 months — European new-car sales rebounded in May.

Peugeot S.A. made the biggest spurt, advancing 21.8 percent in unit sales for the month and strengthening its grip on third place in Europe over Ford.

Industrywide sales rose 4.3 percent in May, compared with the year-earlier month, after a 3.2 percent drop in April, according to industry estimates compiled by Automotive News. For the first five months of 1988, sales were 5.4 percent ahead of the 1987 pace, which brought a record total of 1.24 million for the full year.

Total sales in May were 1,170,400 units in the 17 West European nations, up from 1,122,600 in May 1987. The five-month total was 5,719,100, compared with 5,424,000 for the same period last year.

Fiat remained No. 1 through five months of 1988, but Volkswagen AG — Europe's sales leader in the previous three years — is closing the gap.

Fiat Group sales, including Lancia and Alfa Romeo, amounted to 887,900 cars through May, an increase of 8.5 percent and good for 15.5 percent of the market. VW AG, with Audi and Seat, was in second place with 14.4 percent. VW's volume was 2.8 percent ahead of last year through May at 822,000 units. However, VW outsold Fiat in Europe in April and May, gaining ground in the United Kingdom and Spain and maintaining its first-place 29 percent share in Germany.

The telling battle between VW and Fiat will be waged later in the year as supplies improve for Fiat's new Tipo subcompact and VW's new Passat intermediate.

Peugeot S.A., buoyed by its one-year-old 405 model and the continuing strength of the 205 and 309 ranges, is making the biggest advance among Europe's six volume manufacturers.

The French group's European market share — including both Peugeot and Citroen — was 12.7 percent through May, a full percentage point higher than the same period last year.

Peugeot SA's 21.8 percent jump in May reflected increases of 45.3 percent in the United Kingdom, 46 percent in Spain and 10.5 percent in Italy. Sales also grew 24.3 percent in France in May, outperforming the overall market.

For five months, Peugeot SA was up 15.3 percent in Europe, with sales of 728,900. Automobiles Peugeot climbed 19 percent — to 451,100 units — and Citroen was up 11 percent for the year.

Fourth-place Ford held 11.5 percent of the European market after five months with sales of 656,500. That was only 1.8 percent better than 1987; however, momentum was stalled earlier this year by a 10-day strike in the United Kingdom, Ford's best European market.

General Motors was up 1.6 percent to 609,500 in 1988, a 10.7 percent share of the market. Renault was sixth with 582,800, a 3.5 percent gain and a 10.2 percent share.

BMW is riding high with the new 5 series that was introduced in January. European sales for the German specialty manufacturer in January-May were 12.2 percent over last year's, a rate of increase second only to Peugeot's.

BMW sales totaled 147,200 in the first five months with just over half that amount in West Germany. BMW was up 15.6 percent in its domestic market after losing market share in 1986 and 1987.

Combined Japanese sales were 628,800 through May, a growth of 6 percent or about the same as the overall market. The Japanese share of the European market remains at about 11 percent.

Nissan continued to rank first among Japanese makes with sales of 159,700 through May and a 2.8 percent share of the total market.

West Germany held on as Europe's largest national market with 1,215,900 unit sales in five months. But German new-car volume was down 1.3 percent for five months, and May sales were off 3.7 percent.

Second-place Italy with 1,024,900 sales during the five-month period was up 8.5 percent over last year, while the United Kingdom was up 10.4 percent at 936,100 and France rose 8 percent to 911,400.

The Italian market increased only 1.4 percent in May, while France gained 18 percent and the United Kingdom was up 10.8 percent during the month.

In April, Spain suffered its first monthly decline since the summer of 1986, but it recovered in May. Sales in Spain improved 13.3 percent during the month and were 14.7 percent ahead of 1987's pace, which resulted in a record 925,000 sales for the full year.

EUROPEAN SALES

Manufacturer	5 months 1988	1988 share*	4 months 1987	Change 88 vs 87
Fiat Group**	887,900	15.5	818,000	+ 8.5
VW-Audi-Seat	822,000	14.4	799,000	+ 2.8
PSA***	728,900	12.7	632,300	+15.3
Ford	656,500	11.5	644,700	+ 1.8
General Motors****	609,500	10.7	600,100	+ 1.6
Renault	582,800	10.2	563,100	+ 3.5
Mercedes-Benz	201,900	3.5	190,000	+ 6.6
Austin Rover	192,000	3.4	185,500	+ 3.5
Nissan	159,700	2.8	144,300	+10.6
Toyota	149,300	2.6	147,000	+ 1.6
BMW	147,200	2.6	131,200	+12.2
Volvo	120,800	2.1	122,000	- 1.0
Mazda	110,800	1.9	100,300	+10.4
Mitsubishi	66,200	1.2	69,900	- 5.3
Honda	61,700	1.2	57,400	+ 7.5
Others	221,900	3.9	219,200	+ 1.0
Total	5,719,100	100.0	5,424,000	+ 5.4

* Total does not add up to 100 percent because of rounding
** Includes Alfa Romeo
*** Peugeot, Citroen, Talbot
**** Opel, Vauxhall, Isuzu, GM-U.S./Canada

NEW-CAR SALES BY COUNTRY IN EUROPE

Country	5 months, 1988	Percent gain/loss
West Germany	1,215,900	- 1.3
Italy	1,024,900	+ 8.5
United Kingdom	936,100	+10.4
France	911,400	+ 8.0
Spain	434,700	+14.7
Netherlands	266,200	-12.7
Belgium-Luxembourg	227,700	+ 8.7
Switzerland	147,600	+ 6.5
Sweden	147,100	+15.2
Austria	114,800	+ 6.2
Finland	82,000	+14.2
Portugal	79,400	+48.6
Denmark	44,700	-23.7
Norway	32,000	-38.5
Ireland	31,700	+ 6.7
Greece	22,900	+ 6.7
Total	5,719,100	+ 5.4

Toyota boss sees sales record for Japan

TOKYO — Shoichiro Toyoda, president of Toyota Motor Corp., predicted that car sales in Japan are likely to rise 11.8 percent this year to a record 4.85 million units.

He based the prediction on strong growth in the domestic economy.

Toyoda said his firm expects to sell 2.1 million cars in Japan this year, up from the last year's record 1.87 million. That would be an increase of 190,000 units over the target the company set last January.

Toyota's share of the total domestic market was 43 percent in 1987.

Toyoda said Toyota expects to keep 1988 exports at last year's level of 1.77 million cars.

The strong sales in Japan contrast with weakness in car exports. In January, Toyoda said Toyota's 1987 exports fell 6 percent from 1.88 million in 1986 and were expected to dip to 1.75 million in 1988. At that time, he cited the high value of the yen and reforms in the United States tax system as the cause of sluggish exports.

Toyoda

The Japanese yen has doubled in value against the U.S. dollar in the last three years, driving up the cost of exports, including cars, and reducing the competitive edge of Japanese manufacturers.

Mikio Okazaki of the Japan Automobile Dealers Association said car sales in Japan in the first five months of this year totaled 2.06 million, an increase of 34.3 percent over the year-earlier period.

If the trend continues throughout the year, 1988 sales would exceed the record 4.344 million cars sold in 1987, he said.

In addition to the promising trend in domestic business, Okazaki said consumers are moving to areas far away from Tokyo because of soaring land prices in the capital and its surrounding areas. That is also fueling the demand for cars, he said.

— The Associated Press

Vehicles are younger

Polk reports big decline in median age

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

The aging trend of the vehicle population in the United States reversed dramatically in 1987.

In its yearly car and truck census, R.L. Polk & Co. reported that the median age of the car population was reduced from 7.0 years on July 1, 1986, to 6.1 years on June 30, 1987. The median age of trucks dropped from 7.7 years to 7.2.

The younger car population does not reflect increased scrappage of older vehicles, according to R.D. Borthwick, vice president and manager of aftermarket services in Polk's motor statistical division.

"Cars older than 10 years are being pulled off the registration rolls at normal rates," he said.

It also does not necessarily mean more people are buying new cars.

"The age of the fleet in general or gross scrappage don't have too much to do with new-car sales," observed David Healy, automotive analyst, Drexel Burnham Lambert. He said it is useful to look at the number of two- to five-year-old vehicles on the road as a measure of market saturation.

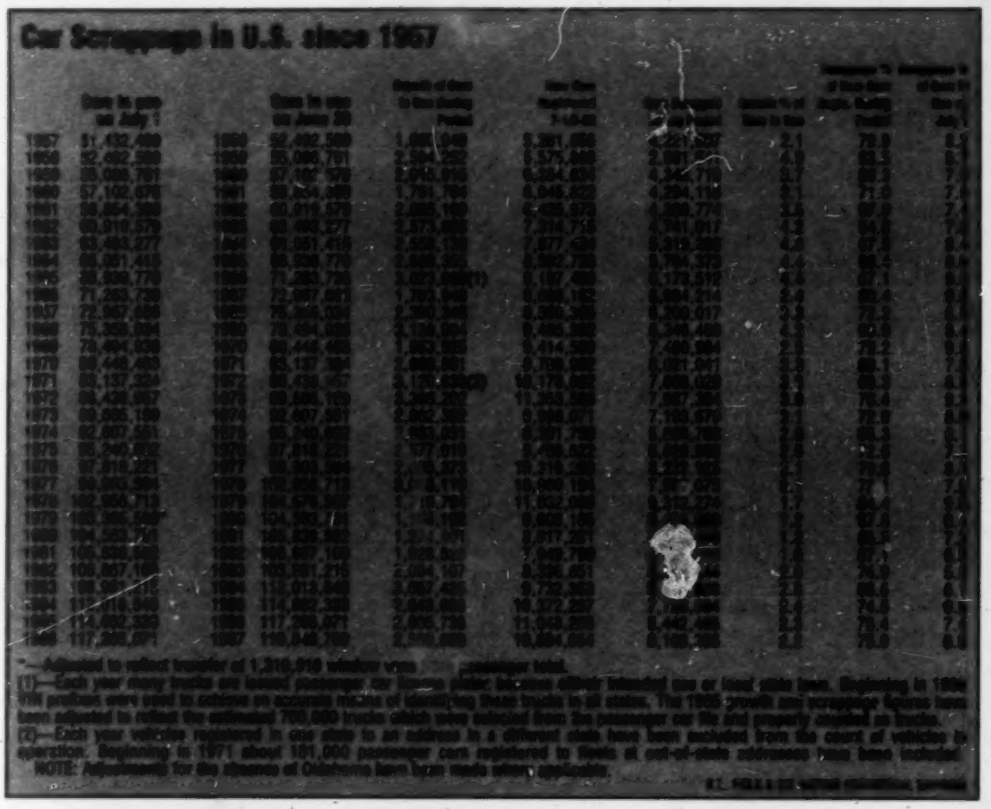
Two factors affected median age, Borthwick said. Three years of weak sales in the early 1980s were followed by strong sales for four years that helped reduce the age of the total fleet.

Nearly 120 million cars traveled U.S. roads in 1987, an increase of 2.2 percent. The truck population grew 5.6 percent to 47.34 million.

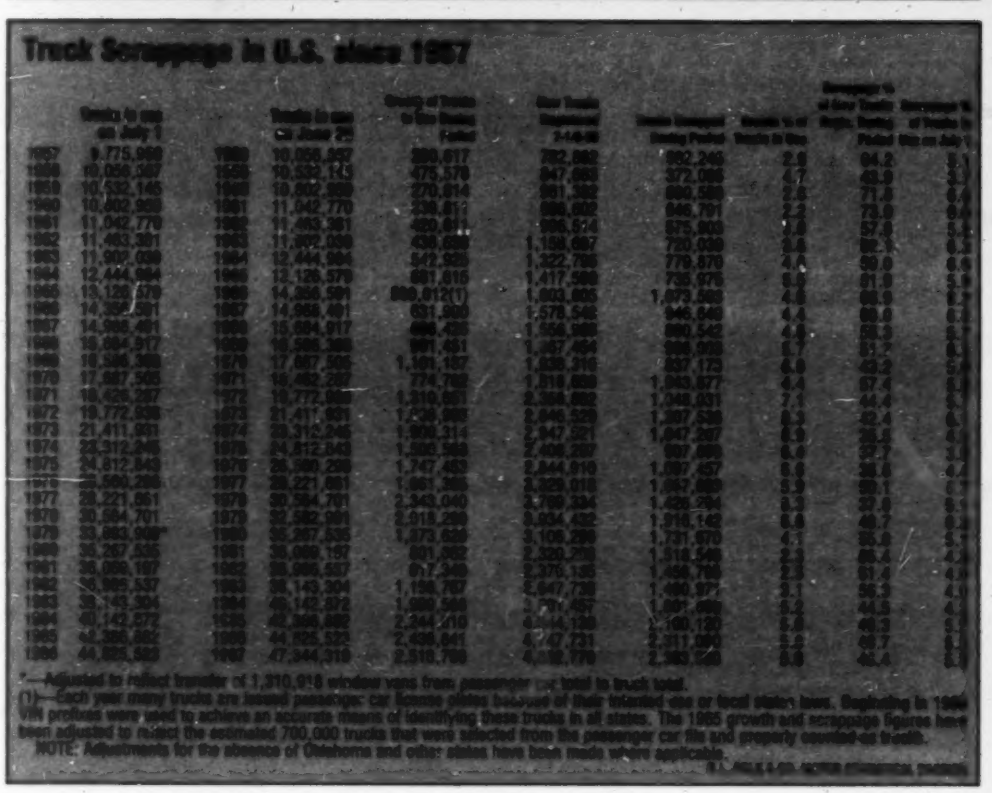
The number of cars scrapped dropped by more than 300,000 units to 8.10 million cars in the year ended June 30, 1987, compared with the record 8.44 million units the prior year. At the same time, new-car registrations fell 400,000 units to 10.7 million.

Truck scrappage reached a record 2.36 million units in the year ended June 30, 1987. It rose about 50,000 units over the prior year's record. New-truck registrations rose for the seventh consecutive year to a record 4.88 million.

Car Scrappage in U.S. since 1967



Truck Scrappage in U.S. since 1967



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REOPEN

Auburn museum welcomes visitors

AUBURN, Ind. — For months the dust has been flying, but now it is settling and the Auburn-Cord-Duesenberg Museum has reopened exhibit areas that had been closed because of construction.

More than 140 automobiles are on display in those areas.

Parts of the museum had been closed due to installation of new heating/air conditioning and sprinkler systems. Most of the work now has moved outside to complete a new roof.

The museum building originally housed the administrative offices of Auburn Automobile Co., which closed in 1937. Auburn was a subsidiary of Cord Corp., which manufactured Auburn, Cord and Duesenberg vehicles.

After Auburn closed, several businesses occupied the building until the early 1970s when Auburn Automotive Heritage Inc., a citizens group, purchased the building, restored it and reopened it as the Auburn-Cord-Duesenberg Museum.

Porsche expects fewer sales, fewer dealers

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Porsche Cars North America is planning for sales of 17,000 to 18,000 vehicles in 1989 and will probably lose some of its smaller dealers as a result.

Porsche's U.S. sales network currently numbers 315 dealers.

Speaking to the Washington Automotive Press Association, John Cook, company president, said he thinks it is likely that Porsche dealers "who are only selling six cars a year will come to us and want out of their franchise." However, "We do not have a secret plan to get rid of our U.S. dealers," he said.

"I think dealers with small volume will have to ask themselves whether their sales justify the investment that is needed to sell and service Porsche cars," he said. Cook did not say how many of Porsche's dealers are selling "six cars a year," nor did he speculate on how many dealers might drop the franchise.

Cook said Porsche plans to take its vehicles upscale in 1989 by raising prices and abandoning its lowest-priced model, the 924-S, at the end of this year. Cook predicted Americans will not be able to buy a Porsche for less than $38,000 in 1989. The base 924-S now is $26,560.

Porsche sold 23,632 cars in the United States in 1987, following sales of 30,471 in 1986.

"Higher prices will be good for dealers because they will realize a higher unit profit; good for customers because there will be less depreciation; and good for the company because we will make more money," he said.

On a more candid note, Cook added that the move to higher prices also reflects Porsche's attempt to make "lemonade out of lemons." Referring to the unfavorable exchange rate between the United States and West German currencies, Cook said, "We can't change the currency. We cannot afford to build profitably in the lower price range."

Cook said part of Porsche's plan to rebuild its exclusive image includes the one-year sale of 700 to 800 Speedster models in the United States. The Speedster will sell in the $60,000 range and will be a big hit with collectors, he predicted.

Cook made light of Porsche's showing at the Indianapolis 500 last month, calling its entry the "three-wheeled Indy car." Porsche's much-heralded debut at Indianapolis ended on lap 29 when a rear wheel came off.

He said that despite setbacks, the company is committed long-term to the Championship Auto Racing Team series.

"Roger Penske didn't win his first year at Indy, and I think it will take us about three years to get where we want to be," he said. "We kind of limped into Indy this year and I think our engineers' pride has been stung. I have the impression they will work hard next year."

He said a top priority is to race with a Porsche chassis, rather than the March chassis used last month. "Porsche will win with a Porsche car at some point," he said.

"We race for image as well as product. I know every manufacturer says that, but we intend to use a street version of our Indy engine in our cars. The engine was developed with this in mind," he said.

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GE auctions report major gains

1987 revenues top $88 million on sales of 440,000 vehicles

GE Capital Auto Auctions, a division of GE Capital Corp., had revenues of approximately $88.8 million on sales of about 444,000 vehicles in 1987, up from $34.7 million on the sale of 111,000 vehicles the previous year.

The company's 17 auctions, while under GE ownership, consigned 751,000 vehicles in 1987, up from 193,000 vehicles in 1986. Auto reconditioning accounted for an estimated 20 percent of the revenues.

Combined sales rate for dealer consignment sales and factory sales was 59 percent.

The rate for dealer consignment sales was about 52 percent, said a company spokesman. Auctions have a higher sales ratio at factory auctions.

The company grossed about $200 per vehicle in 1987, up 10 percent from the prior year, he said.

GE's growth was due to the acquisition of nine auto auctions in 1987. Overall sales for the company's 17 auctions last year, including total sales for auctions purchased during the year, were 585,000 vehicles, up 21 percent from 486,000 in 1986.

Company officials predict a 26 percent growth in 1988 including a 10 percent hike in dealer consignments. The rest is expected to come from gains in fleet, lease and factory business.

As it now stands, 50 percent of GE Capital's business is dealer consignment with 30 percent fleet and lease and 20 percent factory sales.

Other milestones for the company in 1987 include the construction of three new auctions in Chicago; Denver; and Hayward, Calif., at an estimated cost of $40 million including property.

The company also began construction of reconditioning centers at the Southern California Auto Auction, Greater Chicago Auto Auction and Portland Auto Auction.

Company officials project 1988 sales at 750,000 and 1989 sales at 1 million vehicles. GE Capital predicts sales rates this year at 64 percent.

A recent survey conducted by the National Auto Auction Association pegged use of auto auctions by new-car dealers at 12 percent in 1987, up from 9 percent in 1986.

GE Capital Auto Auctions said this trend will continue as more new-car dealers begin using auctions.

"We view new-car dealer consignment as the next big growth area," said Mike Zafirovski, president of GE Capital Auto Auctions.

AUCTION BRIEFS

CHARLES THOMAS

GMAC picks Lexington

Greater Lexington Auto Auction got a sales boost recently when General Motors Acceptance Corp. selected it as the regional repossession disposal center for the mid-South region.

Located in Lexington, Ky., Greater Lexington Auto Auction is independently owned and operated. It will auction about 500 vehicles per month for GMAC beginning in July.

The auction had consigned an estimated 400 repossessed vehicles per month from Chrysler Credit Corp. and area banks before winning the GMAC contract. It had been auctioning about 80 GMAC vehicles per month previously.

Under the terms of the agreement, all dealers will be invited to attend every sale. Vehicles include all makes and models repossessed by GMAC.

GMAC's vehicles in Louisville, Owensboro and Lexington, Ky.; Chesapeake and Marietta, Ohio; Charleston, W.Va.; and Knoxville, Tenn., will be sent to Greater Lexington Auto Auction for sales held on the first three Thursdays of every month.

Dick Sutherland, secretary of Greater Lexington Auto Auction, said the five-year-old auction has four lanes and recently expanded from 11 acres to 15 acres and has parking for 1,200 vehicles.

A reconditioning center is under construction and is scheduled to open in October. Chrysler Credit Corp. sales are held on the first and third Thursdays of the month.

Sutherland said GMAC approached the auction several months ago after deciding it was going to standardize and consolidate disposal of its vehicles.

AUCTION DATES

Chrysler Motors

June 28 — Florida Auto Auction of Orlando, Ocoee, Fla.; Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Riverside Auto Auction, Riverside, Calif.; and Greensboro Auto Auction, Greensboro, N.C.

June 29 — Columbus Fair Auto Auction, Obetz, Ohio, and Southern Auto Auction, Warehouse Point, Conn.

June 30 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; Salt Lake Auto Auction, Salt Lake City; Southwest Auto Auction, Phoenix, Ariz.; and Ark-La-Tex Auto Auction, Shreveport, La.

July 1 — St. Louis Auto Auction, Bridgeton, Mo.

July 5 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Nashville Auto Auction, Nashville; and Golden Gate Auto Auction, Fremont, Calif.

Ford Motor Co.

June 29 — Atlanta Auto Auction, Red Oak, Ga.; Concord Auto Auction, Acton, Mass.; and Southern California Auto Auction, Fontana, Calif.

June 30 — Auto Auction of Billings, Billings, Mt.; Greater Chicago Auto Auction, Chicago; and St. Louis Auto Auction, Bridgeton, Mo.

July 6 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.

Used Car Sales
Auction Averages

June 88	$5,824
Month ago	$5,731
Year ago	$5,929

July 7 — Denver Auto Auction, Aurora, Colo.; Interstate Auto Auction, Mercer, Pa.; and Nashville Auto Auction, Nashville, Tenn.

July 12 — South Seattle Auto Auction, Kent, Wash.

July 13 — Wednesday Auto Auction, Obetz, Ohio; Southern California Auto Auction, Fontana, Calif.; Newburgh Auto Auction Inc., Newburgh, N.Y.; and Salt Lake Auto Auction, Salt Lake City

July 14 — Dallas Auto Auction, Grand Prairie, Texas, and Minneapolis Auto Auction, Plymouth, Minn.

July 19 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

July 20 — Concord Auto Auction, Acton, Mass., and Lakeland Auto Auction, Lakeland, Fla.

July 21 — Aptco Auto Auction, Taylor, Mich.; Texas Hobby Auto Auction, Houston; Southwest Auto Auction, Chandler, Ariz.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

July 27 — Clanton's Auto Auction, Darlington, S.C.; Albuquerque Auto Auction, Albuquerque, N.M.; Mississippi Auto Auction, Hattiesburg, Miss.; and Southern California Auto Auction, Fontana, Calif.

Model Breakdown
Auction Averages

	JUNE 1988	MAY 1988	APR 1988
1988	$12,486	$12,495	$12,483
1987	$8,656	$8,661	$8,639
1986	$7,318	$7,400	$7,190
1985	$5,797	$5,711	$5,904
1984	$4,528	$4,525	$4,438
1983	$3,730	$3,778	$3,792
1982	$2,511	$2,475	$2,398
1981	$1,946	$1,983	$1,947
Overall Average	$5,824	$5,800	$5,722

General Motors

June 28 — A.D.E. of Birmingham; Harrisonburg Auto Auction, Harrisonburg, Va.; and Florida Auto Auction of Orlando, Ocoee, Fla.

June 29 — Hatfield Auto Auction, Hatfield, Pa.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Indianapolis Auto Auction, Indianapolis

June 30 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; and Nashville Auto Auction, Nashville, Tenn.

July 6 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fontana, Calif.; and Omaha Auto Auction, Omaha, Neb.

Mid-June sales drop; fewer days is reason

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Mid-June sales of U.S.-built cars were off about 1,100 units or half of a percent from deliveries in last year's June 11-20 period, but the daily selling rate was considerably stronger this year.

Total deliveries were 222,262 units compared with 223,376 in the same period of 1987. Last year's mid-June total dropped 11.33 percent below the 1986 figure.

The daily selling rate for June 11-20 was 27,783 or 11.94 percent better than last year's 24,820. There were eight selling days in the period this year and nine last year.

Three of the eight domestic carmakers — Chrysler Motors, Honda and Toyota — reported volume gains of 8 percent to 18 percent for the mid-June period.

Chrysler Motors' sales improved 8.17 percent to 30,932 compared with 28,596 a year ago.

Toyota delivered 1,300 domestic cars in mid-June for an 8.51 percent increase over last year's 1,198, and Honda's sales rose 18.62 percent to 9,781, up from 8,246.

Ford Motor Co.'s sales slipped to 66,851, down 2.02 percent from 68,232 last year, and General Motors dealers delivered 108,079 cars, which was a drop of 2.99 percent from last year's 111,405.

Nissan's deliveries of U.S.-built cars dropped 20.08 percent to 3,462 from 4,332 in the year-ago period, and Volkswagen's 10-day sales were 1,050, down 23.08 percent from 1,365 a year ago. Mazda, which was not producing cars here a year ago, sold 807 in the 10-day period this year.

DOMESTIC SALES

	June 11-20, 1988	June 11-20, 1987
Eagle	1,498	595
Chrysler	7,202	8,364
Plymouth	8,237	8,585
Dodge	13,995	11,052
Chrysler Motors	30,932	28,596
Ford	47,960	46,924
Mercury	14,223	15,642
Lincoln	4,668	5,666
Ford Motor Co.	66,851	68,232
Buick	15,476	15,781
Cadillac	5,588	6,513
Chevrolet	46,046	43,916
Oldsmobile	20,314	22,478
Pontiac	20,655	22,719
General Motors	108,079	111,407
Volkswagen	1,050	1,365
Honda	9,781	8,246
Nissan	3,462	4,332
Toyota	1,300	1,198
Mazda	807	—
U.S. Industry Total	222,262	223,376

Heat walkout at St. Louis plants costs Chrysler 1,000 vehicles

By Jack Bernstein
SPECIAL CORRESPONDENT

FENTON, Mo. — Chrysler Motors assembly plant workers here walked out on three successive days last week because of excessive heat, and the company lost about 1,000 units of production of its minivans, Chrysler LeBarons and Dodge Daytonas.

The strike started with paint shop workers at Plant No. 1 (LeBaron and Daytona) during the second shift on Tuesday. Workers returned to the plant on Wednesday, but when reports circulated that a second-shift worker at Plant No. 1 had died of the heat, workers at both Plants No. 1 and 2 walked off the job.

However, Mary Case, St. Louis County assistant medical examiner, said the collapse in the paint shop and subsequent death of Willie Benton, 54, was "due to coronary artery disease, not to heat."

After negotiating for several hours Thursday, the company and UAW Local 136, representing Plant No. 1, reached agreement that workers would return to work beginning with the second shift on Thursday.

Interviewed on television, Local President Ed Boyer said the agreement included additional ice water for workers, 25 additional people to increase the frequency of breaks and first-aid passes to be issued whenever a worker complained of feeling ill.

The St. Louis area reported temperatures over 100 degrees Wednesday, and a health alert was issued Thursday as the mercury approached 100.

The only other U.S. assembly plant that halted production because of the heat was Ford's Kansas City plant.

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SHUTDOWN DATES FOR U.S. CAR ASSEMBLY PLANTS

Plant	Model changeover/vacation dates (Tentative)	1989 product
GENERAL MOTORS		
Arlington, Texas	No shutdown; Rolling changeover	Cadillac Fleetwood Brougham, Oldsmobile Custom Cruiser and Chevrolet Caprice
Bowling Green, Ky.	No shutdown; Rolling changeover	Chevrolet Corvette
Detroit (Detroit-Hamtrack plant)	July 11 to July 25	Oldsmobile Toronado, Buick Riviera, Cadillac Eldorado, Seville and Allante
Doraville, Ga.	July 18 to August 1	Oldsmobile Cutlass Supreme
Flint, Mich. (Buick City)	N/A	Buick LeSabre
Framingham, Mass.	July 15 to August 18	Chevrolet Celebrity, Oldsmobile Cutlass Ciera
Janesville, Wis.	July 22 to August 1	Chevrolet Cavalier, Buick Skyhawk
Kansas City, Mo. (Fairfax)	July 18 to August 1	Pontiac Grand Prix
Lakewood, Ga.	No shutdown; Rolling changeover	Chevrolet Caprice, Pontiac Safari Wagon, Buick Estate Wagon
Lansing, Mich. (Plant 1)	July 14 to July 28	Pontiac Grand Am
Lansing, Mich. (Plant 2)	July 11 to August 8	Oldsmobile Cutlass Calais, Buick Skylark
Lansing, Mich. (Craft Center)	No shutdown	Buick Reatta
Linden, N.J.	July 18 to August 1	Chevrolet Beretta and Corsica
Lordstown, Ohio	N/A	Chevrolet Cavalier, Pontiac Sunbird
North Tarrytown, N.Y.	July 14 to August 1	Pontiac 6000, Buick Century
Oklahoma City, Okla.	July 18 to July 25	Chevrolet Celebrity, Pontiac 6000, Buick Century
Orion Township, Mich.	July 13 to August 8	Oldsmobile 98 Regency, Buick Electra
Van Nuys, Calif.	July 25 to August 15	Chevrolet Camaro, Pontiac Firebird
Wentzville, Mo.	July 21 to August 2	Oldsmobile Delta 88 and 98 Regency, Buick Electra (will add Pontiac Bonneville when Willow Run closes in January)
Ypsilanti, Mich. (Willow Run)	N/A	Pontiac Bonneville, Oldsmobile Delta 88 (will shutdown in January to retool for the 1990 Chevrolet Caprice)
Wilmington, Del.	July 18 to August 1	Chevrolet Beretta and Corsica
FORD MOTOR CO.		
Atlanta	July 4 to July 18 (vacation)	Ford Taurus, Mercury Sable
Chicago	July 4 to July 18 (vacation)	Ford Taurus, Mercury Sable
Dearborn, Mich.	July 4 to July 18	Ford Mustang
Edison, N.J.	July 4 to July 18 (vacation)	Ford Escort
Kansas City, Mo.	July 4 to July 18 (vacation)	Ford Tempo, Mercury Topaz
Lorain, Ohio	July 4 to July 18 for vacation and August 1 to October 10 for changeover	Ford Thunderbird, Mercury Cougar
Wayne, Mich.	July 4 to July 18 (vacation)	Ford Escort
Wixom, Mich.	July 4 to July 18	Lincoln Town Car, Mark VII and Continental
CHRYSLER MOTORS		
Belvidere, Ill.	July 11 to August 1	Dodge Dynasty, Chrysler New Yorker
Detroit, Mich. (Jefferson Ave.)	August 1 to August 29	Plymouth Reliant, Dodge Aries will be built until year-end and then assembly of the Dodge Omni and Plymouth Horizon will begin
Kenosha, Wis.	July 18 to July 25	Plymouth Gran Fury, Dodge Diplomat and Chrysler Fifth Avenue
Newark, Del.	Closed through October	Dodge Spirit, Plymouth Acclaim
St. Louis, Mo.	July 11 to July 18	Dodge Daytona, Chrysler LeBaron J
Sterling Heights, Mich.	July 25 to August 1	Plymouth Sundance, Dodge Shadow and Lancer, Chrysler LeBaron GTS
HONDA OF AMERICA MANUFACTURING INC.		
Marysville, Ohio	No Shutdown	Civic and Accord
NISSAN MOTOR MANUFACTURING CO. U.S.A.		
Smyrna, Tenn.	July 4 to July 18 (vacation)	Sentra
NEW UNITED MOTOR MANUFACTURING INC.		
Fremont, Calif.	July 4 to July 11	Chevrolet Nova, Toyota Corolla FX

BETTE LAW: *Court says Ford can be sued for Midler sound-alike ad*

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — A federal appeals court ruled that singer-actress Bette Midler can sue Ford Motor Co. over the use of a sound-alike singer who performed a Midler song in a 1985 Lincoln-Mercury commerical ruled.

Noting that "to impersonate her voice is to pirate her identity," a three-judge panel of the 9th District Court of Appeals remanded the case to trial in federal district court in Los Angeles.

That court had granted summary judgment in favor of Ford and ad agency Young & Rubicam because it found no specific California statute against the impersonation, although the judge characterized the defendants' conduct as that "of an average thief."

When Midler was originally asked to perform her song "Do You Want To Dance?" for the commercial, she declined. Young & Rubicam then hired Ela Hedwig, a backup singer for Midler for 10 years, to imitate her voice.

PRODUCTION

Car build is 161,630, down 2%

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Domestic auto production was targeted at 161,630 last week, 2.45 percent below the prior week's 165,688 but 10.93 percent more than the year-ago week's 145,711.

So far this year, 3,635,402 cars have been assembled, 6.06 percent below the 3,869,929 completed last year at this point.

Last week's scheduled output was shared as follows: General Motors, 50.08 percent; Ford Motor Co., 27.53 percent; Chrysler Motors, 10.95 percent; Honda of America Manufacturing Inc., 4.75 percent; New United Motor Manufacturing Inc., 2.01 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.78 percent; Nissan Motor Manufacturing Co. U.S.A., 1.66 percent; and Volkswagen of America, 1.24 percent.

Truck production was scheduled at 81,238 units last week, 7.82 percent below the previous week's 88,129.

Workers walked off the job last Tuesday at Chrysler's St. Louis No. 1 plant because of excessive heat. They returned on Wednesday, but walked out again, along with workers at Plant No. 2, when they heard that a worker had died from the heat.

The death of Chrysler worker Willie Benton was not, in fact, due to the heat but to coronary artery disease, said Mary Case, St. Louis County assistant medical examiner.

Production on the second shift resumed at both St. Louis plants Thursday and the first shift went back to work Friday.

Chrysler's Sterling Heights, Mich., plant was idle last week because of a parts shortage. It was expected to resume output today.

As reported earlier, Chrysler's Newark, Del., plant is idle for model changeover until October.

Production of Dodge 600 and Plymouth Caravelle models ended last week. Those lines will be dropped for 1989.

Ford's St. Louis truck plant shut down for vacation today. Output is scheduled to resume July 11.

Overtime was slated last Saturday at GM's Lordstown, Ohio; Lansing, Mich.; Linden, N.J.; and Arlington, Texas plants.

Cars, trucks slip in Canada

Last week's scheduled Canadian car output totaled 24,310 units, 1.70 percent below the prior week's 24,730 but 39.27 percent more than the year-ago week's 17,455.

So far this year, 594,744 cars have been built, 41.57 percent more than the 420,115 completed last year at this point.

Truck output was slated at 20,075 units last week, slightly below (0.26 percent) the prior week's 20,127 but 6.66 percent more than the year-ago week's 18,822.

Year-to-date, 479,352 trucks have been assembled, 15.17 percent more than the 416,202 built last year at this time.

Chrysler's Bramalea, Ontario, plant was expected to resume output today. The plant has been idle for two weeks for line adjustments.

U.S. CAR	Week Ended June 25, 1988	Week Ended June 27, 1987	Week Ended June 18, 1988	June to Date	Jan. 1 to June 25, 1988	Jan. 1 to June 27, 1987
Alliance	0	0	0	0	0	15,539
Total Eagle	0	0	0	0	0	15,539
Horizon	2,000	0	2,161	7,756	48,505	32,997
Sundance	0	1,825	2,666	6,880	51,882	53,083
Reliant	1,900	1,950	3,174	9,921	54,244	61,346
Caravelle	0	1,002	0	451	9,743	28,220
Gran Fury	300	132	303	1,313	7,014	2,281
Total Plymouth	4,200	4,909	8,304	26,322	171,388	177,927
LeBaron K	0	575	0	0	7,955	42,901
LeBaron J	2,200	3,480	2,707	8,486	40,077	61,622
LeBaron GTS	0	920	269	725	4,615	22,167
N. Yorker E-Class	0	1,739	0	0	0	43,619
N. Yorker C-Class	2,700	0	2,941	9,864	60,527	0
Fifth Avenue	200	1,279	327	975	14,865	21,699
Total Chrysler	5,100	7,993	6,244	20,050	126,339	192,008
Omni	2,000	0	2,098	7,619	48,104	28,363
Daytona	2,200	1,747	2,697	8,374	39,025	30,347
Shadow	0	2,263	2,359	6,079	53,215	54,297
Aries	1,700	2,254	2,829	8,793	46,149	57,603
Dodge 600	0	956	0	436	8,558	25,208
Dynasty	2,200	0	2,380	7,994	55,639	0
Lancer	0	530	166	437	5,004	14,136
Diplomat	300	276	501	1,333	11,193	4,001
Total Dodge	8,400	8,026	13,030	41,065	266,887	213,955
CHRYSLER MOTORS	17,700	20,928	27,578	87,437	564,614	599,429
Escort	11,066	8,661	9,407	35,168	194,901	191,135
Mustang	4,527	4,372	3,782	14,962	106,205	110,342
Tempo	3,921	2,801	3,877	13,745	99,619	97,391
Taurus	9,571	7,998	9,096	32,347	205,104	218,687
Thunderbird	3,364	3,684	3,538	12,593	81,688	84,865
Total Ford Div.	32,449	27,516	29,700	108,814	687,577	702,420
Lynx	0	251	0	0	0	20,017
Topaz	1,593	1,094	1,561	5,398	37,381	32,062
Cougar	3,139	2,541	2,344	9,270	61,226	78,779
Sable	3,106	2,608	2,859	10,361	71,174	69,489
Total Mercury	7,840	6,494	6,764	25,029	169,781	200,347
Continental	923	246	916	3,315	23,039	9,373
Mark VII	474	429	494	1,699	12,653	13,920
Lincoln	2,815	2,385	2,885	10,156	73,562	70,218
Total Lincoln	4,212	3,060	4,295	15,169	109,254	93,511
Total L-M Division	12,052	9,554	11,059	40,199	279,035	293,858
FORD MOTOR CO.	44,501	37,070	40,759	149,013	966,612	996,278
Skyhawk	6	467	3	9	11,359	15,786
Skylark/Somerset	1,767	1,159	1,651	5,624	25,149	36,584
Century	3,780	2,743	3,388	12,732	57,341	92,313
Regal (rwd)	0	924	0	0	0	23,332
Riviera	126	241	131	500	3,475	8,238
Electra	2,227	2,420	2,246	8,044	45,091	51,116
LeSabre (fwd)	2,500	4,669	2,500	8,654	63,642	69,123
LeSabre (rwd)	235	64	197	786	5,052	5,237
Reatta	213	0	193	703	3,080	0
Total Buick	10,856	12,687	10,309	37,051	214,189	301,729
Cimmaron	0	202	0	0	3,696	7,409
Eldorado	1,006	650	1,009	3,847	22,074	10,131
Seville	601	583	611	2,301	13,714	12,379
Brougham (rwd)	486	1,062	397	1,880	18,059	38,089
Deville (fwd)	3,540	2,668	3,549	12,212	91,019	81,728
Allante	0	152	0	87	1,135	2,078
Total Cadillac	5,633	5,517	5,566	20,328	149,697	151,814
Cavalier	9,307	8,065	9,223	30,303	180,463	189,611
Camaro	2,250	3,475	2,501	8,287	44,846	56,119
Celebrity	5,075	680	5,237	18,128	94,961	176,147
Corsica/Beretta	8,500	7,548	9,204	31,544	206,685	140,884
Monte Carlo	0	1,108	0	0	0	37,006
Caprice	5,656	2,031	4,861	18,542	102,246	100,005
Corvette	445	642	447	1,552	10,735	15,294
Total Chevrolet	31,233	23,549	31,473	108,357	639,936	715,066
Calais	3,099	3,687	2,648	10,814	60,794	68,245
Firenza	0	672	0	0	5,220	6,273
Cutlass Ciera	1,760	5,038	1,761	5,736	6,160	96,409
Cutlass Supreme	3,875	1,696	4,026	13,894	104,100	37,637
Toronado	405	550	419	1,556	9,586	9,752
88 (fwd)	3,420	4,057	3,456	12,531	84,645	98,049
88 (rwd)	105	444	133	456	5,965	9,972
Olds 98	1,600	1,003	1,593	5,536	41,627	35,740
Total Oldsmobile	14,264	17,147	14,036	50,533	320,097	365,675
Sunbird	2,627	2,046	2,418	8,494	54,967	59,094
Grand Am	6,244	5,933	4,943	19,826	125,428	132,935
Firebird	1,443	2,103	1,677	5,478	32,697	40,996
Grand Prix	3,725	0	3,756	12,520	64,552	0
Pontiac 6000	1,610	2,029	1,669	5,488	39,370	42,175
Bonneville	2,753	3,097	2,734	10,048	58,072	68,561
Safari/Parisienne	50	96	86	309	4,144	5,400
Fiero	508	1,146	488	1,499	10,146	20,275
Total Pontiac	18,960	16,450	17,771	63,662	389,376	369,436
GENERAL MOTORS	80,946	75,350	79,155	279,930	1,713,295	1,903,720
HONDA	7,680	6,235	7,525	26,464	183,916	163,801
Civic	2,480	2,204	2,483	8,482	50,044	55,539
Accord	5,200	4,031	5,042	17,983	133,872	108,262
MAZDA†	2,875	0	2,681	9,147	44,871	0
NISSAN	2,678	0	2,724	9,262	50,784	70,724
NUMMI	3,250	4,093	3,299	11,461	80,221	96,462
Corolla	1,200	893	1,196	4,231	29,491	19,939
Nova	2,050	3,200	2,103	7,231	50,730	76,523
VOLKSWAGEN	2,000	2,035	1,967	6,957	31,089	39,515
Golf/GTI	2,000	1,785	1,967	6,957	25,536	33,364
Jetta	0	250	0	0	5,553	6,151
Total Cars, U.S.	161,630	145,711	165,688	579,672	3,635,402	3,869,929
Total Cars, Canada	24,310	17,455	24,730	92,167	594,744	420,115
U.S., Canada Cars	185,940	163,166	190,418	671,839	4,230,146	4,290,044
U.S., Canada Cars and Trucks	287,253	254,631	298,674	1,043,789	6,816,817	6,597,651

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended June 25, 1988	Week Ended June 27, 1987	Week Ended June 18, 1988	June to Date	Jan. 1 to June 25, 1988	Jan. 1 to June 27, 1987
Eagle	0	—	0	0	0	—
Premier	0	—	0	2,613	33,569	—
CHRYSLER MOTORS	0	0	0	2,613	33,569	2,856
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	3,268	—	3,256	11,935	99,392	—
Topaz	1,628	—	1,604	5,649	35,133	—
Crown Victoria	2,832	—	2,806	10,135	69,599	—
Grand Marquis	2,928	—	2,873	10,481	69,558	—
FORD MOTOR CO.	10,656	10,264	10,541	38,200	273,682	268,530
Celebrity	580	—	615	2,240	11,230	—
Cutlass Ciera	6,644	—	7,032	25,622	142,227	—
Cutlass Supreme	0	—	0	0	3	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,400	—	1,393	5,220	27,985	—
Regal	3,800	—	3,769	13,675	83,908	—
GENERAL MOTORS	12,424	6,549	12,809	46,757	265,350	137,957
Civic	1,050	—	1,200	3,857	6,288	—
Accord	0	—	0	91	12,315	—
HONDA	1,050	417	1,200	3,948	18,603	5,462
VOLVO	180	225	180	648	3,540	5,310
Total Cars, Canada	24,310	17,455	24,730	92,167	594,744	420,115

U.S. TRUCK☆	Week Ended June 25, 1988	Week Ended June 27, 1987	Week Ended June 18, 1988	June to Date	Jan. 1 to June 25, 1988	Jan. 1 to June 27, 1987
Caravan	1,900	—	2,370	7,316	50,470	—
Dakota	1,000	—	1,978	6,102	56,805	—
Mini-Ram Van	300	—	413	1,238	8,001	—
Pickups	1,000	—	1,909	6,008	35,503	—
Total Dodge	4,200	7,968	6,670	20,664	150,779	138,754
Cherokee	3,700	—	3,837	14,061	91,423	—
Commanche	700	—	818	3,009	23,427	—
Grand Wagoneer	300	—	350	1,168	7,580	—
Pickups	0	—	0	0	0	—
Wagoneer	100	—	135	681	6,336	—
Total Jeep	4,800	3,726	5,140	18,919	133,966	108,668
Voyager	1,500	—	2,189	6,417	46,309	—
Total Plymouth	1,500	—	2,189	6,417	46,309	—
CHRYSLER MOTORS	10,500	11,694	13,999	46,001	331,054	247,422
Aerostar	4,460	—	4,454	14,299	109,219	—
Bronco	1,511	—	1,318	4,738	31,159	—
Bronco II	1,944	—	2,546	8,135	67,313	—
Econoline	5,150	—	5,232	18,014	125,305	—
Heavy trucks	1,480	—	1,715	5,514	35,098	—
Light trucks	10,531	—	10,270	35,986	256,829	—
Ranger	6,688	—	7,849	26,252	183,786	—
Total Ford Div.	31,734	29,245	33,384	112,939	808,709	761,272
FORD MOTOR CO.	31,734	29,245	33,384	112,939	808,709	761,272
Astro	3,900	—	2,935	12,671	86,376	—
Blazer	554	—	595	2,111	14,018	—
Mediums/Heavies	440	—	266	1,331	9,051	—
P-Model	890	—	949	3,041	19,846	—
Pickups	7,111	—	7,297	25,427	168,731	—
S-10	5,550	—	7,073	21,789	145,988	—
S-10 Blazer	3,575	—	4,374	13,605	83,920	—
Sportsvan/Van	2,300	—	2,359	7,830	44,210	—
Suburban	1,495	—	1,798	5,732	37,273	—
Total Chevrolet	25,815	19,006	27,646	93,537	609,413	550,325
Jimmy	131	—	193	528	4,143	—
Mediums/Heavies	660	—	759	2,391	19,879	—
P-Model	130	—	106	524	2,859	—
Pickups	2,136	—	1,641	6,905	51,753	—
S-15	1,150	—	1,355	4,489	33,587	—
S-15 Jimmy	765	—	897	3,065	21,552	—
Safari	973	—	767	3,151	22,087	—
Suburban	562	—	578	2,199	17,241	—
Vandura/Rally Vans	676	—	663	2,144	18,160	—
Total GMC	7,183	8,266	6,959	25,397	191,261	190,345
GENERAL MOTORS	32,998	27,272	34,605	118,934	800,674	740,670
NAVISTAR	1,866	1,682	1,765	6,495	44,165	38,508
NISSAN	1,390	0	1,626	5,488	54,517	42,333
AM GENERAL*	450	450	450	1,620	11,160	6,000
MISCELLANEOUS*	2,300	2,300	2,300	8,280	57,040	55,200
Total Trucks, U.S.	81,238	72,643	88,129	299,757	2,107,319	1,891,405

CANADIAN TRUCK	Week Ended June 25, 1988	Week Ended June 27, 1987	Week Ended June 18, 1988	June to Date	Jan. 1 to June 25, 1988	Jan. 1 to June 27, 1987
Caravan	3,150	—	2,950	10,821	74,538	—
Mini-Ram Van	324	—	334	1,173	7,378	—
Ram Wagon	520	—	556	1,980	12,556	—
Ram Van	1,530	—	1,459	5,337	32,438	—
Total Dodge	5,524	8,664	5,299	19,311	126,910	208,503
Voyager	2,670	—	2,720	9,567	68,099	—
Total Plymouth	2,670	—	2,720	9,567	68,099	—
Wrangler	1,018	—	1,069	3,636	25,214	—
Total Jeep	1,018	759	1,069	3,636	25,214	16,765
CHRYSLER MOTORS	9,212	9,423	9,088	32,514	220,223	225,268
FORD MTR. (lt. trks.)	3,648	3,502	3,515	12,842	88,561	79,779
Light trucks	3,150	—	3,319	11,003	76,068	—
Vans	1,467	—	1,473	5,504	31,675	—
Total Chevrolet	4,617	—	4,792	16,508	107,743	—
Light trucks	1,650	—	1,801	7,146	40,461	—
Vans	678	—	664	2,221	16,722	—
Total GMC	2,328	—	2,465	9,367	57,183	—
GENERAL MOTORS	6,945	5,671	7,257	25,875	164,926	106,231
NAVISTAR	270	226	267	961	5,642	4,924
Total Trks., Canada	20,075	18,822	20,127	72,192	479,352	416,202
U.S., Canada Trks.	101,313	91,465	108,256	371,950	2,586,671	2,307,607

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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THE 2-STROKE

Ford signs license agreement for new-wave Aussie engine

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — In one of the most significant engine developments in two decades, Ford Motor Co. signed a licensing agreement to power future small cars with a modern Australian version of the two-stroke engine made famous in lawnmowers and early Saabs.

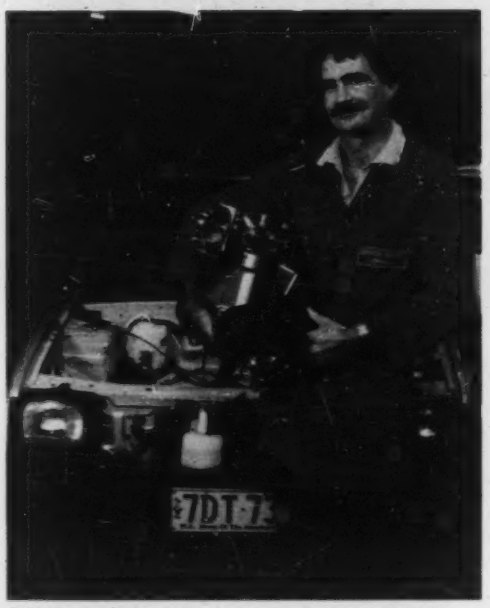
After weeks of speculation that an American automaker was close to signing a deal with the inventor of a high-tech, stratified-charge version of the two-stroke, Ford's non-exclusive agreement was disclosed last week.

The agreement says Ford can use the two-stroke produced by Orbital Engine Co. of Australia — an engine so small you can carry it under your arm — "in future products if technical and business developments now under way prove successful." However, such details as the cost of the license and its length were hidden under terms of a confidentiality agreement.

Robert Brooks of Technology Commercialization, Waukegan, Ill., a consultant specializing in automotive technology, called the Ford action the most significant engine development in nearly 20 years.

Brooks represented Audi-Wankel in this country in the 1970s. Of the two-stroke, he said, "It has everything we wanted but did not have with the Wankel. It has efficiency, low emissions, low cost and manufacturability."

see 2-STROKE, page 57



Orbital two-stroke: an engine so small you can carry it under your arm

Big beefs win big bucks from Olds

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

Who says it doesn't pay to complain?

Oldsmobile told its dealers last week that it will offer dissatisfied customers of some 1985 Oldsmobiles a wide range of incentives — including cash rebates on new cars, free service or repairs, loaner vehicles and extended warranties — doled out in relationship to how unhappy the customers are.

Consumers will be able to voice their feelings about their ownership experience via an extensive survey underwritten by Oldsmobile. The program, called "The Oldsmobile Partnership Customer Commitment," is a pilot program to improve satisfaction among owners of 1985 vehicles.

The division is mailing 413,000 surveys and letters to owners of 1985 Ciera, 98 and Delta 88 models. Olds said it will mail approximately 34,000 every two weeks between May 1 and Oct. 6. The 1985 models were selected because customers are most likely to replace a three-year-old car and the nameplates represent some of Oldsmobile's core products.

The direct-mail piece includes a letter from Oldsmobile General Manager William Lane asking owners to fill out a three-page survey and express their true feelings about the division and its products.

The survey asks them how much they agree or disagree with statements such as: "I'm proud of my Oldsmobile," "I feel I could keep my Olds for 10 years," "Being an Oldsmobile owner is nothing special to me" and "Oldsmobile technology is competitive with other cars I'd consider."

Consumers are also asked to give information and opinions on their overall ownership experience, including mileage on their 1985 Oldsmobile, how many times the vehicle has required service, and how much money the consumer has spent on non-warranty repairs.

The final question on the survey asks what the di-

see INCENTIVES, page 57

Optimism rebounds for China

Joint ventures move into black

By Stephen Vines
STAFF CORRESPONDENT

BEIJING, China — After years of bad news for overseas companies making vehicles in China, a mood of cautious optimism is now taking hold. The most troubled of the foreign partnerships, the joint-venture companies, appear to have turned the corner and are finally on the way to making money.

Due in part to the previous misfortunes of those companies, other foreign manufacturers have been reluctant to invest in China, although there are signs that more technical cooperation agreements are underway.

Those agreements do not require foreign investment but offer overseas companies the prospect of earnings from parts supply and technology transfer fees.

The latest involves Daimler Benz AG of West Germany, which has just signed the largest contract to date for the production of heavy trucks with China's massive North Industrial Corp. at Baotou in the Inner Mongolia Autonomous Region. (Automotive News, June 27).

The goal is to build 6,000 trucks per year employing German technology and, in the early stages, parts from the Mercedes-Benz truck division.

Recently, General Motors signed a deal to supply used tooling to a Beijing factory for a production line capable of building 300,000 engines per year.

see CHINA, page 56

RAIN PAIN: *Heartland drought hits auto sales, too*

By Dan Morrison
SPECIAL CORRESPONDENT

Farmers aren't buying trucks, mechanics repairing their old ones are swamped, and used cars are becoming more enticing as the drought continues in the heartland of America.

"We haven't felt the effects of the weather yet," said Verne Chittenden of Gene Steffy's Chrysler, Fremont, Neb. "This time of year, we get most of our trade from city people. The fall (when farmers sell their crops and normally do their buying) is really the time that we could be hurt."

Chittenden is an exception.

Dealers in the farm belt are already reporting slow sales that will in all likelihood only get worse if rain — and enough rain — doesn't come. Manufacturers may soon feel the pinch, too.

Ford, Dodge, Toyota and Chevrolet haven't done anything so far to promote sales specifically in the drought-stricken regions, either with special rebates or incentives. However, they seem leery about this fall when farmers do most of their car and truck shopping.

So far, truck sales in the Midwest are actually up over last year. But most agree the drought-driven worst is yet to come — and that, in some cases dealers that cater mostly to farmers might be able to take up the slack by drawing customers from neighboring cities.

As for imports, one expert says, "I don't think the impact of the hot weather will be

see DROUGHT, page 53

Japan readies 4-year product deluge for U.S.

Will assault market segments long dominated by domestics

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — Japanese automakers are preparing a massive onslaught of new products for the U.S. market over the next four years, especially in performance-luxury, van and specialty-truck segments traditionally dominated by the domestics.

The veil of secrecy surrounding Japanese future product plans is loosening slightly, but even professional prognosticators still have trouble looking more than four or five years ahead with Japanese-based companies.

That compares to up to eight or nine years with European and U.S. automakers.

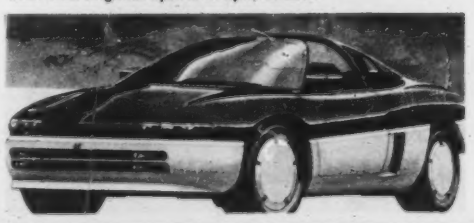
Part of the reason is that longer product cycles and greater leadtimes for Europeans and domestics make it easier to chart their plans far into the future, said George Peterson, president of The AutoPacific Group, Newport Beach, Calif., and publisher of "The Competitive Battleground," a quarterly journal of global automotive product cycles.

"We used to be able to just spring a new engine or car line on the public at the last minute, but now we go

see PRODUCTS, page 48

MYSTERY MEET PHOTOS

United States will get '89 Suzuki Swift, top; Isuzu may offer mid-engined sports coupe, bottom



But snags arise in luxury sector

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — Honda's move into the U.S. luxury segment has been a huge success, but as Toyota and Nissan prepare to follow, there are reminders of how tough it is to break into prestige sales.

At least two image-leader car programs have been delayed and perhaps scrubbed, and Nissan's Infiniti Division may miss its original internal start-up goal of September 1989.

Product development snags are familiar subjects to every automaker and delays in launching new brands are not uncommon, but these are the first concrete signals that a wave of Japanese Cadillac-sized cars with V-8 engines isn't

see LUXURY, page 52

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write-off, Ford snub Rover takeover Page 2
GM shuffles high posts; race for top steams up Page 3
Porsche to kill slow-selling 924 Page 6

THE GM CHANGES

DONALD J. ATWOOD
Age: 64
Title: GM vice chairman
Responsibility: president of GM Hughes Electronics Corp., president of Delco Electronics Corp.

ROGER B. SMITH
Age: 62
Title: chairman

ROBERT STEMPEL
Age: 54
Title: president

F. ALAN SMITH
Age: 57
Previous title: executive VP and director
Responsibility: finance group and GMAC
New title: executive VP and director
Responsibility: operating and public affairs staffs group

ROBERT T. O'CONNELL
Age: 49
Previous title: VP and group executive
Responsibility: finance group
New title: executive VP
Responsibility: finance group and GMAC

LLOYD E. REUSS
Age: 51
Title: executive VP and director
Responsibility: North American automotive operations

JOHN F. SMITH JR.
Age: 50
Previous title: VP
Responcibility: president, GM of Europe
New title: executive VP
Responsibility: all overseas operations

WILLIAM E. HOGLUND
Age: 53
Previous title: VP and group executive
Responsibility: B-O-C Group
New title: executive VP
Responsibility: automotive components groups and newly formed power products and defense operations group

GARY W. DICKINSON, 50, VP and group director, engineering C-P-C, becomes group executive of technical staffs group

DONALD L. RUNKLE, 42, director, advanced vehicle engineering, C-P-C becomes VP of advanced engineering staff Robert J. Eaton, 48, former group VP — technical staffs, becomes president, GM-Europe

CHARLES KATKO, 62, VP and former group executive, truck and bus group, becomes group executive, operating staffs group

E. MICHAEL MUTCHLER, 53, VP and former group executive, body and engine components group, becomes group executive, truck and bus group

J.T. BATTENBERG III, 45, VP and former manager of Flint automotive division of B-O-C, becomes group executive, B-O-C

LEWIS D. CAMPBELL, 42, executive director of the GM-UAW quality network of the quality and reliability and service parts operations group, becomes a VP and manager of Flint automotive division, B-O-C

ROBERT J. EATON, 48, VP and former group executive, technical staffs group, becomes president, GM-Europe

JOHN D. DEBBINK, 64, VP and former group executive, chassis and transmission components group, becomes group executive, power products and defense operations group

STATUS QUO

PROMOTED

GM shuffles high posts; race for top steams up

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — As General Motors reassigned some of its commanding officers, GM watchers disagreed on what those changes portend for the future of some key players and for the corporation.

Two of the people whose corporate future the analysts are eyeing more closely: Executive Vice President F. Alan Smith, seen as the newest rising star, and President Robert C. Stempel, who has been many analysts' odds-on favorite to reach GM's top spot.

"I have to think F. Alan Smith is the real winner," said Ronald A. Glantz, an automotive analyst for Montgomery Securities in San Francisco.

"He is a winner," concurred another Wall Street analyst who asked to remain anonymous. "And as far as I'm concerned, the bean-counters won.

"One thing is for certain: Stempel is no longer a winner. They put another layer between him and those who run (Stempel's) groups. By this announcement, (GM Chairman) Roger Smith now has two people dancing on the head of a pin — F. Alan Smith and Stempel — and Alan Smith is dancing a little higher."

On that point analyst Glantz disagrees. He sees Stempel as destined for the chairmanship.

"In my opinion, Stempel's running the company," Glantz said. "I suspect Stempel will be the next chairman and F. Alan Smith will succeed Stempel as president."

Glantz, who said he predicted many of the announced moves, said they don't do much to confront the crux of the automaker's current woes.

"I'm disappointed that no one is being penalized for the market-share erosion and that GM still has lower operating margins than its competitors," Glantz said.

"General Motors is very much a geriocracy. What was most disappointing was that no one was fired — and that people were only elevated (in job stature)."

The changes were made, GM Chairman Smith said, to prepare a selection of candidates who could succeed him when he retires in 1990.

"There are two years before I go, and I hope a lot is going to happen before I go," Smith said. "We have some bright young people and we want to show them off."

The announcement came one day after the resignation of GM Executive Vice President Elmer Johnson, said to have been in the running for the GM chairmanship. But opponents of the counter-cultural Johnson pointed out that he was an outsider within GM and questioned his credentials to run the world's largest automaker.

Johnson, a partner in the Chicago law firm of Kirkland & Ellis before joining GM five years ago, has rejoined the law firm.

Smith said the the personnel change was accelerated by Johnson's departure but that the two incidents were otherwise not related.

Last week's board-approved changes included the appointment of three new executive vice presidents as well as the formation of a new corporate entity — the power prod-

see GM SHUFFLE, page 54

INDEX

Around the world	28-30
Auction dates	35
Classifieds	36-44
Coming events	18
Dealing with dealers	5
News briefs	8
Obituaries	56
Opinion	10
Personnel	20-22
Production	58
Service management	14
Truck industry	12

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New faces and a farewell at World Congress

DETROIT — There will be some new players on stage at the 13th annual Automotive News World Congress at the Westin Hotel, July 17-20. And there will be a fond farewell for one faculty member.

Making his farewell address to a Detroit audience before leaving on a new assignment will be Robert J. Eaton, former vice president and group executive in charge of General Motors' technical staffs group.

Last week, Eaton was appointed president of General Motors Europe. His World Congress address will be his last in Detroit — at least for a few years — before heading overseas.

Eaton's new appointment was among the personnel changes announced last week by GM Chairman Roger B. Smith.

Among other World Congress faculty newcomers this year are: Norimasa Furuta, president, Mazda Motor Corp., Hiroshima, Japan; Vittorio Ghidella, president, Fiat Auto S.p.A., Turia, Italy; J.R. "Rick" Hendrick III, owner of Hendrick Management Corp. and Hendrick Motorsports, Charlotte, N.C.; Robert P. Oliver, chairman, Laforza Automobiles Inc., Hayward, Calif.; Roger S. Penske, president, Penske Corp., Red Bank, N.J.; and Dieter Spethmann, chairman of the executive committee, Thyssen AG, Duisberg, West Germany.

Furuta succeeded Kenichi Yamamoto as president of Mazda last December. Prior to that, he was senior managing director in charge of the corporate communications division.

Ghidella started his career at Fiat in 1956, following graduation as a mechanical engineer from Polytechnic of Turin.

He became president and chief executive officer of the automobile operations of Fiat group in 1979. The company's car lines include Fiat, Lancia, Alfa Romeo, Autobianchi and Ferrari.

Since its beginning in 1984, Hendrick's motorsports team has won 15 NASCAR Winston Cup races, including the 1986 Daytona 500.

He is also sole owner of Hendrick Management Corp., a holding company that owns more than 20 car and truck dealerships.

Oliver's company recently changed its corporate name to Laforza Automobiles Inc. from Fissori North America, and changed the name of its new luxury sport-touring vehicle to Laforza.

The first national exposure of the Italian-made vehicle, under the name Fissori, was at the National Automobile Dealers Association convention last February.

Penske's corporation is a privately held firm comprised of three business groups: transportation services, retail automotive and automotive performance.

His Penske Racing Team has won seven Indianapolis 500-mile races and seven Indy car national championships.

Spethmann heads a company that employs 130,000 and consists of more than 180 companies worldwide, including U.S.-based Budd Co. He will deliver the State of the Supplier Industry address at this year's World Congress.

For further information, write Automotive News World Congress, 1400 Woodbridge, Detroit, MI 48207 or telephone 313-446-6047. The cable address is TWX 810-221-5122 AUTNEW DET.

VW Golf spoiler
Electrodyne Inc., an Alexandria, Va.-based importer/distributor of auto accessories, is offering a Foha rear window spoiler for 1985 and newer Volkswagen Golf models. Foha aerodynamic components can be painted to match exterior colors.

GE Auctions mulls publication of price guide

GE Capital Auto Auctions had a hectic 1987 that included a buying spree that netted the company nine auctions. But now the industry powerhouse may be preparing to launch an even chancier venture — publication of its own used-vehicle price guide.

"We have looked at it, but it is still very much on the drawing board," said Mike S. Zafirovski, president of GE Capital Auto Auctions. "It is in the exploratory stages and we have to complete plans to see how it would operate."

Liese C. Spiegelberg, vice president of marketing and development for GE Capital, said the company has looked at a variety of new businesses including a price guide, but she denied the project has received the green light.

"We will look at anything that will make a profit, but we are not sure that this is a profit opportunity," she said.

However, Spiegelberg said GE is looking at the project over the long term — perhaps five years from now.

Speculation that GE wants to start a guide book began several months ago when the company discussed the venture with Lynn A. Weaver, editor of the NADA Official Used Car Guide.

The National Automobile Dealers Association price guide is the biggest in the industry with more than 400,000 subscribers.

"I think GE is very serious about starting a book," said Weaver. "But GE will have problems putting it together because they don't generate enough data for a guide book."

Most of the price guides rely on data collected from auctions to formulate prices for used cars, but they also obtain information from other sources.

So Weaver said he doubts that price data only from auctions is enough to launch a price guide.

"Auctions sell a lot of cars in big numbers but only on the high end," he said. "They have very little data on low-volume vehicles like imports and older vehicles. How do you formulate a price if only one 1983 Cutlass Supreme shows up at an auction?"

Yet, Weaver conceded that GE has the money to publish a price guide, and he said the company has the resources to begin publishing one within six months.

"I don't think I discouraged them," Weaver said. "They have a bottomless pit of money. GE is new to the auction business and even though there are a lot of good people there, I have to wonder if it would be biting off more than it can chew with a price guide."

One industry source suggested that a price guide published by GE Capital could be dangerous. Ford Motor Co. owns 20 percent of GE Capital Auto Auctions and sends hundreds of thousands of cars through its auctions.

"GE has cradle-to-grave cars now," he said. "With pricing on the other end — it could lead to editorializing of the data — the possibility of manipulating numbers exists."

Tony Moorby, executive vice president of Anglo American Auto Auctions, said he is not surprised that GE Capital would consider publishing a price guide — Anglo also looked at the possibility of publishing one several years ago.

"We even prepared a brochure of prices aimed at the fleet and lease market," he said. "But Anglo dropped it after two editions because the company did not have the data or the information accrual to continue publishing it."

However, Moorby agreed that auctions own data that is valuable to huge numbers of people in a variety of markets including the insurance industry, fleet and lease industry and financial institutions.

"The most sensible thing is for everyone in the auction industry to pool the information, massage it and then sell it," he said.

Moorby said the data should be sold through the National Auto Auction Association.

"It would provide income for the NAAA and allow it to hire a staff that would also include marketing experts," he said.

AUCTION BRIEFS

CHARLES THOMAS

Anglo buys No. 21

Anglo American Auto Auctions has acquired Albuquerque Auto Auction in Albuquerque, N.M., for an undisclosed amount. It brings to 21 the number of outlets owned by the company and is its second site in Albuquerque.

The company also owns Dealers Auto Auction of Albuquerque — a two-lane facility that receives consignments of about 500 vehicles per week from dealers.

Michael J. Richardson, Anglo president and chief executive, said the company plans to run the two auctions independently until they are merged on a 40-acre site now under development.

Albuquerque Auto Auction has had a troubled five years that included three owners before Anglo's decision to purchase it. The auction receives consignments of 500 vehicles per week, has a sales rate of 40 percent and has about 500 registered dealers.

BMW holds first sale

BMW held its first closed auction sale at the Atlanta Auto Auction in Red Oak, Ga., recently, selling 213 vehicles for about $6 million. It drew representatives from 25 percent of the BMW dealerships nationwide.

The sale included company cars and cars coming off lease from GE Credit Corp., which serves as the financial agent for BMW of North America. The wholesale prices of the cars ranged from $9,000 to $45,000 and all of them were sold.

Special financing and transportation were arranged for dealers. The auction used the event to inaugurate its newest selling lane — the ninth for the suburban-Atlanta facility. Atlanta Auto Auction is owned and operated by Atlanta-based Manheim Auctions.

Steel firm fined in Saturn death

NASHVILLE, Tenn. — Century Steel of West Mifflin, Pa., has been fined $2,430 by a state safety agency for alleged violations in the death of a worker at the Saturn Corp. plant in Spring Hill.

The company is contesting the findings, said a spokeswoman for the Tennessee Occupational Safety and Health Administration.

The worker, Calvin Bruce Davis, fell 50 feet to his death in December while bolting steel components at the plant.

The agency said Davis failed to wear proper protective equipment. It also said the company failed to use safety nets where a ladder, scaffolding, temporary floor, catch platform or safety lines or belts were inappropriate.

— The Associated Press

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Clanton's Auto Auction, P.O. Box 51, Darlington, South Carolina, 803-393-2861. Sale every Thurs., Regular Consignment, 11 a.m. & Early Bird, 9 a.m. (repos & lease units).

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Memphis Auto Auction, 2650 Mt. Moriah Rd, Memphis, Tenn. 38115. 901-794-7700. Sale every Tuesday at 11 AM. Mid-South's newest auto auction.

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San Antonio Auto Auction (div. of GECAA), 1500 Ackerman Rd., San Antonio, Texas 78219. Sale every Weds. Contact: Frank Post or Michael Millikien, 512-661-4200.

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AUCTION DATES

General Motors

July 6 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fontana, Calif.; and Omaha Auto Auction, Omaha, Neb.

July 7 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah

July 12 — A.D.E. of Birmingham, Moody, Ala.; Harrisonburg Auto Auction, Harrisonburg, Va.; Manheim Auto Auction, Manheim, Calif.; and Florida Auto Auction of Orlando, Ocoee, Fla.

July 13 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Chrysler Motors

July 5 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Nashville Auto Auction, Nashville; and Golden Gate Auto Auction, Fremont, Calif.

July 6 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; Minneapolis Auto Auction, Plymouth, Minn.; Denver Auto Auction, Aurora, Colo.; and South Seattle Auto Auction, Kent, Wash.

July 7 — Northway Exchange, Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; The Big Sky Auto Auction Inc., Billings, Mont.; and Aptco Auto Auction, Taylor, Mich.

July 8 — Manheim Auto Auction, Manheim, Pa., and Salt Lake Auto Auction, Salt Lake City

July 12 — Florida Auto Auction of Orlando, Ocoee, Fla.; Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; Riverside Auto Auction, Riverside, Calif.; and Portland Auto Auction, Portland, Ore.

July 13 — Columbus Fair Auto Auction, Obetz, Ohio

July 14 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Southwest Auto Auction, Phoenix, Ariz.

Ford Motor Co.

July 6 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.

July 7 — Denver Auto Auction, Aurora, Colo.; Interstate Auto Auction, Mercer, Pa.; and Nashville Auto Auction, Nashville, Tenn.

July 12 — South Seattle Auto Auction, Kent, Wash.

July 13 — Wednesday Auto Auction, Obetz, Ohio; Southern California Auto Auction, Fontana, Calif.; Newburgh Auto Auction Inc., Newburgh, N.Y.; and Salt Lake Auto Auction, Salt Lake City

July 14 — Dallas Auto Auction, Grand Prairie, Texas, and Minneapolis Auto Auction, Plymouth, Minn.

July 19 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

July 20 — Concord Auto Auction, Acton, Mass., and Lakeland Auto Auction, Lakeland, Fla.

July 21 — Aptco Auto Auction, Taylor, Mich.; Texas Hobby Auto Auction, Houston; Southwest Auto Auction, Chandler, Ariz.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

July 27 — Clanton's Auto Auction, Darlington, S.C.; Albuquerque Auto Auction, Albuquerque, N.M.; Mississippi Auto Auction, Hattiesburg, Miss.; and Southern California Auto Auction, Fontana, Calif.

Used Car Sales
Auction Averages

June 88	$5,855
Month ago	$5,800
Year ago	$5,922

Model Breakdown
Auction Averages

	JUNE 1988	MAY 1988	APR 1988
1988	$12,545	$12,495	$12,483
1987	$8,668	$8,661	$8,638
1986	$7,327	$7,400	$7,190
1985	$5,801	$5,711	$5,904
1984	$4,534	$4,525	$4,438
1983	$3,721	$3,776	$3,792
1982	$2,529	$2,475	$2,398
1981	$1,932	$1,983	$1,947
Overall Average	$5,855	$5,800	$5,722

AUCTION DATES

Ferris Bueller's dream
Modena Design & Development's Classic GT250 is a hand-built, high-performance convertible inspired by the Ferrari Spyder California models of the late 1950s and early 1960s. The El Cajon, Calif.-based company plans to produce 100 Classic GT250 cars during the next 12 months. The car is based on the Modena prototype featured in the hit movie "Ferris Bueller's Day Off."

Chrysler Motors

July 12 — Florida Auto Auction of Orlando, Ocoee, Fla.; Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; Riverside Auto Auction, Riverside, Calif.; and Portland Auto Auction, Portland, Ore.

July 13 — Columbus Fair Auto Auction, Obetz, Ohio

July 14 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Southwest Auto Auction, Phoenix, Ariz.

July 15 — St Louis Auto Auction, Bridgeton, Mo.

July 19 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; Denver Auto Auction, Aurora, Colo.; Golden Gate Auto Auction, Fremont, Calif.; and South Seattle Auto Auction, Kent, Wash.

Used Car Sales
Auction Averages

July 88	$5,844
Month ago	$5,824
Year ago	$5,879

Ford Motor Co.

July 12 — South Seattle Auto Auction, Kent, Wash.

July 13 — Wednesday Auto Auction, Obetz, Ohio; Southern California Auto Auction, Fontana, Calif.; Newburgh Auto Auction Inc., Newburgh, N.Y.; and Salt Lake Auto Auction, Salt Lake City

July 14 — Dallas Auto Auction, Grand Prairie, Texas, and Minneapolis Auto Auction, Plymouth, Minn.

July 19 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

Model Breakdown
Auction Averages

	JULY 1988	JUNE 1988	MAY 1988
1988	$12,417	$12,545	$12,495
1987	$8,630	$8,668	$8,561
1986	$7,281	$7,327	$7,490
1985	$5,830	$5,981	$5,711
1984	$4,534	$4,534	$4,525
1983	$3,715	$3,721	$3,776
1982	$2,518	$2,529	$2,475
1981	$1,927	$1,932	$1,983
Overall Average	$5,844	$5,855	$5,890

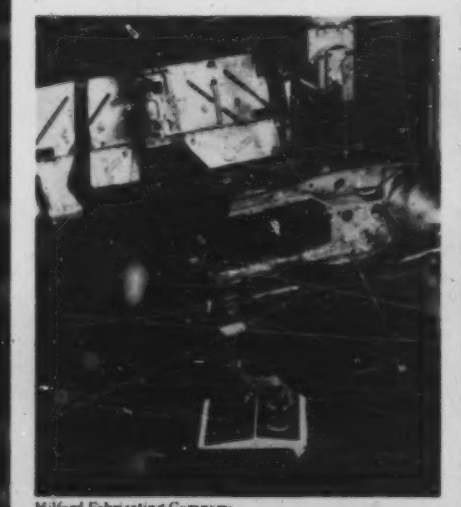
General Motors

July 12 — A.D.E. of Birmingham, Moody, Ala.; Harrisonburg Auto Auction, Harrisonburg, Va.; Manheim Auto Auction, Manheim, Calif.; and Florida Auto Auction of Orlando, Ocoee, Fla.

July 13 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

July 14 — Denver Auto Auction, Aurora, Colo.; Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; Nashville Auto Auction, Nashville, Tenn.; and Southwest Auto Auction, Phoenix, Ariz.

July 19 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.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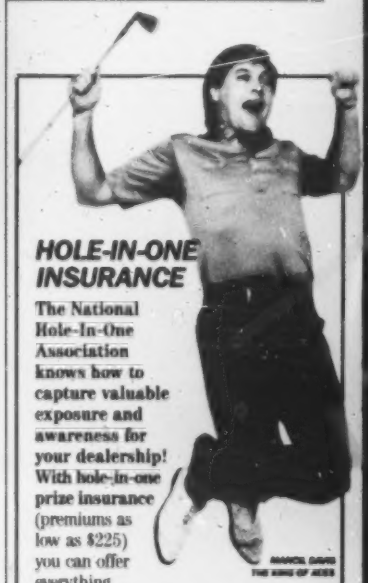

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THE CO-OP SCENE

Manufacturer	Number of dealer advertising associations	Percent of dealer body enrolled in dealer ad associations	Range of per-vehicle contributions by dealers	Factory support funds available	Use of factory ad agency required to receive factory funds?	How program works
BUICK	145	47	$45 to $150	$20 million	No	Buick will pay for one-third of the media costs of an approved ad while the dealer group pays for two-thirds. Factory support rises to up to 50 percent when dealer group runs factory-produced ads for special promotions.
CADILLAC	52	55	$75 to $230	$7 million	No	Cadillac will pay for an average of one-third of the media costs of an approved ad, while the dealer group pays for two thirds. Actual factory support is up to Cadillac zone manager or zone merchandising manager.
CHEVROLET	150	47	$2 to $200[1]	$80 million	No	Dealers collect their own funds and spend the money on media in their own markets. Division runs factory-produced regional ads and marketing programs seperately from dealer association ads.
CHRYSLER-PLYMOUTH	50	99	Majority of dealers contribute between 0.5 and 1 percent of vehicle base invoice price.	$15 million	Yes	Chrysler-Plymouth contributes between 9 and 25 percent of the media cost of dealer association ads. Actual factory contributions depend on the expenditures.
DODGE	51	99	Majority of dealers contribute between 0.5 percent and 1 percent of vehicle base invoice price.	$15 million	Yes	Dodge contributes between 9 and 25 percent of the media costs of dealer association ads. Actual factory contributions depand on percent of invoice that dealer group contributes.
FORD DIVISION	68	99	$45 to $150	Ford Funding Program — $20 million; Regional and market support — $13.3 million	No	Ford distributes factory money to its Ford Dealer Advertising Fund (FDAF) groups based on each groups' expenditures in six media categories. If the group spends 10 percent of the total dealer expenditures, that FDAF will recieve 10 percent of the $20 million Ford Funding Program. Additional monies are available to each FDAF. Regional and market support monies pay for regional sales promotions, including incentives but rarely for advertising.
HONDA	Acura 21; Honda 54	Acura 50[2]; Honda 58	Acura $150 to $300; Honda $50 to $150	$0	Acura — No; Honda — No	Honda and Acura give their dealers an advertising allowance per car based on how long the individual has been a dealer. The program is front loaded. Dealers who want to organize a group tell the importer how much they want to collect and American Honda puts it on the invoice. Honda dealers received factory support last year for a special program.
JEEP-EAGLE	28	100	One percent of base invoice plus $50	$37 million	Yes	Jeep-Eagle will pay for 60 percent of dealer association media costs during the 1988 and 1989 model years. Factory contribution level will decrease to an unknown level in the 1990 model year. Dealers pay for production cost of requested creative executions.
LINCOLN-MERCURY	26	100	Lincoln $75 to $250; Mercury $50 to $200	Regional marketing program $14.9 million; Marketing support funds $3.5 million	Yes	Regional marketing funds are distributed on a joint division dealer group participation formula. Market support funds distributed according to requests from district manager and association, and association spending level.
MERCEDES-BENZ	248	99	$100	$9 million	Yes	Mercedes-Benz contributes $100 per car in a dealer matching program instituted in the 1988 model year. Matching funds pay for dealer association media costs, however dealers can take up to 10 percent of dealer/factory money to fund non-advertising programs.
NISSAN	62	83	Included in invoice price beginning in 1989 model year	$15 million	Yes	Beginning in the 1989 model year, Nissan will include dealer advertising costs in the invoice price of the vehicle. Nissan will not match dealer funding. All creative will be handled by Chiat/Day. Factory will work with dealers and place ads in the local media.
OLDSMOBILE	146	65	$40 to $200	$20 million	No	Oldsmobile divies up its regional marketing budget and gives a portion to four assistant general sales managers. Dealer groups decide on per-car collection amount and Oldsmobile negotiates what it will spend. Spending based on Oldsmobile sales in that market and media costs.
PONTIAC	125	50	$50 to $200	$18 million	No	Pontiac pays for $1 of dealer ad association media costs out of every $2 the dealer group spends in media.
TOYOTA	23[3]	99	$185 to $275	$15 million	No	Dealers under Toyota Motors distributors' system receive variable contribution rates from the factory ranging from 10 percent to 50 percent. Dealers select months when sales are strongest and TMS shares in media costs. Toyota national sales events require dealers to use factory ads.
VOLKSWAGEN	107	96	$125 to $400[4]	$6 million[5]	Yes	Dealers decide how much per-vehicle they will contribute to local advertising fund and Volkswagen matches dealer money dollar-for-dollar. There are spending caps for each market.
VOLVO	187 single point co-op dealers[6]; 37 major market groups	98	$150	$10.5 million[7]	Yes/No[8]	Volvo matches $150 per car for both retail and fleet for every $150 the dealer group contributes per car (began in June 1988).

[1] Chevrolet will begin adding a 1 percent charge to each vehicle invoice beginning in the 1989 model year to fund ad groups
[2] Percentages represent the number of dealers in metro market groups
[3] Dealer groups under Toyota Motor Distributors only
[4] Estimated
[5] Estimated
[6] Single point co-op dealers are dealers in an area where there is no organized Volvo dealer advertising group
[7] Estimated based on 1987 sales and 1987 contributions of $100 per-car for single point co-op dealers and $117.50 per-car for major market dealers
[8] Major market dealers must use national agency to receive support funds from factory; single point co-op dealers do not

THE CO-OP SCENE

FROM PAGE 1

In the last two months, Chevrolet and Nissan have unfolded plans to add local advertising costs to the invoice price of vehicles, beginning in the 1989 model year, to fund dealer association advertising. Top GM executives say GMC Truck will institute a program similar to Chevrolet's.

The franchise-offering circular for GM's new Saturn subsidiary calls for mandatory membership in local marketing groups with fees ranging from $150 to $300 per car, significantly above dealer contribution levels for other GM divisions.

Dealers are expressing mixed emotions over those new policies and others. Some dealers believe policies like mandatory advertising charges will bring equality among dealers paying for local ads. Dealers who haven't participated in co-op programs would be forced to fund ads they previously enjoyed free-of-charge, supporters say.

But detractors argue that the new policies are a way of forcing dealers to subsidize the cost of factory ads run in local markets while also limiting dealer groups' ability to tailor "buy now" ads to regional tastes.

"Manufacturers are getting more and more dictatorial in what they are demanding of the dealers, and dealers are wondering where they are going with these ad groups," said Jimmy C. Payton, president of the National Automobile Dealers Association, which recently took a stand against mandatory dealer participation in ad associations.

One big incentive for automakers to keep a closer eye on dealer funds is the skyrocketing number of contributions from dealers. In fact, local automotive advertising by dealer groups, manufacturers and individual dealers is the fastest growing segment in the advertising industry. Those three entities spent $1.3 billion in local advertising in 1987 — an almost five-fold increase from the $276 million spent in 1981, according to Robert J. Coen, senior vice president and director of forecasting, McCann-Erickson Inc.

The numbers include magazines, spot television, outdoor and newspapers ads. Coen said the reported spending could be "only

Payton: "Manufacturers are getting more and more dictatorial in what they are demanding of the dealers, and dealers are wondering where they are going with these ad groups."

the tip of the iceberg" since many mediums — such as local radio — are unmeasured.

The explosive growth of local automotive advertising has been fueled by several factors including the formation of more ad groups by domestic dealers and a proliferation of new automakers entering the marketplace and establishing dealer ad groups.

Manufacturers also have tried to channel dealer association funds into regional marketing efforts, tailoring ads to regional tastes and cultures. Dealer groups have helped the manufacturers direct their marketing programs, advertising and products to local areas or regions. For some automakers, regional programs are executed by the dealer group and funded by either the factory or the dealer or both.

Others — especially the domestic carmakers — are pumping additional local ad and marketing money into regions to complement dealer efforts. For instance, Ford Division distributes $20 million among its 68 dealer groups for dealer association (co-op) advertising in addition to the $13.3 million the division spends in regional marketing programs.

Meanwhile, firms such as Volvo and Mercedes-Benz — both of which offer fewer models and have smaller advertising budgets than the domestics — use their dealer associations for their regional thrust.

Mercedes-Benz, which previously had only national and individual-dealer advertising, now spends $9 million to support its dealers with a $100-per-car contribution to the dealer. The dealer also puts up $100. Gerd Klauss, vice president of operations for Mercedes-Benz of North America, called the new program "the marketing weapon (previously) missing from our tool box."

Chevy deals wait word on intro cars, Geo

By Detch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Chevrolet dealers will learn this week why they will have no say in what models they have on their showroom floors to launch the 1989 model year.

They also will learn what it's going to take to sell import cars through Geo, which is being called the "franchise of the mind."

At the 1989 new-model meetings held for Chevrolet dealers across the country, the dealers will be told of a new divisional allocation program that will be implemented this year called "Easy as One, Two, Three." The program will take from Chevrolet dealers the opportunity to choose for themselves the kinds of models, trim levels and colors they will initially have to sell.

Chevrolet dealers only last week received the 1989 new-car order guide, something that in the past had arrived by May.

The allocation plan, devised by the Chevrolet Marketing Center, will prepackage cars in up to three available trim levels and offer to dealers, on an "order image" basis, the model types and packages that each dealer sold in 1987 and 1988. Trim levels and option packages that have sold well regionally will also go into the distribution equation.

The new plan is an effort to ease model-startup manufacturing and give product uniformity at introduction to dealers across the country, said Greg Zuccker, sales manager of the Chevrolet Marketing Center. Zuccker also said that such model uniformity could make a national package discount sale easier.

Currently, Chevrolet is the only General Motors division with such a program. Glenn Smith, Pontiac director of distribution and sales analysis, said Pontiac has suggested pattern orders for dealers at startup, but said it is not policy to force the issue.

Phase one of the Chevrolet plan calls for the first three weeks of build-up, which equals about 80,000 cars, to be specified by the marketing center's orders.

After that period, Chevrolet dealers will be able to special-order cars for customers. There are no plans to extend phase one of the program past the initial build-up.

Also at the meetings, Chevrolet officials will tell the dealers how they can qualify to sell the Geo brand cars. Part of what Chevrolet dealers will be told will be that they must sign an addendum to the current Chevrolet franchise agreement, invest in parts and tools inventory, send sales and service personnel to training seminars and install special Geo signage.

Geo dealers will be allowed to either use a separate sales and service facility or simply set aside existing showroom space for Geo products.

Since the Isuzu-built LUV pickup truck was introduced in early 1972, Chevrolet dealers have sold domestic-badged imports alongside Detroit-built iron.

For 1989 that changes. Only Geo brand dealers will sell Chevrolet's import cars — Japan's Isuzu and Suzuki cars and trucks — and the joint-venture car built at the New United Motor Manufacturing Inc. facility in Fremont, Calif.

Chevrolet is calling the Geo brand "lifecycle vehicles" — there are enough cars in the lineup to appeal to a full range of buyers.

Cars for sale under the Geo label include Metro, which will be a reskinned Suzuki Sprint; the current Spectrum, which will remain in the line for 1989 but will be redesigned and named Storm for 1990; and Prizm, which will replace the NUMMI Nova next spring. A fourth vehicle is a sport-utility called Tracker that will be built by Suzuki. Tracker will be introduced first on the East and West coasts, in Hawaii and in Michigan.

Coming later will be a Metro convertible.

Chevrolet dealers learned of the Geo marketing plan in March. Described were the Geo philosophy, import buyer profiles in demographic and psychographic terms, and an outline of Geo dealer requirements. This week's meeting will begin the process of Geo dealer sign-up.

Not every Chevrolet dealer is expected to choose to be part of Geo's "franchise of the mind." Because of the investment involved, some Chevrolet dealers likely will choose not to take the brand. However, Chevrolet expects dealers in areas with historically strong import sales to add Geo.

Chevrolet said there will be limited availability of Geo cars the first year. An increase in product flow is scheduled for 1990 when a joint venture between GM of Canada and Suzuki, called CAMI, will produce cars for the U.S. market.

Automotive News Staff Reporter Rick Kranz in Detroit contributed to this report.

At Nissan, the dealer ad groups were not helping the importer develop a clear, consistent image following the nameplate change from Datsun to Nissan in 1982. The 62 dealer ad associations were working with more than 30 independent agencies, some of which were not developing campaigns "consistent" with the national message.

The advertising associations turned into a political arena; some dealers would resign because they didn't like another dealer in the advertising group," said Robert Thomas, Nissan division vice president. "We thought we had to gain a lot more influence on the ads and get some sort of creative control."

The dealers, tired of the politics and the fuzzy image, agreed to discuss a change. Last month, Nissan said it would no longer distribute factory funds based on dealer contributions. Instead, local ad costs will be built into the vehicle's wholesale price.

All creative will be executed by Chiat/Day, Nissan's national advertising agency, instead of by the independent agencies. Nissan dealers are free to form their own groups or continue to use existing dealer ad groups, but funding will be the total responsibility of the dealers. Even if dealer groups choose another agency and pay for the advertising, Nissan will continue to place factory-created regional advertising in their markets.

At GM, co-op advertising is presenting a different set of problems. GM is finding that the percentage of its dealers participating in factory advertising groups is below that of its competitors. Slightly less than half of the Chevrolet and Buick dealers participate in an ad group, while domestic rivals Ford and Chrysler have 99-plus percent participation. Buick plans to offer its dealers incentives to join ad groups in the 1989 model year.

Pontiac has exactly half of its dealers participating while Cadillac, which has made a big push in recent years to organize new groups, has a 55 percent dealer participation rate. Oldsmobile has 65 percent of its dealers participating in ad groups.

Although GM dealers' participation levels are lower than those of competitors, GM marketing executives say dealers participating in groups make up 70 percent to 90 percent of each division's sales.

One reason for the low participation is the late start many dealers had in organizing groups. Many groups were organized around major metropolitan areas in the 1960s and 1970s, while dealers in sparsely populated areas were largely unorganized.

The big push started in the early 1980s and was stepped up after the GM reorganization began in 1984. Chevrolet, for instance, went from approximately 20 dealer groups located around major metropolitan areas in 1981 to its current roster of 150.

Dealers found they could maximize their message by pooling funds instead of advertising by themselves. But as GM's market share has declined, there has been heightened concern that the corporation is being outspent by its competitors in terms of advertising expenditures per vehicle, at national and local levels.

"GM is being outspent in the marketplace (in advertising) by $500 million in terms of share of voice; competitors got aggressive and got into GM's market share," said Don Mann, chairman of the Oldsmobile National Dealer Council and owner of Don Mann's Hansel & Ortman, Stockton, Calif. Share of voice means a company's adexpenditures in relation to all advertising in its category.

The Television Bureau of Advertising has been quite vocal in criticizing the domestics — especially GM — for that, claiming that the importers' increased "share of voice" —

Erdman: "You can follow share of voice and share of market and there is a direct correlation."

or the amount they spent as a percentage of spending by all automakers on television ads — has resulted in an increase in car market share for those manufacturers.

The bureau, a trade organization for the television advertising industry, said domestic makers on the other hand have suffered a loss in market share as their share of voice versus their import competitors dropped.

Lloyd Reuss, GM executive vice president in charge of North American operations, disagrees with the theory that GM can increase its share of market by increasing its share of voice. "There's a lot of over emphasis on the share of voice, share of market idea where we're standing — when you're at 40 percent of the market it doesn't make that much difference but when you're at 5 or 10 percent of the market it may apply."

However, some GM marketing executives say the low share of voice level of individual divisions has concerned them.

"We would like to see dealer participation in advertising groups increase so we can increase our share of voice and thus increase our share of market," said Jay Qualman, Buick general director of advertising.

"You can follow share of voice and share of market and there is a direct correlation," said Mike Erdman, Chevy marketing manager.

In fact, in an attempt to leverage more ad dollars locally, Chevrolet will assess a 1 percent charge on the invoice of each Chevrolet vehicle delivered to the dealer beginning in the 1989 model year to fund dealer associations. Fleet orders are excluded.

The money will be given back to the associations to produce campaigns and place ads locally. Chevrolet is the only GM car division that does not have a co-op program; factory money is spent on a regional basis without dealer participation.

The advertising charge will appear on the dealer's invoice as a line charge and will be assessed whether the dealer wants to belong to an association or not. Membership in an association will continue to be voluntary.

Erdman said the 1 percent charge on the invoice will not be a dramatic change for most of the Chevrolet dealer groups since the average dealer contribution is close to 1 percent of the average invoice price anyway. He added that groups can elect to collect up to 2 percent of base invoice.

Chevrolet said if a dealer does not want to belong to a local ad group and does not want the money from his invoice assessment to be given to that ad group, Chevy will collect the money and put it into its regional advertising budget for that area. Agency sources close to Chevrolet say the division could collect approximately $150 million additional under the new collection program since all dealers will be participating instead of the current level of 47 percent.

The program was presented to key dealers several weeks ago and will be explained to the entire dealer body this week. Chevrolet will continue to run factory-funded local advertising and sponsor regional marketing efforts under the new program.

GMC Truck Division is working with Chevrolet to institute a similar program, and sources at other GM car divisions say they will closely monitor the effectiveness of the new collection procedure. But some are doubtful it will work for them.

Some of GM's dealer advertising groups have already adopted the percent of invoice

see CO-OP, page 74

THE CO-OP SCENE

FROM PAGE 73

system to collect ad monies, however some dealers say that if 1 percent of invoice is mandated for all dealers, the large-city dealers could be hurt.

If a dealer group in Los Angeles or New York sells a lot of smaller, lower-priced cars, it may be difficult to pay the high cost of advertising in those cities.

"The 1 percent (of invoice collection) system would not help us out in New York City but it could benefit the rest of the country," said Larry Brostoff, president of the Buick National Dealer Council and owner of Larry Buick, Long Island City, N.Y.

In addition to the collection procedure, one of the most controversial aspects of co-op advertising has been whether dealers have a right to select an agency other than the factory's national advertising agency.

Many agencies have recently begun handling dealer groups because of the desire of the factory to have all of its dealers under one agency. For instance, McCaffrey, McCall began rapid regional expansion when Mercedes instituted its dealer program last year. Similarly, William Esty set up 25 new regional offices to handle all 28 Jeep-Eagle dealer groups when Chrysler Corp. purchased American Motors last year.

In both the Mercedes and Jeep-Eagle situations, dealers were informed that they would not receive factory contributions to their advertising associations if they did not sign up with the factory agency.

In the case of Jeep-Eagle, the announcement met with some resistance from AMC dealers who had previously been able to choose their own agency and receive factory funds. Chrysler disbanded AMC's 65 dealer groups and organized 28 new Jeep-Eagle groups around existing Chrysler Motors sales zones.

"We had some pretty difficult meetings (with the dealers). There were a lot of changes for the dealer and a lot of it was 'Trust me (Chrysler),' " said Robert M. Williams, Jeep-Eagle dealer marketing manager.

"We wanted to use the agency (Esty) because we were launching the Eagle brand. No one was coerced. But after the merger, they thought they'd give it a try," said Williams.

Jeep-Eagle also gave the dealers a carrot: The factory would pay 60 percent of the dealer advertising group's media costs for the 1988 and 1989 model years to launch the Eagle brand if the group went with the factory ad agency. All of the dealers' associations voted to hire William Esty and resign their accounts with several independent shops.

Reuss: "There's a lot of over emphasis on the share of voice, share of market idea where we're standing — when you're at 40 percent of the market it doesn't make that much difference but when you're at 5 or 10 percent of the market it may apply."

Chrysler's factory contribution to Jeep-Eagle dealer advertising will decrease in the 1990 model year. Chrysler is also collecting Jeep-Eagle dealer funds on a 1 percent of invoice basis.

Chrysler Motors' other divisions operate on the same policy with non-factory advertising agencies, although some dealers have voiced their discontent with the system. In fact, two Dodge groups and three Chrysler-Plymouth groups are using independent advertising agencies and do not receive factory funds.

But Chrysler marketing executives said that besides helping to promote a consistent national image, using the factory agency helps the automaker avoid ad-related legal problems and reduces the number of staff people coordinating dealer advertising.

Volkswagen began its Tactical Marketing Associations for its dealers in 1983 and now funnels about $50 million in dealer association and factory support money to its national agency DDB Needham.

"We did it for control, basically. We told the dealers if everyone is making a deposit and no one is making a withdrawal, you have more in your bank account," said Bill Gelgota, VW advertising manager.

Taking a different tack, manufacturers such as Ford, Toyota and Buick allow their dealers to choose the agency of their choice and contribute to the dealer groups regardless of the agency they choose. National advertising agencies for all three manufacturers also handle dealer groups.

Buick and Ford have taken similar positions, although executives from both companies admit that their field staffs are "encouraged" to present the benefits of using McCann-Erickson in the case of Buick or J. Walter Thompson in the case of Ford Division.

"Since working at Lincoln-Mercury where all the dealers use Young & Rubicam for their group advertising, I see tremendous value in having all the dealers singing off the same song sheet. But we don't live in a perfect world and dealers are independent businessmen," said John Vanderzee, Ford Division advertising manager.

Currently, 44 of the 68 Ford Dealer Advertising Fund groups, or FDAFs, hire J. Walter Thompson. The remaining 24 use approximately 18 independent advertising agencies, many of them run by former J. Walter Thompson account representatives.

Hugh Trenkamp, JWT senior vice president and head of the agency's retail FDAF accounts, said JWT began regionalizing itself several years ago in order to get closer to the FDAF groups and their markets. Now, each regional office has its own creative team and account representatives to handle the FDAF.

JWT is trying to win more FDAF business, and has bought ads in the Ford dealer magazine with laudatory quotes from FDAF chairmen who use JWT.

But the results of the effort have been somewhat disappointing. JWT has won two accounts back from independent agencies but at the same time there have been several defections.

At GM, McCann-Erickson is the only national advertising agency among the five car divisions currently handling dealer advertising groups. Other divisions are adamantly opposed to their national agency going after dealer business.

"There is a determined policy not to have D'Arcy, Masius, Benton & Bowles handle the creative executions for dealer marketing associations," said Peg Dilworth, manager of dealer marketing associations for Pontiac. "We feel that the dealers are the best regional marketers."

The 74 independent agencies that handle Chevrolet will be the recipients of the 1 percent of invoice collected from dealers for local advertising.

Reuss said GM will not mandate a policy on factory advertising agencies and dealer groups.

Members of Saturn's dealer advisory board have said they see certain benefits in having new advertising agency Hal Riney & Partners handle all of Saturn's dealer groups.

Despite the freedom to choose independent advertising agencies for creative at GM, the national agencies for Buick, Oldsmobile, Pontiac and Cadillac place ads funded with division money in local media as part of the dealer co-op program. As noted, Chevrolet has no co-op program.

Cadillac has been the only exception to that rule. But beginning in the 1989 model year, Cadillac's national advertising agency — D'Arcy, Masius, Benton & Bowles — will handle all the media buying for $7 million worth of Cadillac-funded ads under the dealer co-op program. Independent agencies will continue to place dealer-group-funded ads in local media.

"We felt that it was an effort to work with our national agency and be more consistent with the rest of the GM divisions. I think that as we understand it, it's the overall efficiency with the GM Media Council leverage," said Peter Levin, Cadillac director of advertising.

But independent agencies say they have more clout with local media representatives and argue that the turnaround time on ads produced by an independent agency is faster than at the larger national agencies.

There has been a concerted effort on the part of the manufacturers whose dealers are using independent agencies to coordinate campaigns with those shops. Manufacturers present their marketing plans at the beginning of the model year so that dealer groups can tie in with national campaigns.

Film footage and music from the national campaign are usually made available to the independent ad shops for use in locally produced commercials. Factories often encourage dealer groups to tie their campaigns into the national theme.

In some cases, factories will increase their contributions if the dealer groups use advertising for specific promotions produced by the factory ad agency.

For instance, Buick paid 50 percent of the dealers' media costs when its dealer groups ran Regal commercials produced by McCann-Erickson in 1987. Toyota also increases its participation when dealers run factory-produced spots during special national sales events.

Daihatsu America, a newcomer to the U.S. auto market, decided to buck the industry trend by not offering a factory program for its dealers.

"When we announced it (no co-op program), our dealers applauded," said C.R. "Dick" Brown, executive vice president of Daihatsu America.

But some Daihatsu dealers are questioning whether the absence of dealer funds for advertising has contributed to the thin advertising budget and disappointing early sales results.

As competition increases in years to come, top automotive marketers are predicting that manufacturers will use co-op advertising in different forms.

Some will try to exert more control over dealer advertising in an attempt to control the manufacturer's image. Others will allow individual dealers to determine what that image should be in specific markets and support campaigns from the agency of their choice.

Said Payton of NADA: "I think the new co-op advertising policies of some factories are something that dealers are going to resist, and that may be our next battleground."

ROVER

FROM PAGE 1

ropean Commission Competition Commissioner Peter Sutherland met July 5 in Brussels, Belgium, to work out remaining differences.

That followed a letter from Prime Minister Margaret Thatcher to European Commission President Jacques Delors asking the commission to render a quick decision in the face of growing nervousness in the United Kingdom.

The stumbling block is apparently the size of the assistance package from the British government. It has proposed to write off £800 million ($1.5 billion) in Rover Group debts as a condition of the sale, while Sutherland reportedly wants the figure cut by £200 million to £300 million.

At issue is whether British Aerospace, which essentially wants a debt-free company, is prepared to accept a smaller cash injection from the government.

Lord Young told reporters last week that the matter will likely be settled before the British Parliament recesses later this month.

According to one report last week, British government officials are worried that the commission is under pressure from the West German government to block the sale to British Aerospace and make possible a VW takeover. VW officials deny any West German interference in the proceedings.

But virtually every large-volume manufacturer in Europe looms as a potential buyer. In the hands of one of the Big 6 automakers, Rover's 3.5 percent share of the European market could sharply change the sales rankings. VW, Fiat, Peugeot, Ford, General Motors and Renault now range in share from 10 to 15 percent.

Acquisition of Rover would make Ford unchallenged in the U.K. market, where it is already No. 1. Rover would provide VW with a new production base outside high-cost Germany and solidify VW's first-place position in Western Europe over Fiat.

Ford's mention on the Jaguar front late last week fueled speculation that if it can't acquire one British company, Rover, because of its strong ties to the government, it would go after the other — Jaguar, in which it could buy a strong position in the public market.

Jaguar stock was up £0.12, to £3.04 ($5.21) a share Thursday as rumors of a takeover gained steam on the London Stock Exchange. On Friday, shares took another jump, to £3.15 ($5.40) a share.

In previous months, prices have held steady in the £2.85 ($4.90) range, a Jaguar spokesman said. The spokesman noted that anyone buying more than 15 percent of Jaguar shares must get approval from the British government. That provision was part of the deal that took Jaguar out of government hands in 1984.

"We have no knowledge of anyone, including Ford, buying our shares," the spokesman said.

A Ford spokesman said the company is not buying Jaguar stock. But he would not comment directly on the possibility of Ford acquiring Jaguar.

The British Aerospace deal has come under criticism from some quarters for excluding proposals from rival bidders. In an interview after the British Aerospace bid was accepted, Ford of Europe Chairman Alex Trotman said Ford discussed making a counter-offer, though he did not reveal the outcome of those deliberations.

YOSHINO

FROM PAGE 1

fast," he said with a laugh, "so there is no need to rush a decision."

This is the third time Yoshino has followed Irimajiri into a new job.

The two entered Honda together in April 1963, the same time as Nobuhiko Kawamoto, now president of Honda research and development. Yoshino and Irimajiri were not only classmates and friends at Tokyo University, they formed a pitcher-catcher battery on the baseball team as well.

And, at Honda — like Irimajiri — Yoshino often has been mentioned as a likely successor to Tadashi Kume as president.

Yoshino spent 15 months in the United States, starting in January 1969, the first Honda man to go to the United States from the r&d division. His mission was to study U.S. exhaust emission standards.

Yoshino says during his earlier time in the United States, he particularly enjoyed the "open-mindedness" of American society.

The great unknown this time is how open-minded Marysville workers will be to Yoshino and his reputation for assembly speed.

The Suzuka plant Yoshino is leaving turns out 1,250 units daily of six different models with 11 variations.

Yoshino has a straightforward explanation for that. "We move fast," he said, "because we have to."

The plant has to keep up with a backlog of demand, Yoshino says. Also, company policy favors high speed, high intensity production.

"That is how we are trained," Yoshino says, from the days of the company's founder, Shoichiro Honda.

In Marysville, increased line speed is already all too familiar, according to several workers. A Honda assembler said the company announced in January the speed of one line would be increased by 50 cars a day — to 365 from 315 cars per shift — by the end of February. Workers were told to find ways to do their jobs more quickly, he said.

The worker said people were having trouble increasing their pace and that, "It actually took them until about May to get to 365." He added: It used to be if you got good enough, you had a few seconds to breathe. Not anymore."

The Marysville worker said there was talk in the plant that the target was 1,750 — 500 more than at Suzuka — cars a day by 1991, and that date was moved up to 1989. The plant now builds about 1,536 a day.

At Honda's and Yoshino's success story in Japan — Suzuka — if there is any one factor that makes such a rapid, intense operation possible, Yoshino suggests it might be age, or rather the lack of it. In Japan, the average age of the Honda worker is 27, he says, about 10 years younger than the competition.

Honda officials say the average age of Marysville workers is 29-30. And one 28-year-old worker there refers to his colleagues as "kids."

At Suzuka, Yoshino emphasizes efficiency in the component supply system, so much so that the average lead time on major items is now approximately 10 days. The goal, Yoshino says, is zero-inventory, with production almost to order.

Yoshino arrives in the United States on Thursday to take up his new position, replacing Irimajiri who has returned to Japan to head all of Honda's worldwide manufacturing.

Automotive News Staff Reporter Louise Kertesz contributed to this report.

SALES

DOMESTIC CAR SALES

	June 21, to June 30, 1988	Same Period 1987	June 1988	Same Month 1987	Jan. 1 to June 30, 1988	Same Period 1987
Alliance	135	1,518	256	2,568	3,696	14,171
Eagle	0	301	0	441	1,392	2,228
Premier	1,752	0	4,471	0	18,488	0
Total Eagle	1,887	1,819	4,727	3,009	23,576	16,399
Horizon	2,507	1,129	5,953	3,690	27,806	34,675
Sundance	4,214	3,593	10,013	9,986	43,179	40,912
Turismo	0	384	0	993	1,115	11,935
Reliant	3,568	2,894	8,191	8,313	65,897	53,962
Caravelle	264	1,709	1,116	4,153	10,287	19,630
Gran Fury	860	258	1,885	826	7,584	3,669
Total Plymouth	11,413	9,967	27,158	27,993	155,666	164,783
Laser	0	108	0	293	0	3,629
LeBaron K	685	2,513	1,725	6,449	14,338	30,004
LeBaron J	4,033	3,387	9,303	8,250	56,931	28,190
LeBaron GTS	589	753	1,427	2,512	8,796	17,717
Fifth Avenue	749	1,128	1,828	3,450	26,396	20,655
New Yorker C	3,705	0	9,342	0	34,524	0
New Yorker E	27	2,226	63	6,133	14,170	30,734
Total Chrysler	9,788	10,115	23,668	27,087	155,157	130,929
Omni	2,525	861	6,178	2,762	26,899	28,134
Shadow	4,017	3,708	9,546	10,283	47,823	38,602
Charger	0	382	0	1,100	1,022	15,802
Daytona	3,454	1,573	8,016	4,298	40,888	16,529
Aries	3,347	2,831	7,871	8,685	56,293	50,671
Lancer	364	550	907	1,706	5,755	13,423
Diplomat	782	502	2,053	1,444	12,227	5,581
Dynasty	2,951	0	8,309	0	37,897	0
Dodge 600	289	1,162	1,075	3,402	9,404	18,495
Total Dodge	17,729	11,569	43,955	33,680	240,208	187,237
CHRYSLER MOTORS	40,817	33,470	99,528	91,739	574,609	499,348
Escort	15,789	12,155	38,588	36,715	192,071	191,592
Mustang	6,205	5,539	15,451	16,105	99,430	96,273
Tempo	10,625	5,347	27,167	21,153	147,088	126,105
Taurus	15,600	10,659	36,800	31,499	210,973	174,980
Thunderbird	4,367	3,915	11,333	12,292	66,432	60,923
Probe	2,632	0	6,890	0	18,837	0
Crown Victoria	5,084	4,791	12,182	12,724	64,104	64,317
Total Ford Div.	60,502	42,406	148,411	130,488	800,935	714,190
Lynx/Tracer	2,158	2,279	5,241	6,927	31,056	32,168
Topaz	4,666	1,623	9,302	5,851	44,657	36,271
Sable	6,158	2,967	12,486	8,483	66,893	47,224
Cougar	4,337	3,535	10,293	10,795	59,788	52,842
Marquis	0	0	0	0	0	2,510
Grand Marquis	4,799	4,381	11,671	12,296	61,020	56,856
Total Mercury	22,118	14,785	48,963	44,352	263,414	227,871
Continental	1,619	473	3,767	1,294	21,562	7,268
Lincoln	4,900	4,050	12,252	12,528	64,388	60,331
Mark VII	788	1,005	1,848	2,678	11,275	13,449
Total Lincoln	7,307	5,528	17,865	16,500	97,225	81,048
Total L-M Division	29,425	20,313	66,828	60,852	360,639	308,919
FORD MOTOR CO.	89,927	62,719	215,239	191,340	1,161,574	1,023,109
Skyhawk	686	1,129	1,795	3,603	15,574	18,906
Somerset Regal	2,766	2,196	6,500	6,284	32,030	36,458
Century	4,587	3,725	10,407	11,819	59,173	74,415
Regal	4,733	1,887	11,774	4,936	63,127	25,708
LeSabre	5,522	4,610	11,877	12,502	79,231	65,913
Reatta	188	0	446	0	1,834	0
Electra	3,468	2,321	7,483	6,597	41,836	36,245
Riviera	255	495	722	1,268	5,187	11,069
Total Buick	22,205	16,363	51,004	47,011	297,792	268,714
Cimarron	186	486	490	1,181	3,697	6,757
Allante	135	78	338	235	1,792	1,093
Seville	963	699	1,798	1,814	10,611	12,407
DeVille	3,744	4,103	9,792	11,143	77,352	71,164
Brougham	1,252	1,540	2,922	4,444	20,385	25,356
Eldorado	1,049	749	2,395	1,943	14,348	10,365
Total Cadillac	7,329	7,655	17,735	20,760	128,185	127,142
Chevette	5	233	13	716	191	15,555
Nova	3,381	7,672	8,147	22,200	62,006	75,577
Cavalier	12,497	7,639	31,317	21,931	156,855	166,865
Camaro	3,866	3,557	10,085	10,995	53,055	68,139
Celebrity	7,884	6,147	22,033	25,797	138,504	178,152
Corsica/Beretta	17,012	11,361	44,376	28,504	222,514	76,906
Monte Carlo	1,105	2,142	2,981	6,391	21,563	31,945
Chevrolet	6,823	5,475	17,669	15,050	89,898	89,118
Corvette	859	757	2,427	2,415	13,544	13,202
Total Chevrolet	53,432	44,983	139,048	133,999	758,130	715,459
Firenza	232	485	480	1,525	6,646	8,370
Calais	4,617	3,286	11,116	9,662	54,832	54,236
Cutlass Ciera	9,615	6,457	22,669	20,833	119,859	128,575
Cutlass Supreme	4,016	3,898	10,059	9,328	54,320	56,260
Olds 88	6,970	5,214	17,385	15,244	94,819	89,296
Olds 98	2,276	2,039	5,752	6,265	38,051	34,254
Toronado	884	965	1,882	2,323	8,898	10,141
Total Oldsmobile	28,610	22,344	69,323	65,180	377,425	381,132
Fiero	1,087	1,213	2,618	3,939	15,689	26,396
1000	0	66	0	201	154	4,123
Sunbird	3,674	2,416	8,922	7,598	45,100	45,677
Firebird	2,701	2,370	6,055	7,969	33,632	42,498
Grand Am	11,245	5,475	25,154	20,279	127,760	111,661
6000	4,759	2,567	11,518	10,303	55,389	64,216
Grand Prix	3,893	284	9,087	883	44,531	9,059
Bonneville H	5,044	0	11,961	0	64,811	0
Paris./Safari	226	2,883	580	9,311	3,804	52,277
Total Pontiac	32,629	17,274	75,895	60,503	390,870	355,907
GENERAL MOTORS	144,205	108,619	353,005	327,493	1,952,402	1,848,354
HONDA	13,576	10,057	30,040	25,015	184,876	154,811
Civic	4,354	4,400	9,175	9,995	48,345	49,801
Accord	9,222	5,657	20,674	15,020	136,531	105,010
MAZDA	1,495	0	2,909	0	14,005	0
NISSAN	6,035	6,045	11,915	13,718	49,957	64,790
TOYOTA	3,066	1,228	5,418	2,586	27,571	16,282
VOLKSWAGEN	2,334	2,514	4,301	4,876	24,939	33,831
DOMESTIC TOTAL	301,485	224,652	722,364	656,727	3,969,933	3,642,525
IMPORT TOTAL			284,200	281,584	1,534,232	1,443,406
INDUSTRY TOTAL			1,006,564	938,311	5,524,165	5,085,931

First-half deliveries climb 8%

Cars and trucks share gains in strong market; domestics shine

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Strong consumer confidence, extended incentives — mainly rebates — and healthy economic indicators created enough momentum to move U.S. car and truck sales ahead 8.59 percent in the first half of 1988.

Enthusiasm prevails among dealers and automotive analysts, who suggest that strong sales should continue despite tight inventories.

And there is still pent-up demand in some regions of the country, according to Jack V. Kirnan, Kidder, Peabody & Co. auto analyst.

"The first six months were very strong for us," said James Hoffer, general manager of Jordan's Automall (Ford-Toyota-Volvo), Mishawaka, Ind.

"The only problem is that we have shortages of certain product lines like Probe," he said. "The final six months will be even better."

Although sales were up for the first half, a Fort Lauderdale, Fla., Cadillac dealer said: "Sales are slow and inventories are low. Eldorado is on the move. I think a rebate available directly to the customer would help."

In spite of lower stocks, total new-vehicle deliveries in the United States from January through June were 8,218,545 units, or nearly 650,000 units stronger than the 7,568,714 vehicles sold in the first six months of 1987.

This year's first-half total includes an estimate of 167,000 medium- and heavy-truck deliveries.

Combined sales of new domestic and imported cars climbed 8.62 percent to 5,524,165 compared with 5,085,931 for the first six months last year. There were 438,234 more cars delivered in the first half this year.

In the first half, domestic-car sales gains surpassed the upturn in import deliveries by more than three percentage points.

Sales of U.S.-built cars pulled ahead 9.54 percent to 3,989,933 units vs. 3,642,525 in the first six months of 1987. The volume gain was 347,408 units.

Sales of imported cars rose 6.29 percent to 1,534,232 from 1,443,406 in the previous year's first half. Import deliveries increased by 90,826 units in the first six months, although the import car share slipped to 27.77 percent from 28.38 percent last year.

Truck deliveries were equally strong in the first half of 1988. Deliveries of light, medium and heavy trucks were estimated at 2,694,380, up 8.52 percent from 2,482,783 in the first six months of 1987. Trucks accounted for 32.78 percent or nearly a third of the total vehicle market.

The Big 3 U.S.-based manufacturers gained a larger share of the U.S. car and light-truck market in the first six months this year. They took 73.85 percent of the total compared with 71.42 percent a

continued →

IMPORTED CAR SALES

	June 1988	June 1987	6 Mos. 1988	6 Mos. 1987
Acura	11,390	9,609	61,303	50,171
Alfa Romeo	485	657	2,708	3,422
Audi	2,422	7,915	11,733	24,687
BMW	6,153	7,711	34,786	42,987
Chevrolet	13,278	10,897	64,347	60,162
Chrysler	1,323	1,147	5,679	6,287
Daihatsu	1,012	0	5,273	0
Dodge	5,039	5,245	28,932	28,578
Ford	6,087	1,492	35,269	2,945
Eagle	678	1,792	8,568	5,570
Honda	21,889	21,469	121,262	132,057
Hyundai	28,041	27,189	148,493	127,056
Isuzu	2,788	4,438	11,595	16,151
Jaguar	1,908	2,192	9,897	10,024
Maserati	79	89	509	518
Mazda	20,227	21,144	116,146	89,573
Mercedes-Benz	8,154	7,273	44,066	45,411
Mercury	1,825	1,432	6,404	5,133
Mitsubishi	6,300	7,755	35,042	34,147
Nissan	35,324	37,013	188,436	211,284
Peugeot	768	755	3,482	4,440
Plymouth	4,824	4,693	26,212	25,774
Pontiac	5,484	3,454	32,434	3,454
Porsche	1,554	2,200	8,807	12,824
Saab	3,636	4,279	19,341	22,087
Sterling	715	1,160	4,947	6,381
Subaru	15,000	14,343	75,724	77,514
Toyota	54,906	47,584	283,478	242,717
Volkswagen	11,945	12,813	73,194	62,855
Volvo	9,153	9,083	49,621	61,964
Yugo	2,013	4,761	16,544	27,033
TOTAL	284,200	281,584	1,534,232	1,443,406

Sales charts compiled by Karen Dekowski

U.S. CAR SALES BY MARKETING UNITS

	June 1988	Percent Share	June 1987	Percent Share	6 Mos. 1988	Percent Share	6 Mos. 1987	Percent Share
Alfa Romeo	485	0.05%	657	0.07%	2,708	0.05%	3,422	0.07%
American Honda	63,328	6.29%	56,093	5.98%	367,441	6.65%	337,039	6.63%
BMW	6,153	0.61%	7,711	0.82%	34,786	0.63%	42,987	0.85%
Buick	51,004	5.07%	47,011	5.01%	297,792	5.39%	268,714	5.28%
Cadillac	17,735	1.76%	20,760	2.21%	128,185	2.32%	127,142	2.50%
Chevrolet	152,326	15.13%	144,896	15.44%	822,477	14.89%	775,621	15.25%
Chrysler	25,011	2.48%	28,234	3.01%	160,836	2.91%	137,216	2.70%
Daihatsu	1,012	0.10%	0	0.00%	5,273	0.10%	0	0.00%
Dodge	48,994	4.87%	38,925	4.15%	269,140	4.87%	215,815	4.24%
Eagle	5,405	0.54%	4,801	0.51%	32,144	0.58%	21,969	0.43%
Ford	154,498	15.35%	131,980	14.07%	836,204	15.14%	717,135	14.10%
Hyundai	28,041	2.79%	27,189	2.90%	148,493	2.69%	127,056	2.50%
Isuzu	2,788	0.28%	4,438	0.47%	11,595	0.21%	16,151	0.32%
Jaguar	1,908	0.19%	2,192	0.23%	9,897	0.18%	10,024	0.20%
Lincoln	17,865	1.77%	16,500	1.76%	97,225	1.76%	81,048	1.59%
Maserati	79	0.01%	89	0.01%	509	0.01%	518	0.01%
Mazda	23,136	2.30%	21,144	2.25%	130,151	2.36%	89,573	1.76%
Mercedes	8,154	0.81%	7,273	0.78%	44,066	0.80%	45,411	0.89%
Mercury	50,788	5.05%	45,784	4.88%	269,818	4.88%	233,004	4.58%
Mitsubishi	6,300	0.63%	7,755	0.83%	35,042	0.63%	34,147	0.67%
Nissan	47,239	4.69%	50,731	5.41%	238,393	4.32%	276,074	5.43%
Oldsmobile	69,323	6.89%	65,180	6.95%	377,425	6.83%	381,132	7.49%
Peugeot	768	0.08%	755	0.08%	3,482	0.06%	4,440	0.09%
Plymouth	31,782	3.16%	32,656	3.48%	181,880	3.29%	190,557	3.75%
Pontiac	81,379	8.08%	63,957	6.82%	423,304	7.66%	359,361	7.07%
Porsche	1,554	0.15%	2,200	0.23%	8,807	0.16%	12,824	0.25%
Saab	3,636	0.36%	4,279	0.46%	19,341	0.35%	22,087	0.43%
Sterling	715	0.07%	1,160	0.12%	4,947	0.09%	6,381	0.13%
Subaru	15,000	1.49%	14,343	1.53%	75,724	1.37%	77,514	1.52%
Toyota	60,324	5.99%	50,170	5.35%	311,049	5.63%	260,999	5.13%
Volvo	9,153	0.91%	9,083	0.97%	49,621	0.90%	61,964	1.22%
VWoA	18,668	1.85%	25,604	2.73%	109,866	1.99%	121,573	2.39%
Yugo	2,013	0.20%	4,761	0.51%	16,544	0.30%	27,033	0.53%
TOTAL	1,006,564	100.00%	938,311	100.00%	5,524,165	100.00%	5,085,931	100.00%
TOTAL GM	371,767	36.93%	341,804	36.43%	2,049,183	37.10%	1,911,970	37.59%
TOTAL FORD	223,151	22.17%	194,264	20.70%	1,203,247	21.78%	1,031,187	20.28%
TOTAL CHRYSLER	111,192	11.05%	104,616	11.15%	644,000	11.66%	565,557	11.12%
TOTAL JAPANESE	219,127	21.77%	204,674	21.81%	1,174,668	21.26%	1,091,497	21.46%
TOTAL EUROPEAN	53,286	5.29%	65,764	7.01%	304,574	5.51%	358,664	7.05%
TOTAL KOREAN	28,041	2.79%	27,189	2.90%	148,493	2.69%	127,056	2.50%

Big 3 totals include their captive imports.
Percent share may contain error of one or two points due to rounding.

FROM PAGE 75

year ago.

General Motors' share, including captive imports and light trucks, rose about half a percentage point to 35.46 percent vs. 34.93 percent in the 1987 first half.

GM's total vehicle sales grew 10.26 percent or 271,243 units to 2,914,067, compared with 2,642,824 cars and light trucks a year ago.

Ford Motor Co. took nearly a fourth (23.97 percent) of combined car and light-truck sales in the first six months. Ford sold 1,970,173 cars and light trucks in the first half.

That was an increase of 13.16 percent or 229,056 units over last year's first half. Its market share was 23.00 last year.

Chrysler Motors' share of the car and light truck market (including captives) also rose almost a percentage point.

Chrysler took 14.42 percent of the vehicle market in the first half compared with 13.49 percent in the year-ago period. Chrysler delivered 1,185,342 vehicles vs. 1,020,802. That was a gain of 16.12 percent or 64,740 more cars and trucks.

Two of the four Japanese carmakers with transplant operations reported increased car and light truck sales for the first six months.

Honda juggled delivery gains and losses in the first half to reap an overall sales gain of 9.02 percent. Transplant sales surged ahead 19.42 percent in the first half and import deliveries dropped 8.17 percent below last year's first six months.

MARKET SHARES, JUNE 1988

	Total Sales	Pct. of Total
SUBCOMPACT	90,884	9.03
COMPACT	203,634	20.23
INTERMEDIATE	294,725	29.28
STANDARD	127,292	12.65
SPECIALITY	5,829	0.58
IMPORT	284,200	28.23
TOTAL	1,006,564	100.00

Honda's market share in the United States crept up to 4.47 percent vs. 4.45 percent in the comparable year ago period.

Among Japanese makers, Toyota sold the most vehicles in the first half. Total car and light-truck sales rose 3.99 percent in the first six months, although Toyota's market share slipped from 5.49 percent to 5.26 percent.

Sales of Toyota vehicles built by New United Motor Manufacturing Inc. rose 50.81 percent to 27,571 in the first half.

Nissan's market share slid to 3.93 percent from 5.17 percent a year ago, and its total sales of U.S.-built and imported cars and light trucks tumbled 17.50 percent in the first six months.

Those three Japanese companies held 13.66 percent of the U.S. car and light-truck market in the first half compared with 15.11 percent in the first half of 1987. All other foreign carmakers accounted for 12.49 percent of the 1988 market.

The fourth transplant, Mazda, sold 14,005 U.S.-built vehicles in the first half. It began producing cars in Flat Rock, Mich., in September 1987. Mazda's import-vehicle deliveries rose 29.67 percent in the first six months of 1988.

U.S. and import car manufacturers posted moderate sales gains in the second quarter of 1988. Car deliveries were 2,876,037, up 4.47 percent, or almost 113,000 units over last year's.

GM's import and domestic car sales were up 2.72 percent. Ford's deliveries rose 11.05 percent and Chrysler sold 8.75 percent more cars in the second quarter.

Japanese car sales improved 7.20 percent in the second three months and Korean deliveries were 9.27 percent stronger than in the second quarter of 1987.

European car sales fell 21.33 percent in the second quarter.

The two top-selling vehicles in the first six months of 1988 were both trucks. Ford's F-series pickup was the sales volume leader in the first half. Chevrolet's full-sized pickup took second place.

Ford Taurus ranked third, followed by Ford Escort and Honda Accord held fifth place.

For the first six months, five of the eight U.S. car manufacturers reported gains in domestic deliveries. GM's first-half domestic car sales rose 5.63 percent above last year's comparable period. Buick and Pontiac sales and market share improved. Cadillac and Chevrolet sold more cars but lost market share. Oldsmobile's sales and share lagged behind last year's first half.

Ford's domestic-car sales climbed 13.53 percent in the first half and Ford Division outsold Chevrolet in the first six months. Ford Division delivered 800,935 U.S.-built cars while Chevrolet sold 758,130 in the first half.

Chrysler's car sales rose 15.07 percent or 75,261 units in the first half. Dodge Division car and truck sales were the best ever according to the company.

Transplant sales for Honda and Toyota climbed dramatically in the first six months. Honda's U.S.-built car sales rose 19.42 percent, and Toyota's transplant deliveries climbed 50.81 percent. Nissan's transplant sales declined 22.89 percent and Volkswagen's U.S. built deliveries dropped 26.28 percent compared to last year's first half. Mazda sold 14,005 U.S.-built cars.

Import-car makers sold 6.29 percent more cars in the first six months this year. Big gains were reported by Honda's Acura Division, up 22.20 percent; Mazda, up 29.67 percent, Hyundai, up 16.87 percent. A big loser was Audi, down 52.85 percent.

Domestic-car deliveries finished the first half with a flourish. June 21-30 domestic deliveries swelled 34.19 percent.

The full month's sales of U.S.-built and import cars were up 7.27 percent. Total car sales in June were 1,006,564 compared with 938,311 a year ago. Domestic sales jumped 9.99 percent to 722,364 from 656,727 last year. Imports edged up 0.93 percent to 284,200 from 281,584 a year ago.

Trucks rocket to record; 2.7 million for first half

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Domestic truck sales turned in a stellar first-half performance, putting the industry in line for model-year and calendar-year records.

Truck manufacturers retailed 2,694,380 trucks, including an estimated 167,000 mediums and heavies, during the first six months of this year, 8.52 percent above last year's total, the previous record.

Sales in the first half ran at an annualized rate of 5.3 million units, according to Detroit auto company analysts.

They now feel fairly sure that sales will hit 5.2 million in the 1988 model year and believe the industry also is squarely in line for 12 million in the calendar year.

For the 1988 model year to date, with three months remaining, truck manufacturers have retailed about 3.9 million units.

They retailed 4.97 million in the entire 1987 model year and 4.96 million in the 1987 calendar year. Both are records.

Light-duty trucks, with 2,527,380 sales in the first half of calendar 1988, are the major driving force behind the industry's upturn. They were up 7.89 percent from 2,342,525 in first six months of 1987.

The industry also retailed an estimated 167,000 medium and heavy trucks, up 19.07 percent from 140,258 in the first six months of calendar 1987.

Light-truck inventories at the end of June were a bit thin but were adequate to continue the industry's current sales pace.

Ford, for example, had a 57-day supply of trucks at the end of June; Chrysler, 55 days; and Jeep, 65 days. Chevrolet was estimated to have about a 60-day supply.

U.S.-based light-truck manufacturers picked up about 5 percentage points of market share during the first half, as higher import prices, triggered by the yen/dollar situation, continued to hurt foreign-based manufacturers, particularly in their high-volume pickup lines.

U.S.-based light-truck manufacturers captured 85.98 percent of the market during the first six months of this year, up from 80.94 percent in like 1987.

Conversely, the foreign-based manufacturers' share dropped to 14.02 percent from 19.06 percent a year earlier.

All U.S.-based manufacturers except Ford, which was selling at capacity last year, showed double-digit percentage increases in their sales during the six-month period.

Jeep had the largest gain, with sales of 124,104 trucks, up 22.24 percent from a year earlier.

GMC had an 18.83 percent gain on light-duty truck sales of 181,142 during the six-month period.

Chevrolet posted an 18.21 percent gain on sales of 683,742 light-duty trucks.

Chrysler was up 17.96 percent on sales of 417,238 light trucks, and Ford had an 8.03 percent gain on sales of 766,926.

Collectively, foreign-based firms retailed 354,228 light trucks during the six months, down 20.66 percent from a year earlier.

Full-sized pickups continued to be the comeback story of the year and the major source of strength for Ford and Chevrolet.

Ford's F series accounted for nearly 41 percent of its light-truck total, with sales of 312,847, up 15.42 percent over last year.

Chevrolet's new C/K and older R/V full-sized pickups, with 263,774 sales, rose 27.65 percent over the year-earlier total.

LIGHT-DUTY TRUCK SALES

	June 1988	June 1987	6 Mos. 1988	6 Mos. 1987
Vans	17,387	17,826	98,894	93,222
Aerostar	15,144	17,245	95,316	80,808
Club Wagon	2,781	2,548	15,135	14,648
Ranger	29,155	32,677	155,282	168,459
Bronco	4,763	4,388	27,788	25,127
Bronco II	11,484	12,087	61,664	56,607
Pickups	54,740	48,256	312,847	271,059
Ford	**135,454**	**135,027**	**766,926**	**709,930**
Vans	11,179	10,738	69,148	53,705
Sportsvan	1,233	1,049	8,012	6,264
Astro	16,744	15,903	87,746	75,153
S-10	23,247	22,303	122,894	115,709
S-10 Blazer	15,326	13,837	82,922	72,285
El Camino	7	1,326	412	6,696
Blazer	2,001	2,813	14,643	14,649
Suburban	6,788	5,979	34,191	27,318
Pickups	47,906	39,577	283,774	206,638
Chevrolet	**124,431**	**113,825**	**683,742**	**578,417**
Vans	5,563	7,632	31,936	35,435
Ram Wagon	2,601	3,735	14,237	16,863
Voyager	21,736	15,855	105,119	64,091
Caravan	22,768	16,800	113,108	68,375
Mini Ram Van	2,531	1,388	10,732	6,890
Ram 50	5,127	6,190	32,165	35,086
Raider	564	1,805	3,508	8,932
Ramcharger	1,373	2,301	10,179	12,500
Dakota	8,266	11,689	49,914	53,824
Pickups	7,834	9,738	46,342	51,725
Chrysler	**78,383**	**77,133**	**417,238**	**353,721**
Vans	3,862	3,768	25,018	19,395
Safari	3,292	3,540	18,000	16,316
S-15	4,689	4,855	25,889	24,556
S-15 Jimmy	3,728	3,511	20,109	17,782
Jimmy	523	811	4,021	4,100
Caballero	4	190	60	857
Suburban	2,149	1,884	11,948	9,559
Pickups	13,280	11,182	73,206	56,386
P Model	380	403	2,161	2,790
W-4	146	124	730	696
GMC	**32,053**	**30,268**	**181,142**	**152,437**
Wrangler/CJ	4,848	3,318	21,708	15,083
Wagoneer	700	1,149	4,489	6,395
Cherokee	12,527	10,010	70,291	52,664
Grand Wagoneer	1,213	1,206	6,546	6,349
Comanche	3,551	4,427	20,849	20,164
J-10/J-20	0	228	221	869
Jeep	**22,839**	**20,338**	**124,104**	**101,524**
Toyota	20,461	25,182	121,309	154,755
Nissan	14,746	23,029	84,661	115,493
Mazda	7,676	11,184	52,125	60,523
Isuzu	7,554	7,115	39,196	45,606
Mitsubishi	3,316	5,109	24,131	25,488
Suzuki	2,199	7,479	31,221	42,912
Subaru	0	62	9	997
Range Rover	209	253	1,576	722
Imports	**56,161**	**79,413**	**354,228**	**445,496**
Industry Total	**449,361**	**455,704**	**2,527,380**	**2,342,525**

Compiled by Karen Dethowski

June sales plunge 70% for Suzuki

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — Suzuki dealers are struggling to cope with a 70 percent nosedive in sales of the Samurai after Consumers Union labeled the sport-utility vehicle "unsafe."

The company sold 2,199 units last month in the United States compared with 7,479 in June 1987. Sales in May were 6,074.

While dealers maintain that Samurai owners seem to be happy with the vehicles despite their tarnished reputation, they admit that isn't helping draw buyers.

In an attempt to attract customers, Stillman Suzuki in Englewood, N.J., for instance, is offering a "Try Before You Buy" campaign in which customers can rent a Samurai for up to a week before deciding whether to buy one.

"Frankly, it's not brought a lot of people in, but it has generated some interest," said Dick Brahs, general manager for Stillman Suzuki. The dealership's radio ads tout an inventory of "more than 200" Samurais to choose from, but Brahs conceded that number is about twice what he would like.

Customers with a valid New Jersey driver's license can rent a Samurai for $150 for a weekend or $375 for a week, provided they leave a $500 deposit. If the customer decides to buy the Samurai, the money goes toward the purchase, Brahs said.

Some of Suzuki's biggest U.S. dealers last week said they are interested in the "Try Before You Buy" idea, but they're waiting for word from Suzuki of America Automotive Corp. in Brea, Calif., before embarking on any programs of their own.

"We have not as yet resorted to any particular program to counteract the bad publicity," said Eric Jones, general manager of Courtesy Suzuki in Tampa, Fla. "The corporation is supposed to release some information as to exactly what our posture is going to be."

Brahs said dealers have been told to expect "some kind of statement" from Suzuki in the next week to 10 days. "Whether that's going to be a marketing program, or some kind of statement opposing Consumers Union, I have absolutely no idea," he said.

A Suzuki spokesman at the company's public relations agency in Los Angeles said he was "not aware of any program Suzuki is putting together with its dealers."

"Dealers have inventory to sell," Brahs said. "We believe we have a safe product, and it's up to the dealers to move it."

Dealers said despite the drop in sales, people who already own Samurais remain loyal customers.

"Owners of Suzukis have banded together," said Mike Guinn, sales manager for Red Bird Suzuki in Duncanville, Texas.

"We're getting support from those you'd expect it from least, the owners. You'd think they'd be terrified, beating our doors down, but we've got them banding together instead," Guinn said.

One of Red Bird Suzuki's customers, Kenneth George, 26, has gone so far as to have bumper stickers printed that say, "I'm Proud of My Samurai."

PRODUCTION

Auto output nudges up to 161,502

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Last week's scheduled domestic auto production of 161,502 increased slightly (0.95 percent) over the prior week's 159,987 and doubled the year-ago week's 80,517 when Ford Motor Co. plants were idle for vacation.

So far this year, 3,795,261 cars have been assembled, 3.81 percent below the 3,945,521 completed last year at this point.

Companies split last week's targeted auto output as follows: General Motors, 48.55 percent; Ford, 26.15 percent; Chrysler Motors, 14.37 percent; Honda of America Manufacturing Inc., 4.63 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 1.85 percent; New United Motor Manufacturing Inc., 1.61 percent; Nissan Motor Manufacturing Co. U.S.A., 1.60 percent; and Volkswagen of America, 1.24 percent.

Truckmakers scheduled production of 75,874 units last week, 8.35 percent below the previous week's 82,788 but more than double the year ago week's 31,557.

All Ford car and truck plants will be closed this week and next for vacation. Output is slated to resume July 18.

Honda, NUMMI and Nissan plants are idle until July 11 for vacation.

GM's Fiero plant in Pontiac, Mich., is down until July 11 for inventory adjustment.

GM announced it will move production of certain light-duty truck models from its Janesville, Wis., plant to its Flint, Mich., plant next spring to make space for a new medium-duty truck scheduled to be built at Janesville. About 650 workers will be recalled at the Flint facility.

All assembly plants are closed today in observance of Independence Day.

Holiday cuts Canadian build

Car and truck production in Canada last week fell below the previous week's total because of the Canada Day holiday, which was celebrated on Friday.

Last week's targeted car production of 20,803 dipped 14.04 percent from the prior week's 24,200 but rose 56.58 percent from the year-ago week's 13,286.

The year-ago week's output was affected by the Canada Day holiday and downtime at Ford Motor Co. plants for vacation.

So far this year, 615,437 cars have been built, 42.42 percent more than the 432,124 assembled last year at this point.

Last week's scheduled truck production of 15,090 dipped 24.84 percent from the prior week's build of 20,077 but increased 12.29 percent over the year-ago week's 13,439.

Year-to-date, 494,444 trucks have been assembled, 14.96 percent more than the 430,092 completed last year at this time.

Honda of Canada Manufacturing Inc. closed its plant in Alliston, Ontario, this week for vacation. Production is slated to resume on July 11.

U.S. CAR	Week Ended July 2, 1988	Week Ended July 4, 1987	Week Ended June 25, 1988	June Est.	Jan. 1 to July 2, 1988	Jan. 1 to July 4, 1987
Alliance	0	0	0	0	0	15,539
Total Eagle	0	0	0	0	0	15,539
Horizon	2,000	0	2,510	9,866	51,015	32,997
Sundance	2,600	1,325	0	8,960	54,482	54,308
Reliant	2,000	430	2,151	11,772	56,495	61,096
Caravelle	0	758	0	451	9,743	28,922
Gran Fury	300	62	524	1,777	7,536	2,363
Total Plymouth	6,900	2,575	5,185	32,827	179,273	179,686
LeBaron K	0	0	0	0	7,955	42,276
LeBaron J	2,000	2,871	1,716	9,602	41,593	64,402
LeBaron GTS	200	662	0	885	4,815	22,987
N. Yorker E-Class	0	1,513	0	0	0	45,358
N. Yorker C-Class	2,700	0	2,853	12,177	63,380	0
Fifth Avenue	300	1,092	349	1,364	15,314	22,776
Total Chrysler	5,200	6,136	4,918	24,028	131,357	197,801
Omni	2,000	0	2,363	9,602	50,487	28,363
Daytona	2,000	1,362	1,699	9,473	40,524	31,694
Shadow	2,300	1,548	0	7,919	55,515	55,560
Aries	2,000	379	1,881	10,574	48,330	58,257
Dodge 600	0	728	0	436	8,558	25,764
Dynasty	2,200	0	2,232	9,786	57,871	0
Lancer	200	468	0	597	5,204	14,466
Diplomat	400	319	408	1,761	11,701	4,277
Total Dodge	11,100	4,804	8,603	50,148	278,190	218,381
CHRYSLER MOTORS	23,200	13,517	18,706	107,003	588,820	611,407
Escort	9,613	0	9,742	41,534	203,190	191,122
Mustang	4,518	0	4,528	18,578	110,724	110,229
Tempo	3,983	0	3,701	16,711	103,382	97,181
Taurus	9,789	0	9,599	40,206	214,981	218,716
Thunderbird	3,266	0	3,331	15,172	84,921	84,854
Total Ford Div.	31,169	0	30,901	132,201	717,198	702,102
Lynx	0	0	0	0	0	20,018
Topaz	1,510	0	1,451	6,464	38,749	32,207
Cougar	3,259	0	3,121	11,859	64,467	78,792
Sable	3,050	0	3,117	12,810	74,233	69,473
Total Mercury	7,819	0	7,689	31,133	177,449	200,490
Continental	718	0	912	3,878	23,746	9,364
Mark VII	365	0	485	2,002	13,029	13,928
Lincoln	2,166	0	2,817	11,891	75,730	70,236
Total Lincoln	3,249	0	4,214	17,771	112,505	93,528
Total L-M Division	11,068	0	11,903	48,904	289,954	294,018
FORD MOTOR CO.	42,237	0	42,804	181,105	1,007,152	996,120
Skyhawk	16	651	5	21	11,374	16,472
Skylark/Somerset	1,662	611	1,544	6,746	26,608	37,414
Century	3,360	2,707	3,653	15,293	60,574	94,982
Regal (rwd)	0	766	0	0	0	24,262
Riviera	128	30	120	594	3,595	8,268
Electra	2,097	1,787	2,241	9,736	47,202	52,923
LeSabre (fwd)	2,500	3,746	2,485	10,639	66,127	72,882
LeSabre (rwd)	175	75	234	925	5,226	5,269
Reatta	217	0	173	837	3,257	0
Total Buick	10,175	10,575	10,455	44,790	223,963	312,472
Cimmaron	0	46	0	0	3,696	7,605
Eldorado	1,006	105	1,018	4,664	23,092	10,668
Seville	601	105	605	2,786	14,319	12,860
Brougham (rwd)	410	734	483	2,205	18,466	38,711
Deville (fwd)	3,540	2,916	3,365	14,869	94,384	84,002
Allante	0	121	0	87	1,135	2,230
Total Cadillac	5,557	4,027	5,471	24,612	155,092	156,076
Cavalier	7,625	3,964	8,997	36,093	187,778	193,045
Camaro	2,480	3,119	2,353	10,374	47,429	59,298
Celebrity	5,315	4,493	5,137	22,442	100,338	180,777
Corsica/Beretta	9,270	5,565	9,484	39,944	216,939	147,182
Monte Carlo	0	826	0	0	0	37,875
Caprice	4,522	824	5,427	22,171	106,839	100,254
Corvette	443	513	443	1,905	11,176	15,936
Total Chevrolet	29,955	19,324	31,841	132,929	670,499	734,367
Calais	3,118	2,682	2,758	12,968	63,571	71,179
Firenza	0	604	0	0	5,220	6,888
Cutlass Ciera	2,000	2,411	1,820	7,396	10,220	98,846
Cutlass Supreme	4,165	1,589	3,892	17,243	108,282	38,769
Toronado	405	76	413	1,888	9,999	9,964
88 (fwd)	3,394	2,922	3,375	15,201	87,994	101,146
88 (rwd)	140	290	121	594	6,121	9,988
Olds 98	1,592	969	1,543	6,753	43,162	36,669
Total Oldsmobile	14,814	11,563	13,922	62,043	334,569	377,047
Sunbird	2,179	0	2,219	9,829	56,738	58,876
Grand Am	5,280	4,198	5,994	23,800	130,458	136,848
Firebird	1,600	1,735	1,560	6,875	34,414	42,705
Grand Prix	3,885	0	3,730	15,633	68,442	0
Pontiac 6000	1,595	1,646	1,597	6,751	40,952	43,795
Bonneville	2,753	2,861	2,777	12,274	60,849	71,045
Safari/Parisienne	103	109	42	384	4,239	5,759
Fiero	514	0	498	1,900	10,650	20,229
Total Pontiac	17,909	10,549	18,417	77,446	406,742	379,257
GENERAL MOTORS	78,410	56,038	80,106	341,818	1,790,865	1,959,219
HONDA	7,480	6,550	7,597	32,366	191,313	170,036
Civic	2,380	2,150	2,461	10,367	52,405	57,543
Accord	5,100	4,400	5,136	21,999	138,908	112,493
MAZDA†	2,992	0	2,862	11,528	47,850	0
NISSAN	2,583	0	2,782	11,432	53,471	67,784
NUMMI	2,600	3,247	3,329	13,620	82,900	99,805
Corolla	960	711	1,191	4,990	30,442	20,682
Nova	1,640	2,536	2,138	8,631	52,458	79,123
VOLKSWAGEN	2,000	1,165	1,801	8,358	32,890	41,150
Golf/GTI	2,000	915	1,801	8,358	27,337	34,799
Jetta	0	250	0	0	5,553	6,351
Total Cars, U.S.	161,502	80,517	159,987	707,231	3,795,261	3,945,521
Total Cars, Canada	20,803	13,286	24,200	108,700	615,437	432,124
U.S., Canada Cars	182,305	93,803	184,187	815,931	4,410,698	4,377,645
U.S., Canada Cars and Trucks	273,269	138,799	261,0521	262,204	7,089,885	6,729,924

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended July 2, 1988	Week Ended July 4, 1987	Week Ended June 25, 1988	June Est.	Jan. 1 to July 2, 1988	Jan. 1 to July 4, 1987
Eagle	0	—	0	0	0	—
Premier	881	—	0	3,318	34,450	—
CHRYSLER MOTORS	881	88	0	3,318	34,450	2,966
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	2,628	—	3,241	14,010	101,993	—
Topaz	1,308	—	1,635	6,703	36,448	—
Crown Victoria	2,216	—	2,841	11,916	71,824	—
Grand Marquis	2,290	—	2,911	12,296	71,831	—
FORD MOTOR CO.	8,442	6,780	10,628	44,926	282,096	274,660
Celebrity	566	—	572	2,685	11,788	—
Cutlass Ciera	5,734	—	6,269	29,834	147,586	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	1,120	—	1,490	6,206	29,195	—
Regal	3,040	—	3,976	16,283	87,124	—
GENERAL MOTORS	10,460	5,908	12,307	55,008	275,693	143,209
Civic	840	—	1,090	4,569	7,168	—
Accord	0	—	0	91	12,315	—
HONDA	840	330	1,090	4,660	19,483	5,799
VOLVO	180	180	175	787	3,715	5,490
Total Cars, Canada	20,803	13,286	24,200	108,700	615,437	432,124

U.S. TRUCK☆	Week Ended July 2, 1988	Week Ended July 4, 1987	Week Ended June 25, 1988	June Est.	Jan. 1 to July 2, 1988	Jan. 1 to July 4, 1987
Caravan	1,600	—	1,964	8,660	52,134	—
Dakota	2,000	—	1,932	8,634	59,737	—
Mini-Ram Van	150	—	309	1,367	8,160	—
Pickups	2,000	—	1,915	8,523	38,418	—
Total Dodge	5,750	4,827	6,120	27,184	158,449	145,222
Cherokee	3,700	—	4,381	17,702	95,804	—
Commanche	800	—	921	3,870	24,448	—
Grand Wagoneer	300	—	350	1,458	7,930	—
Pickups	0	—	0	0	0	—
Wagoneer	150	—	0	701	6,386	—
Total Jeep	4,950	0	5,652	23,731	139,768	108,738
Voyager	1,600	—	1,533	7,730	47,942	—
Total Plymouth	1,600	—	1,533	7,730	47,942	—
CHRYSLER MOTORS	12,300	4,827	13,305	58,646	346,159	253,960
Aerostar	0	—	4,374	14,213	109,133	—
Bronco	1,274	—	1,515	5,761	32,437	—
Bronco II	2,507	—	1,926	10,153	69,832	—
Econoline	4,662	—	5,190	21,784	130,907	—
Heavy trucks	0	—	1,442	5,476	35,060	—
Light trucks	10,413	—	10,107	43,893	266,818	—
Ranger	7,884	—	6,482	32,354	191,464	—
Total Ford Div.	26,740	0	31,036	133,633	834,751	761,053
FORD MOTOR CO.	26,740	0	31,036	133,633	834,751	761,053
Astro	3,283	—	3,611	15,008	89,370	—
Blazer	554	—	563	2,563	14,581	—
Mediums/Heavies	180	—	390	1,425	9,181	—
P-Model	842	—	848	3,673	20,646	—
Pickups	6,633	—	6,981	30,603	175,234	—
S-10	5,479	—	5,485	26,108	151,402	—
S-10 Blazer	3,601	—	3,370	16,280	87,316	—
Sportsvan/Van	1,951	—	2,017	9,108	45,878	—
Suburban	1,486	—	1,392	6,819	38,658	—
Total Chevrolet	24,011	17,176	24,657	111,587	632,266	585,492
Jimmy	129	—	92	592	4,233	—
Mediums/Heavies	920	—	691	3,158	20,830	—
P-Model	178	—	172	708	3,079	—
Pickups	2,007	—	2,400	8,775	54,024	—
S-15	1,359	—	1,231	5,658	35,027	—
S-15 Jimmy	851	—	854	3,835	22,492	—
Safari	803	—	872	3,693	22,789	—
Suburban	564	—	577	2,666	17,820	—
Vandura/Rally Vans	516	—	726	2,609	18,728	—
Total GMC	7,327	5,461	7,617	31,693	199,022	197,331
GENERAL MOTORS	31,338	22,637	32,274	143,280	831,288	762,823
NAVISTAR	1,495	1,343	1,855	7,680	45,649	39,858
NISSAN	1,251	0	1,568	6,667	55,946	40,543
AM GENERAL*	450	450	450	1,980	11,610	6,450
MISCELLANEOUS*	2,300	2,300	2,300	10,120	59,340	57,500
Total Trucks, U.S.	75,874	31,557	82,798	362,007	2,184,743	1,922,187

CANADIAN TRUCK	Week Ended July 2, 1988	Week Ended July 4, 1987	Week Ended June 25, 1988	June Est.	Jan. 1 to July 2, 1988	Jan. 1 to July 4, 1987
Caravan	2,104	—	2,967	12,321	76,459	—
Mini-Ram Van	214	—	314	1,334	7,582	—
Ram Wagon	423	—	561	2,360	13,020	—
Ram Van	1,217	—	1,488	6,269	33,613	—
Total Dodge	3,958	5,255	5,330	22,283	130,674	214,123
Voyager	1,778	—	2,526	10,846	69,733	—
Total Plymouth	1,778	—	2,526	10,846	69,733	—
Wrangler	679	—	1,071	4,232	25,946	—
Total Jeep	679	627	1,071	4,232	25,946	17,524
CHRYSLER MOTORS	6,415	5,882	8,927	37,361	226,353	231,647
FORD MTR. (lt. trks.)	3,040	2,932	3,550	15,176	91,503	82,673
Light trucks	2,523	—	3,512	13,384	78,953	—
Vans	1,068	—	1,472	6,364	32,748	—
Total Chevrolet	3,591	—	4,984	19,747	111,701	—
Light trucks	1,317	—	1,719	8,269	41,847	—
Vans	492	—	639	2,576	17,175	—
Total GMC	1,809	—	2,358	10,845	59,022	—
GENERAL MOTORS	5,400	4,442	7,342	30,592	170,723	110,667
NAVISTAR	235	183	258	1,137	5,865	5,105
Total Trks., Canada	15,090	13,439	20,077	84,266	494,444	430,092
U.S., Canada Trks.	90,964	44,996	102,885	446,273	2,679,187	2,352,279

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News

July 11, 1988

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63rd year—$55.00 per year, $1.50 per copy

Makers now call tune on co-op ads

New fees, control tie dealers' hands

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

For some car and truck makers, cooperative advertising was a marriage made in heaven: Manufacturers spent millions from their advertising budgets in local markets and their dealers in those markets chipped in based on sales.

But something happened to that state of wedded bliss.

Manufacturers — facing escalating advertising costs and a host of new competitors — are changing the traditional co-op relationship with their dealers. New strings are being attached to factory market support dollars, and new policies are being adopted to amplify national messages at the local level.

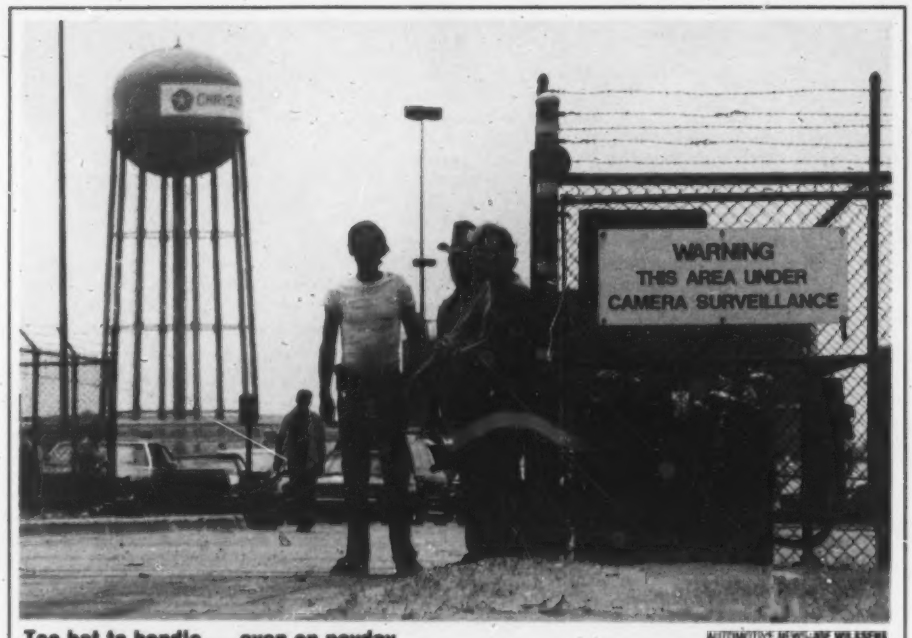
Already, some are saying this could be the next big factory-dealer battleground.

Some dealer groups are asking factories to help fund advertising campaigns that the makers believe are low-quality and inconsistent with the image being created by the national campaign. Individual dealers in some areas are refusing to join advertising groups, forcing participating dealers to foot the entire bill for local campaigns while the non-participants share in the benefits.

And several manufacturers are now requiring their dealers to use factory advertising to receive factory funding or higher factory contributions. Others are requiring dealer groups to promote specific models in order to receive factory funds or higher factory contributions.

In fact, at this week's 1989 new-product meetings across the country, Chevrolet will tell its dealers about the extent of their now-mandatory contribution to the regional advertising plan.

see CO-OP, page 73



Too hot to handle — even on payday AUTOMOTIVE NEWS/JOE WILKENS

Second-shift workers at Chrysler Motors' Sterling Heights, Mich., assembly plant stood outside in 100-degree heat Thursday evening and did not report to their stations. It was payday, and Chrysler officials said most workers were inside doing their jobs. Several hundred walked out of the plant Wednesday complaining of heat.

Chevy revises RV allocation

Maker expects gains, but some converters will be hurt

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Chevrolet plans a major revamp of its recreational vehicle distribution and consignment pool operations — one that will put many smaller converters out of business and sharply reduce the profits of some of its largest dealers.

On the other hand, Chevrolet officials argue, the new program will restore more equitable distribution and pricing for its products, and ensure higher-quality production and customer satisfaction.

Chevrolet's new program, announced to dealers over the weekend, takes effect with the 1989 model year in October.

Under the program, dealers will no longer be able to order seat-delete or upfitter package versions of the compact Astro vans, full-sized G vans and Suburbans for non-consignment pool accounts.

Chevrolet will no longer drop-ship such units to dealers. All of them must go through one of its bailment pool accounts.

Currently, it has 64 bailment pool companies. They handle about half its conversion business.

High-volume dealers, like Paul Sherry Chevrolet, Piqua, Ohio, and Friendly Chevrolet, Dallas, have generated a thriving business out of supplying non-consignment pool companies who do the other half of Chevrolet's conversions.

Dave Arbogast, general manager of Paul Sherry, called Chevrolet's new program a "disaster for us. It's going to take half the yearly net profit out of my dealership," he added.

Chevrolet officials claim, however, that some dealers have been getting an unduly high amount of its total van production, causing shortages and imbalances elsewhere in the distribution system.

Thomas Pfingst, Chevrolet assistant director of fleet sales and special vehicles, said that with the current shortage of Chevrolet van chassis, some dealers are having to pay $500 over invoice for a

see CHEVROLET, page 6

Ford, VW mull bids on U.K. makers

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Ford Motor Co. and Volkswagen AG were reported to be at the heart of takeovers involving Britain's two largest automakers — Rover Group and Jaguar.

Stock prices for Jaguar plc soared late last week in London on reports that Ford was planning a takeover bid for the British company, which has undergone a massive transition to strong sales, public ownership and profitability in recent years.

While Ford spokesmen declined to comment specifically, they said Ford was not buying Jaguar shares in the public market. And Jaguar officials said they were unaware of any takeover bids by Ford.

But those reports surfaced amid increasing difficulty for the proposed takeover of Rover Group by British Aerospace. That takeover was engineered by the British government without considering outside bids. But the sale must be approved by the European Commission and that appeared less than certain in recent weeks.

Those European Commission negotiations reached a critical point last week amid rumors that VW has emerged as one of the prime alternative candidates to acquire British government-owned Rover. Along with Ford, the West German group is said to be interested in bidding should the commission reject British Aerospace's £150 million ($255 million) takeover proposal on grounds that it is anti-competitive.

Ford and VW have been frequent partners around the world, such as the joint-venture company they formed in Brazil, Autolatina. But both Ford and VW have denied they are preparing Rover bids in the event the negotiations with the commission collapse. However, VW Chairman Carl Hahn, in a recent interview, made clear his interest in the British manufacturer, and Ford has said it considered countering the British Aerospace bid before it was accepted by the government in late March.

After weeks of negotiations, British Trade and Industry Secretary Lord Young and Eu-

see ROVER, page 74

AUTOMOTIVE NEWS/MARY ANN MASKERY

Hiroyuki Yoshino heads to Marysville, Ohio

YOSHINO: *Honda's U.S. carbuilder takes control this week*

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Catcher Hiroyuki Yoshino knew how to get the most out of the best pitcher on his college baseball team — Shoichiro Irimajiri.

Now Yoshino will try to do the same with the 5,000-person workforce he inherits from Irimajiri when he replaces his Tokyo University classmate as president of Honda of America Mfg. in Marysville, Ohio, this week.

Yoshino brings to the job a reputation as the fastest car builder in the world — pushing out a new Honda every 41 seconds at the famous Suzuka plant where he has been general manager for the past 18 months.

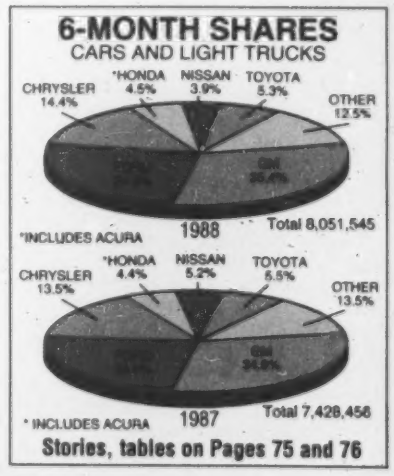
In Ohio, Yoshino comes in a year when the line speed is increasing and where he also will oversee plans to add more new models to the Marysville production roster — although he's not saying which ones.

"There will probably be more models produced at HAM (Honda of America)," he says coyly, careful not to confirm reports that quote Irimajiri as saying the additional model would be the Acura Integra.

Officially, Honda officials maintain no decision has been made about Integra and Marysville. On that score, Yoshino agrees.

"When we make up our minds, we move

see YOSHINO, page 74



Stories, tables on Pages 75 and 76

NEWSPAPER

ubishi mulls Proton; date delayed again
Page 2

EPA and NHTSA sign cooperation accord
Page 3

Toyota picks first Lexus dealers
Page 6

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2% increase due in price of auto steel

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

General Motors and Ford Motor Co. have agreed to pay about 2 percent more for steel in the 1989 model year in a turnabout that reverses five years of declining steel prices.

"Our discussions so far indicate that flat-roll and bar stock purchases appear to be increasing," said Daniel Marion, steel purchasing agent for Ford.

Both automakers are midway through negotiations with steel suppliers, including USX Corp., which apparently led the campaign to reverse the downward spiral and obtain higher prices.

Thomas C. Graham, president of the USS Division of USX Corp., had said in April when talks began with GM that "we don't know what's going to happen, but I would not characterize our prices as declining."

A higher cost for steel probably will have little or no impact on showroom sticker prices for cars and trucks next year, said Ronald Glantz, analyst with California-based Montgomery Securities.

"By itself, it would raise prices a tenth of a percent," he said. "More important to the auto companies is the price of health care, non-ferrous metals and forest products."

According to Glantz, steel prices — once an important economic indicator — are no longer symbolic of inflation. "It's fair to say that the automakers in the new model year would like to raise car prices 3 percent — almost twice as much as the last model year — but with the strengthening of the dollar and likelihood that sales will weaken later in the year, full recovery of higher costs might be prohibited," he said.

Marion described estimates of a 2 percent increase as reasonably accurate. GM — historically the pattern setter — and the steel companies declined comment.

Steelmakers were able to pry an increase from auto manufacturers with low supplies at a time when demand is high. Marion said steelmakers have reduced capacity; some countries have agreed to voluntary export restraints on steel and foreign steel is a less attractive purchase due to the exchange rate.

AUTOMOTIVE NEWS/JOE WILSEREIS

Thompson: "Our people want to win, they want to work together"

Thompson's mission

GM parts groups strive for global gains

By Al Fleming
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — It is the early 1960s. A young man named Stempel is an Oldsmobile transmission design engineer working on what is to become the front-wheel-drive Toronado.

Also assigned to the Toronado project is a fellow named Thompson, an assistant chief engineer for Saginaw Steering Gear Division.

Now crank things up a quarter century to 1987.

Robert C. Stempel has just become president of General Motors. One of his first moves is to have the ex-Saginaw engineer report directly to him.

But W. Blair Thompson is no longer working on front-drive systems. He is GM vice president and group executive in charge of automotive components groups (ACG).

Now switch to April of this year. Stempel pushes another button, OK'ing the formation of an ACG group planning and coordination activity.

The move officially blesses what had been an in-house task force probing deeply into the strengths, weaknesses and future prospects of the 15 component divisions that comprise ACG.

Now, with the formal approval of GM's powerful executive committee — which is responsible for sanctioning product plans and capital expenditures, and is chaired by Stempel — ACG is off and away on a venture to become a global force in the business of supplying original-equipment components to world vehicle producers.

It is a mission Thompson relishes. It is a mission whose success Stempel has deemed a top GM priority.

Some might call it Mission Impossible.

After all, GM's component divisions through the years have been viewed as a coddled bunch of captive vendors protected by the size and strength of their biggest customer — GM's vehicle divisions.

How can those in-house cats and dogs possibly survive — much less thrive — in the jungle-like vendor world beyond GM's walls? Especially in these days of world-class suppliers that must compete glob-

see THOMPSON, page 22

EPA and NHTSA sign cooperation accord

By Helen Kahn
SENIOR CORRESPONDENT

WASHINGTON — EPA and NHTSA now have a formal memo of understanding to deal with any crossover problems that might arise over safety rules and emission control regulations.

It is the first formal agreement between the two agencies to coordinate their rulemaking efforts.

The memo emerged after bitter complaints from Rep. John Dingell, D-Mich., whose House Energy and Commerce Committee oversees both agencies, about the lack of liaison on the onboard vapor control issue.

NHTSA and EPA have agreed to consult regularly and exchange rulemaking and other regulatory and policy documents of mutual concern. The two agencies also agreed to meet at least quarterly to discuss those issues.

EPA will identify potential problems as soon as possible in the planning stage. It will send NHTSA drafts of rulemaking notices that may impact safety, fuel economy, theft or any other vehicle program. EPA said it will notify NHTSA of all its efforts, not just those under the Office of Mobile Sources.

Both agencies will review proposals before they go to the White House Office of Management and Budget.

EPA will consider and "accommodate" NHTSA's comments, where appropriate, consistent with Clean Air and other laws. EPA will discuss matters at quarterly meeting and again consider NHTSA's views. This will continue through the draft of the final rule and prior to the issuance of the final rule "where appropriate."

NHTSA promised similar consideration, with a pledge to keep an eye on environmental impact statements.

The memo of understanding was sent to Dingell on June 28, following a sharp letter from him dated June 13.

In that letter, he accused both agencies of "footdragging" and threatened to move ahead with legisolation, if necessary.

Dingell's concern was first focused on the problem when EPA proposed onboard vapor recovery systems for passenger cars. NHTSA objected to the proposal on safety grounds. The debate went beyond the crash-related fire hazard of the system to include such issues as fuel volatility, fuel tank integrity, stalling and driveability.

Dingell's committee, which conducted hearings on the issue, tried to sort out the differences. Dingell maintained that the two agencies should have ironed out the problems beforehand.

NRA boss fires boycott hint at Iacocca

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

A war of words between the National Rifle Association and Chrysler Corp. is brewing over handgun control remarks Chrysler Chairman Lee Iacocca made in his latest book "Talking Straight."

J. Warren Cassidy, NRA executive vice president, dubbed Iacocca a "peripatetic pop-off" in his column in the July editions of The American Rifleman and The American Hunter magazines.

Cassidy also suggested that NRA's 3 million members boycott Chrysler products: "Let's use our freedom of choice when next we spend our hard-earned dollars on the new family car."

Yet it was Iacocca who fired the first volley when he wrote that the "National Rifle Association's propaganda that 'guns don't kill people, people kill people' is a lot of hogwash."

Iacocca continued his assault by saying that "the NRA is even backing Teflon-coated bullets, which can cleanly penetrate a bulletproof vest. Why should a powerful special interest group get away with such malarky?"

Cassidy was unavailable for comment but an NRA spokeswoman said the remarks were made in his personal column and reflect his opinions.

And Chrysler said Iacocca's book reflects his opinions. "It is their right to boycott our cars just as it is Mr. Iacocca's right to speak out on handgun control," said a company spokesman.

INDEX

Around the world	34-38
Auction dates	53
Classifieds	60-69
Coming events	56
Dealing with dealers	54-55
Extra section	E1
Legal briefs	46
News briefs	8
Opinion	10
Personnel	42-44
Production	77
Sales, car	75-76
Truck industry	12

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Pick a topic: World Congress has an expert

DETROIT — Industry experts will discuss a broad range of topics during the 13th annual Automotive News World Congress at the Westin Hotel July 17-20. They include:

Global Affairs: Marina Whitman, group vice president, public affairs staffs, General Motors, "Global Economics and Public Policy;" Steven Roberts, director, supply policy and planning, Ford Motor Co., "The Growing Importance of Global Manufacturer-Supplier Cooperation."

Sales and Marketing: Bennett Bidwell, president, product and marketing, Chrysler Motors, "Where Do We Go from Here?;" Ronald Glantz, general partner, Montgomery Securities, "An Analyst's Perspective on the Industry;" Stuart Hamilton, manager, sales operations, Volkswagen United States, "Market Blueprinting;" J.R. Hendrick III, owner, Hendrick Management Corp., "Pros and Cons of Megadealers — Myths and Realities;" J. David Power III, president, J.D. Power and Associates, "Consumer Research and the Auto Industry;" Leon Rosen, manager, national marketing services, American Isuzu Motors, "Why Joe Isuzu Is So Believable."

Service: Marian Confer, vice president, Magazine Publishers of America, "Service Satisfaction — Winning Customers Back;" Joseph Kordick, vice president, Ford parts and service division, "Doing Well by Doing Good."

Overseas: Norimasa Furuta, president, Mazda Motor Corp., "Mazda Innovation;" Vittorio Ghidella, president, Fiat Auto S.p.A., "How a European Views the American Market."

Imports: Kazutoshi Hagiwara, president, Nissan Motor Corp. in U.S.A.: "The Americanization of Nissan;" Thomas Mignanelli, executive vice president, Nissan Motor Corp. in U.S.A., "From Here to Infiniti — Creating a New Focus;" Robert Oliver, chairman, Laforza Automobiles Inc., "A Luxury Sport-Touring Vehicle from Italy;" Richard Recchia, executive vice president, Mitsubishi Motor Sales of America, "Detroit Rhetoric — Fact or Fiction?"

Motorsports: Michael Kranefuss, director, Ford special vehicle operations, "The Importance of Motorsports Today."

Suppliers: Dieter Spethmann, chairman, Thyssen AG, "State of the Industry — Supplier Perspective;" John Tuley, vice president, plastics division, Monsanto Chemical Co., "Supplying the Steak — Importance of Service in a Supplier-Manufacturer Relationship."

Government: Albert Warner, director, motor vehicle division, automotive industry affairs, U.S. Department of Commerce, "Government Perspectives on the U.S. Auto Industry."

Transplants: Gregory Macosko, Easton Consultants, "Transplants: How Are Foreigners' Gardens Growing?"; James Mateyka, vice president, Booz, Allen & Hamilton, "Strategic Implications of Japanese Transplants."

Technology: Thomas Davis, chief engineer, Lansing automotive division, GM, "Vehicle Engineering Opportunities and Obligations;" Robert Eaton, president, GM-Europe, "Trends and Challenges in Automotive Technology;" Armand Feigenbaum, president, General Systems Co., "Importance of Quality Control;" Germaine Gibara, Alcan International Ltd., "Alcan's Aluminum Structured Vehicle Program;" Strother MacMinn, professor, Art Center School, "Innovating with Package and Its Styling."

For information, write Automotive News World Congress, 1400 Woodbridge, Detroit, MI 48207 or telephone 313-446-6047. Cable address is TWX 810-221-5122 AUTNEW DET.

AROUND THE WORLD

Nissan Mexicana steps closer to vehicle sales in Japan

By Stephen Downer
STAFF CORRESPONDENT

MEXICO CITY — Nissan Mexicana boss Shoichi Amemiya said he believes the time is approaching when Mexican-built Nissan vehicles will be exported to Japan.

"I feel the moment is coming when we might be able to do it," he said in an interview, "but not this year or next."

Amemiya is president of the Nissan Mexicana board of directors and general director of the company. Nissan Mexicana has been sending finished-vehicle samples to its parent company in Japan for some time. Last March, it sent a Tsuru 2 (known as the Sentra in the United States) and, for the first time, billed the parent.

"This means that we have more confidence in our products," Amemiya said, "and it is quite interesting to let people know about our quality, which we feel has been increasing steadily."

"So far we have not received any criticism," he added. "We feel we have passed the test."

Last year, Nissan Mexicana exported 16,000 vehicles to 22 countries, and it hopes to export 20,000 this year. The company was founded in Mexico 27 years ago and has been a manufacturer for 22 years.

But its export plans may be hurt by the political situation in Panama. The Central American country was its main foreign market last year, with purchases of about 6,000 vehicles.

Sales to the Bahamas, another good market, also have fallen off. Amemiya said the company has shipped about 100 vehicles to the Spanish Canary Islands as it searches for more buoyant markets. Other vehicles have been sold in Nigeria.

Nissan Mexicana is also hoping to boost monthly sales to Puerto Rico to 400. During the past year, about 250 Mexican-made Nissans were shipped there monthly.

Amemiya considers sales of Nissan Mexicana vehicles to the United States to be possible though remote, although in the past few years the company has shipped about 20 sample vehicles to Tennessee.

"The Tennessee plant manufactures the same lines of vehicles as we do here," said Amemiya. "We would need to increase our production capacity before exporting to the United States."

Nissan Mexicana has been exporting about 6,000 1.5-liter engines per month to the Smyrna, Tenn., plant for use in the Sentra. However, Amemiya said the program is scheduled to end in late August when the vehicle receives a new powerplant.

This year, the company will spend up to $60 million on improvements for its three production operations. About two-thirds of the money will be spent at the Aguascalientes engine plant in northern Mexico. The remaining portion will be invested in the expansion and modernization of the vehicle assembly plant in Cuernavaca and Nissan's foundry in Lerma. Both Cuernavaca and Lerma are near Mexico City.

Nissan's new 2.4-liter engine is designed for commercial vehicles and is expected to be on the Mexican market in two years, Amemiya said. Next year, the Mexican company will begin exporting up to 4,000 engines per month to Japan. In addition, 5,000 to 6,000 engines per month will be exported to Smyrna for use in trucks.

Nissan Mexicana was relegated to second place in overall wholesale vehicle sales in Mexico by Chrysler Mexico during the first four months of the year.

But Amemiya said the Japanese firm is bouncing back.

"I feel confident that we can turn things around," he said. "We sold 7,500 units of all types in June. That is a very high figure, a record for us in any one month." Amemiya said the company set other records in June including the export of 1,300 vehicles and total production of 10,000 cars and trucks.

Chrysler Mexico claimed 26.56 percent of the overall market of 92,446 vehicles for the first four months of this year, its deepest penetration since it started selling vehicles in Mexico 70 years ago.

Amemiya said Nissan has increased its advertising efforts and focus in response. "We are now putting more emphasis on easy credit, easy maintenance costs and fuel economy," he said.

One of the reasons for Chrysler's sales surge, according to Erick A. Reickert, Chrysler Mexico president and managing director, is the introduction of a retail credit plan called "Valor Chrysler."

The plan allows payments to be spread over 36 months. But Chrysler executives admit the program is risky at a time of economic uncertainty in Mexico.

Amemiya said Nissan Mexicana does not have sufficient financial clout to introduce such a program.

"It is a risk for Chrysler but it has produced results," he said. "The economy seems to be more stable than at the beginning of the year. So their risk was worth taking."

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COLORFUL: *White cars, long the standard, give way to varied hues in Japan*

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — For years, the first thing a visitor noticed on the roads of Japan was the color of the cars; or the lack of it because just about all cars were white.

Factory tours revealed mainly white cars on assembly lines interspersed with color, which usually indicated an export.

Toyota claims credit for establishing white as *the* image for cars in Japan. For nearly 25 years, up to 70 percent of cars were white. That tradition was emphasized by Toyota in 1981 with its Soarer, introduced in "super white," whiter than white.

In Japanese culture, white indicates purity and formality, also sober-mindedness. Despite intermittent color fashions, white remained the prominent, overwhelming color. It also helped that the resale value for cars of any other color was much lower.

But finally, white is fading. The change started as new aerodynamic shapes began taking hold in the last two years. White may have enhanced the straight lines of earlier models, but it did nothing for the newer curved shapes, giving only a flat, dull appearance.

When Honda introduced its new Prelude a year ago, it presented a steel-gray color that became something of a signature color. Now, only 40 percent of the Prelude models sold are white, down from 70 percent.

Only 20 percent of Nissan's new wide-bodied Cima models are white. Most are a gray-blue shade. And the signature color for the new Silvia is a lime green. All the promotion for the new model is coordinated in the same color.

The trend appears to have taken hold, manifesting itself in a variety of colors on assembly lines and translating into the higher prices for non-white models on used-car lots.

VW reports increase in sales, profits

WOLFSBURG, West Germany — Volkswagen AG reported a 2 percent increase in net profits for the first six months of 1988 to 310 million marks ($171 million).

Group sales revenue for the first half rose 5 percent to 29 billion marks ($16 billion), with most of the gain achieved in Europe outside the West German domestic market.

Volkswagen AG, which includes Audi and Seat, is forecasting a further sales gain in the second half on the strength of the new VW Passat intermediate, which was introduced in Europe recently.

VW profits rose 3.1 percent to 598 million marks ($330 million) in 1987. Last year's results were depressed by a 380 million mark charge for closing the Westmoreland, Pa., assembly plant.

New Norway distributor appointed by Fiat

OSLO, Norway — Fiat has a new disributor in Norway, Nortial Auto A/S.

The former distributor, Norsk Auto A/S, has gone bankrupt, and the new company has been established to take its place.

Nortial employs the same personnel and is located in the same facilities as the bankrupt company.

Lasse Finstad, the former owner of Norsk Auto A/S, has reportedly left Norway and is now living in Spain.

NEW-CAR REGISTRATIONS BY MAKE

	March 1988	Jan.-March 1988	Jan.-March 1987	Percent Change
1. Toyota	2,298	7,939	6,300	+ 26.1
2. Nissan	1,723	5,230	4,527	+ 15.5
3. Opel	1,348	4,549	3,734	+ 21.8
4. Lada	1,525	4,256	4,309	– 1.2
5. Ford	1,071	3,378	3,052	+ 10.6
6. Mazda	918	3,138	2,753	+ 14.0
7. Volkswagen	768	2,765	2,445	+ 13.1
8. Mitsubishi	791	2,554	2,110	+ 21.0
9. Peugeot	784	2,302	1,390	+ 64.5
10. Volvo	676	2,208	2,403	– 8.1
11. Honda	400	1,782	1,628	+ 9.6
12. Saab	494	1,743	2,206	– 21.0
13. Fiat	394	1,502	1,475	+ 1.8
14. Mercedes-Benz	316	1,008	853	+ 18.8
15. Citroen	276	834	548	+ 52.2
16. BMW	196	819	848	– 3.4
17. Skoda	202	771	401	+ 92.3
18. Subaru	220	684	269	+154.3
19. Audi	222	614	790	– 22.3
20. Seat	103	338	484	– 30.6
21. Renault	92	310	350	– 11.4
22. Suzuki	87	285	288	– 1.0
23. Lancia	47	2[illegible]	—	—
24. FSO	71	281	142	+ 47.9
25. Daihatsu	24	102	136	– 25.0
Subtotal	15,048	48,553	43,450	—
Misc.	127	369	307	—
TOTAL	15,173	48,922	43,795	+ 14.1

SOURCE: Information of the Finnish Automotive Branch

FINLAND NEW REGISTRATIONS — ALL VEHICLES

	March 1988	Jan.-March 1988	Jan.-March 1987	Percent Change
Cars	15,173	48,922	43,795	+14.1
Vans & light trucks	1,558	4,982	4,607	+ 8.1
Trucks	309	987	962	+ 2.6
Buses	47	140	126	+11.1
Misc.	118	352	279	+26.2
All vehicles	17,205	55,383	48,739	+13.4

SOURCE: Information of the Finnish Automotive Branch

Chrysler economist expects recession to follow election

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

Election-year consumer optimism has kept new-vehicle sales in the United States above expectations for the first half of 1988 and should keep sales strong for the rest of the year.

However, 1989 will bring a post-election recession no matter who wins November's presidential election, according to Donald Hilty, Chrysler Corp.'s chief economist.

"We still feel that if the Democrats get it, they would say 'the Republicans have made a mess of the economy with the budget deficits, we need to solve this' and they would probably raise taxes and reduce spending," Hilty said. "It would probably come soon, and this slowdown in economic activity could cause a modest recession.

"If nothing is done, and the Republicans are talking that way — Bush is talking like 'everything is OK, why change?' — then we think the financial markets would force things and then the recession might come a little later, but maybe it would be a little deeper."

Despite what Hilty sees as an inevitable recession next year, he said consumer attitudes are at a high for the current recovery period that began in November 1982.

Hilty

"I think it's mainly that the unemployment rate is so low," he said. "I think that people who want a job can find one."

He said that after Black Monday, last Oct. 19, consumer confidence "fell like a rock" but has recovered steadily.

Chrysler measures consumer attitude by averaging the University of Michigan study — which Hilty feels has a financial bias toward interest rates so that when interest rates rise the study drops — and the Conference Board study, which Hilty says has a bias toward unemployment so that when unemployment drops the Conference Board study becomes more optimistic.

"We think sales will continue quite strong for the rest of the year, mainly because consumer attitudes are so bullish," Hilty said. "We are amazed that the combination of the two is at the highest level since November 1982. That's just a fantastic phenomenon."

Still, the list of auto industry leading indicators — that is, indicators that precede market changes — is still mixed at best, using conventional green-yellow-red designations.

According to Chrysler's view, installment debt is "red," interest rates have just changed from yellow to red; consumer attitudes have just changed from yellow to green; price pressures remain yellow; disposable income is red; average length of workweek remains yellow; the low number of new unemployment claims is green; while the stock market is yellow.

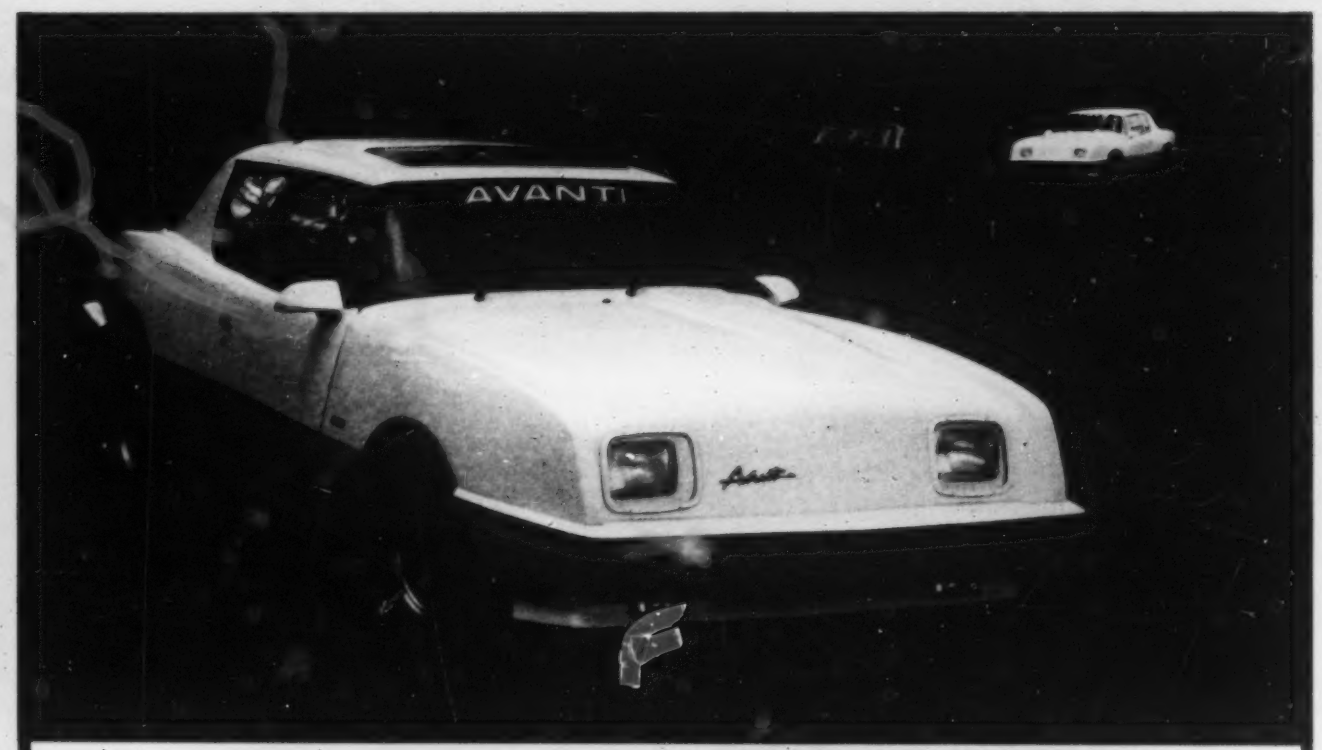
That combination — three reds, two greens and three yellows — yields a composite indicator of yellow.

Currently, Chrysler is forecasting a calendar 1988 sales total of 10.1 million cars and 5.1 million trucks, which just six months ago was the company's optimum view of the 1988 market if everything fell into place perfectly.

Hilty said the strong 1988 market has been the result of long-term pressures on the automakers to keep unit volume constant, which have caused the carmakers to use innovative incentives, plus unflagging consumer confidence and the willingness of consumers to take on debt.

Hilty said his staff did an analysis of presidential election years and found that economic conditions have improved and unemployment has dropped in about 80 percent of them.

"So the consumer is not all that cynical because he has some facts on which to base the thinking that nothing can go wrong in an election year," he said. "It can, and it has, but the probabilities suggest that it won't."



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Safety items win discounts from insurers

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Automobile insurance companies are continuing to offer discounts on personal injury and medical payment coverage for cars equipped with automatic safety belts or air bags.

In releasing a list of discounts offered by major insurers, NHTSA said that most insurance companies provide discounts for cars with factory-installed automatic crash protection.

The discounts apply to premiums for medical payments for occupants of the insured automobile or, in states with no-fault insurance, to personal injury protection for the occupants of the insured vehicle.

NHTSA Administrator Diane Steed said, "The dollar amount saved from these discounts varies from state to state, and some states set their own discount policies.

"Although the company discount polices listed (by NHTSA) have been filed nationally or in states where the companies do business, not every state insurance department has adopted them. Hawaii, Massachusetts, North Carolina, Texas, Illinois and Kentucky do not permit the discounts."

She added, "By 1990, the annual production of cars with air bags is expected to exceed two million."

NHTSA provided the following list of insurers and the discounts they are offering:

Leading Automobile Insurance Companies with Discount Policies
(As percent of personal injury or medical payment premium)

Company	At Time of Purchase	Next Year	Second Year
Allstate	20	30	30
Automobile	25	40	40
State Farm	20	30	30
Liberty Mutual	20	30	30
Nationwide	30	30	30
USAA	60*	60*	60*
Travelers	15	30	30
GEICO	30	30	30
Continental Casualty	30	30	30
Prudential	30	30	30
Aetna	20	30	30
AMICA	30	30	30

PRODUCTION

Truck output sets record for quarter

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF

U.S. truckmakers built 1,085,676 units in the second quarter of this year, the highest output ever for that quarter. The previous record was 1,009,342 in 1987.

The April-June truck total was slightly higher (0.54 percent) than the first quarter's 1,079,887.

Production of trucks during June totaled 375,164, 1.36 percent more than May's 370,127 and 11.38 percent more than the year-ago month's 336,818.

Car production during the second quarter was 2,032,772, up 19.55 percent over the first quarter's 1,700,404 and 5.14 percent more than the 1,933,439 built in the year-ago quarter.

June car output totaled 729,941 units, 5.39 percent more than May's 692,625 and 11.56 percent more than the year-ago month's 654,307.

Automakers scheduled 83,443 cars to be built last week, 47.72 percent below the previous week's 159,618 due to downtime for the holiday and vacations.

Last week's estimated auto production was shared as follows: General Motors, 72.56 percent; Chrysler Motors, 22.29 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.23 percent; and Volkswagen of America, 1.92 percent.

All Ford plants remain closed for vacation until July 18. They also were closed last week.

Honda Motor Manufacturing Inc., New United Motor Manufacturing Inc. and Nissan Motor Manufacturing Co. U.S.A. plants resumed output today after being idle for vacation.

As reported earlier, VW will close its Westmoreland, Pa., plant permanently Thursday due to slow sales of its Jetta, Golf and GTI models. The closing will idle 2,500 workers.

GM's Detroit-Hamtramck plant went down for model changeover last week and its Lansing, Mich., plant is scheduled to close for changeover Wednesday. Both plants are slated to be down the rest of this month.

Quarter's build rises in Canada

Second-quarter output of Canadian cars totaled 327,486 units, 13.52 percent more than the first quarter's 288,485 and 56.37 percent more than the year-ago quarter's 209,434 when several plants were closed for vacation and model changeover in May and June.

June output of 113,621 cars increased 2.68 percent over May's 110,656 and was 45.67 percent more than the year-ago month's 77,998.

Second-quarter truck production of 248,951 was 1.42 percent more than the first quarter's 245,463 and 19.12 percent more than the year-ago quarter's 208,999.

Truck output for June totaled 88,082, 9.51 percent more than May's 80,432 and 21.22 percent more than the year-ago month's 72,662.

All Ford plants remain idle for vacation until July 18.

U.S. CAR	Week Ended July 9, 1988	Week Ended July 11, 1987	Week Ended June 2, 1988	June Total	Jan. 1 to July 9, 1988	Jan. 1 to July 11, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	1,500	0	1,972	10,116	52,366	32,997
Sundance	2,600	1,589	2,617	9,485	57,246	56,505
Reliant	1,700	459	2,163	12,163	46,964	62,399
Caravelle	0	823	0	507	9,067	30,196
Gran Fury	300	147	304	1,822	14,746	2,418
Total Plymouth	6,100	3,018	7,056	34,093	183,411	184,515
LeBaron K	0	0	0	2	7,912	42,910
LeBaron J	1,600	4,012	2,023	9,929	42,490	67,040
LeBaron GTS	200	789	322	1,033	5,116	23,820
N. Yorker E-Class	0	1,515	0	0	0	47,078
N. Yorker C-Class	2,000	0	2,835	12,577	63,196	0
Fifth Avenue	200	1,714	320	1,410	15,494	24,427
Total Chrysler	4,000	8,030	5,500	24,951	134,208	205,275
Omni	1,400	0	1,908	9,770	51,312	28,363
Daytona	1,600	1,373	2,056	9,967	41,772	32,607
Shadow	2,200	1,628	2,245	8,216	57,055	57,901
Aries	1,400	386	1,885	10,730	48,971	59,381
Dodge 600	0	809	0	499	8,549	27,013
Dynasty	1,600	0	2,432	10,197	59,222	0
Lancer	100	498	171	806	5,233	15,010
Diplomat	200	573	485	1,892	11,930	4,893
Total Dodge	8,500	5,267	11,182	51,879	284,044	225,368
CHRYSLER MOTORS	18,600	16,315	23,738	110,923	601,663	631,152
Escort	0	0	9,413	43,174	201,238	196,156
Mustang	0	0	4,421	19,002	109,640	113,748
Tempo	0	0	3,881	17,214	102,764	99,830
Taurus	0	0	9,801	41,012	213,056	224,336
Thunderbird	0	0	3,267	15,587	84,245	87,366
Total Ford Div.	0	0	30,783	135,989	710,943	721,458
Lynx	0	0	0	0	0	20,654
Topaz	0	0	1,517	6,591	38,291	32,858
Cougar	0	0	3,243	12,151	63,775	80,478
Sable	0	0	3,050	13,070	73,626	71,567
Total Mercury	0	0	7,810	31,812	175,692	205,557
Continental	0	0	749	4,148	23,716	9,610
Mark VII	0	0	366	2,130	12,997	14,299
Lincoln	0	0	2,209	12,692	75,589	72,088
Total Lincoln	0	0	3,324	18,970	112,302	95,997
Total L-M Division	0	0	11,134	50,782	287,994	301,554
FORD MOTOR CO.	0	0	41,917	186,771	998,937	1,023,012
Skyhawk	76	186	16	24	9,779	16,451
Skylark/Somerset	1,338	0	1,640	6,956	27,487	37,072
Century	2,680	3,473	3,414	15,776	62,765	99,940
Regal (rwd)	0	1,161	0	0	0	25,522
Riviera	50	0	129	627	3,644	8,501
Electra	1,518	0	2,009	10,095	47,805	53,545
LeSabre (fwd)	2,040	4,565	2,500	10,639	67,370	77,888
LeSabre (rwd)	148	97	173	1,251	5,623	5,432
Reatta	176	0	158	805	4,927	0
Total Buick	5,026	9,482	10,039	46,173	229,400	324,351
Cimmaron	0	0	0	0	3,693	7,489
Eldorado	394	0	1,047	4,909	23,471	12,720
Seville	235	0	596	2,911	14,487	10,534
Brougham (rwd)	328	0	82	2,364	17,381	38,116
Deville (fwd)	2,832	1,886	3,607	14,869	96,141	90,643
Allante	0	142	0	95	1,135	2,343
Total Cadillac	3,789	2,028	5,332	25,168	156,306	161,845
Cavalier	6,203	4,577	7,495	37,915	193,539	200,383
Camaro	2,200	1,745	2,501	10,894	49,092	61,375
Celebrity	4,000	4,948	5,380	23,121	103,377	186,088
Corsica/Beretta	7,156	7,586	9,299	41,347	222,262	156,445
Monte Carlo	0	955	0	0	0	39,203
Caprice	3,864	1,787	4,866	22,861	109,464	108,446
Corvette	356	648	442	1,958	11,432	16,451
Total Chevrolet	23,779	22,246	29,783	137,896	689,166	770,391
Calais	2,502	0	2,910	12,585	63,914	69,547
Firenza	0	177	0	0	5,220	1,842
Cutlass Ciera	1,828	0	1,913	7,564	11,341	99,988
Cutlass Supreme	3,546	1,385	3,764	17,310	86,644	41,609
Toronado	159	0	415	1,979	10,241	10,127
88 (fwd)	2,668	1,913	3,359	15,201	88,767	104,104
88 (rwd)	96	0	141	1,084	6,793	10,656
Olds 98	1,264	293	1,629	6,991	44,179	37,893
Total Oldsmobile	11,865	3,768	14,131	62,714	316,109	384,340
Sunbird	1,537	0	1,963	10,210	57,627	60,295
Grand Am	3,840	6,561	5,359	24,497	133,370	145,189
Firebird	1,090	1,116	1,580	7,025	35,243	44,365
Grand Prix	3,108	0	3,073	16,023	69,358	0
Pontiac 6000	1,248	2,061	1,808	6,895	42,071	46,674
Bonneville	2,190	2,535	2,766	12,274	61,690	75,623
Safari/Parisienne	88	220	106	756	4,646	5,494
Fiero	0	0	477	1,986	10,614	20,689
Total Pontiac	13,091	12,513	16,932	79,638	414,619	397,784
GENERAL MOTORS	80,550	50,037	76,217	361,589	1,804,802	2,036,711
HONDA	0	6,497	7,480	33,525	169,389	171,021
Civic	0	2,266	2,380	10,639	51,766	57,329
Accord	0	4,231	5,100	22,836	137,623	113,692
MAZDA†	2,693	0	3,002	12,836	50,582	0
NISSAN	0	0	2,684	12,076	53,571	69,582
NUMMI	0	3,953	2,600	13,621	81,926	104,042
Corolla	0	859	960	4,990	30,078	21,571
Nova	0	3,094	1,640	8,631	51,848	82,471
VOLKSWAGEN	1,600	1,967	2,000	8,600	34,085	43,162
Golf/GTI	1,600	1,717	2,000	8,600	28,532	34,808
Jetta	0	250	0	0	5,553	8,354
Total Cars, U.S.	83,443	78,709	159,618	729,941	3,814,735	4,080,882
Total Cars, Canada	12,095	8,151	21,734	113,621	628,997	449,434
U.S., Canada Cars	95,538	86,920	181,352	843,562	4,443,732	4,530,116
U.S., Canada Cars and Trucks	152,877	136,217	274,138	1,306,808	7,182,080	7,011,923

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended July 9, 1988	Week Ended July 11, 1987	Week Ended July 2, 1988	June Total	Jan. 1 to July 9, 1988	Jan. 1 to July 11, 1987
Eagle	0	—	0	0	0	—
Premier	1,650	—	1,605	4,078	37,498	—
CHRYSLER MOTORS	1,650	110	1,605	4,078	37,498	3,085
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	0	—	2,841	14,472	102,017	—
Topaz	0	—	1,308	7,080	36,450	—
Crown Victoria	0	—	2,284	12,331	71,940	—
Grand Marquis	0	—	2,325	12,677	71,864	—
FORD MOTOR CO.	0	0	8,558	46,560	282,271	278,741
Celebrity	627	—	548	2,779	12,364	—
Cutlass Ciera	5,068	—	5,783	31,274	152,771	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	770	—	1,105	6,504	29,738	—
Regal	3,800	—	3,132	16,950	91,290	—
GENERAL MOTORS	10,265	7,566	10,568	57,507	286,163	155,526
Civic	0	—	840	4,689	17,389	—
Accord	0	—	0	0	1,828	—
HONDA	0	250	840	4,689	19,217	6,340
VOLVO	180	225	163	787	3,848	5,742
Total Cars, Canada	12,095	8,151	21,734	113,621	628,997	449,434

U.S. TRUCK☆	Week Ended July 9, 1988	Week Ended July 11, 1987	Week Ended July 2, 1988	June Total	Jan. 1 to July 9, 1988	Jan. 1 to July 11, 1987
Caravan	1,200	—	1,569	8,761	52,548	—
Dakota	1,600	—	2,507	9,237	61,710	—
Mini-Ram Van	200	—	290	1,471	8,513	—
Pickups	1,600	—	2,424	9,067	40,202	—
Total Dodge	4,600	3,334	6,790	28,536	162,973	138,995
Cherokee	3,900	—	3,739	18,512	99,002	—
Commanche	800	—	879	4,105	25,216	—
Grand Wagoneer	0	—	351	1,540	7,931	—
Pickups	0	—	0	0	190	—
Wagoneer	0	—	0	776	6,190	—
Total Jeep	4,700	0	4,969	24,933	138,339	115,066
Voyager	1,300	—	1,661	7,828	48,550	—
Total Plymouth	1,300	—	1,661	7,828	49,303	—
CHRYSLER MOTORS	10,600	3,334	13,420	61,297	357,879	254,061
Aerostar	0	—	0	14,472	109,133	—
Bronco	0	—	1,227	5,889	32,390	—
Bronco II	0	—	2,556	10,474	69,881	—
Econoline	0	—	4,680	22,580	130,025	—
Heavy trucks	0	—	0	5,715	35,060	—
Light trucks	0	—	10,378	45,136	286,763	—
Ranger	0	—	7,853	33,295	191,433	—
Total Ford Div.	0	0	26,694	137,561	834,705	780,517
FORD MOTOR CO.	0	0	26,694	137,561	834,705	780,517
Astro	3,206	—	3,213	15,803	92,506	—
Blazer	431	—	561	2,671	15,019	—
Mediums/Heavies	275	—	376	1,621	9,652	—
P-Model	702	—	804	3,761	21,310	—
Pickups	5,458	—	6,581	31,728	180,640	—
S-10	5,414	—	6,127	27,847	157,464	—
S-10 Blazer	2,991	—	3,511	16,845	90,217	—
Sportsvan/Van	1,951	—	1,990	9,753	47,868	—
Suburban	1,237	—	1,650	7,109	40,057	—
Total Chevrolet	21,665	21,548	24,813	116,798	654,733	632,543
Jimmy	116	—	142	590	4,362	—
Mediums/Heavies	825	—	700	3,069	21,435	—
P-Model	102	—	194	733	3,197	—
Pickups	1,638	—	2,190	9,229	55,845	—
S-15	1,052	—	1,309	5,879	36,029	—
S-15 Jimmy	829	—	923	4,119	23,793	—
Safari	803	—	802	3,819	23,591	—
Suburban	403	—	481	2,630	18,120	—
Vandura/Rally Vans	549	—	480	2,861	19,241	—
Total GMC	6,317	7,343	7,201	32,729	205,213	207,227
GENERAL MOTORS	27,982	28,891	32,014	149,527	859,946	839,770
NAVISTAR	1,196	0	1,495	7,680	46,845	40,0[illegible]
NISSAN	0	0	1,284	6,999	55,959	41,0[illegible]
AM GENERAL*	450	450	450	1,960	12,060	6,66[illegible]
MISCELLANEOUS*	2,300	4,300	2,300	10,120	61,640	50,800
Total Trucks, U.S.	42,528	36,975	77,637	375,164	2,229,034	2,022,511

CANADIAN TRUCK	Week Ended July 9, 1988	Week Ended July 11, 1987	Week Ended July 2, 1988	June Total	Jan. 1 to July 9, 1988	Jan. 1 to July 11, 1987
Caravan	2,343	—	2,196	13,045	78,894	—
Mini-Ram Van	259	—	231	1,418	7,856	—
Ram Wagon	509	—	450	2,462	13,556	—
Ram Van	1,425	—	1,203	6,499	35,024	—
Total Dodge	4,536	5,839	4,080	23,424	135,332	234,333
Voyager	2,366	—	1,669	11,262	71,990	—
Total Plymouth	2,366	—	1,669	11,262	71,990	—
Wrangler	886	—	793	4,365	26,946	—
Total Jeep	886	[illegible]	793	4,365	26,946	18,671
CHRYSLER MOTORS	7,788	[illegible]	6,542	39,091	234,268	252,374
FORD MTR (lt. trks.)	0		3,046	15,730	91,509	83,578
Light trucks	3,330	—	2,833	15,920	82,593	—
Vans	1,440	—	1,024	6,605	34,144	—
Total Chevrolet	4,770	—	3,857	22,525	116,737	—
Light trucks	1,470	—	917	6,716	42,917	—
Vans	518	—	581	2,883	17,782	—
Total GMC	1,988	—	1,498	9,599	60,699	—
GENERAL MOTORS	6,758	5,898	5,355	32,124	177,436	113,245
NAVISTAR	265	0	206	1,137	6,101	5,086
Total Trks., Canada	14,811	12,322	15,149	88,062	509,314	469,296
U.S., Canada Trks.	57,339	49,297	92,786	463,246	2,739,348	2,491,807

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-contract vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Pontiac may get Brazil van

Opel Kadett base for global vehicle

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — General Motors do Brasil may produce an Opel Kadett-derived minivan for sale by Pontiac in the United States, Adam Opel and Vauxhall in Europe, and its operations in Brazil.

Sources said Robert Stone, managing director, General Motors of Brasil, is currently in Detroit discussing the project.

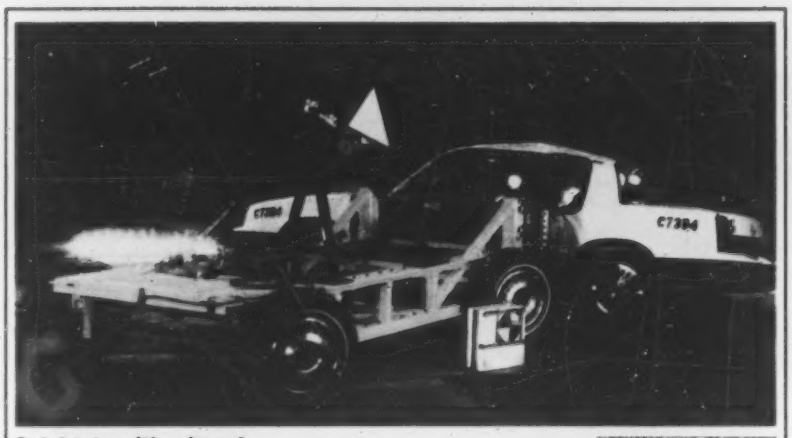
The global minivan being engineered by Opel, GM's affiliate in Russelsheim, West Germany, is pegged for introduction in 1991 or 1992 if final approval is granted.

Brazilian trade sources said production volume is predicted at 200,000 annually, with the bulk earmarked for the United States. A small number would be sold in Brazil and 15,000-20,000 annually in Europe.

Sources in Brazil said the vehicle may be produced at a new plant, which might be built in Sao Jose dos Campos, a town in the state of Sao Paulo.

The Brazilian minivan would include a four-wheel-drive version, probably using a sophisticated new 4wd system co-developed with Austrian all-wheel-drive specialist Steyr-Daimler-Puch. The technology will debut next year on Opel's

see VAN, page 55



AUTOMOTIVE NEWS/JOE WILSBERG

Celebrate with a bang!
While crashing a car seems an odd way to celebrate, it was appropriate to mark the 20th anniversary of the General Motors Safety Research and Development Laboratory at GM's Milford, Mich., proving ground. The side-impact test on this 1988 Oldsmobile Cutlass Calais is just one of 400 annual crashes that help GM develop safety devices. The driver-side anthropomorphic dummy, dubbed Hybrid III and developed by GM, "survived."

Rover deal tough but done

British Aerospace balks, finally OKs compromise

By Richard Johnson and Jake Lucas
AUTOMOTIVE NEWS STAFF

British Aerospace's acquisition of Rover Group took a series of abrupt turns, with the aircraft maker agreeing to proceed with the takeover after initially balking at conditions imposed by the European Economic Commission.

In agreeing to the compromise package worked out between the British government and the European Commission, British Aerospace settled for a smaller cash injection and fewer tax breaks. The purchase price remains £150 million ($255 million). The company had hoped to acquire a debt-free Rover Group, which includes Austin Rover Cars and Land Rover, maker of off-road vehicles.

The unexpected snag, which emerged just as an agreement was to be announced after three months of negotiations, resulted from the EC's insistence that British Aerospace strictly adhere to a five-year corporate plan outlined for the carmaker by Rover Chairman Graham Day.

The five-year program required £1.5 billion ($2.55 billion) in spending for new models, plant and equipment and twice-annual reports, a provision that struck British Aerospace executives as excessive interference. Failure to meet the five-year plan would result in a £250 million ($425 million) fine to the EC.

While agreeing to the semi-annual reports, company officials last Thursday won assurances that it would be allowed to

see ROVER, page 60

World Congress: Huge challenge faces industry

DETROIT — Competition, new technology and relentless demands for quality will make business more challenging for the auto industry but will make life easier for the people who buy automobiles.

That message emerged as a common theme in the keynote addresses — one from the manufacturing side, one from the supplier side — delivered at the Automotive News World Congress Sunday night.

The congress will conclude Wednesday with the first U.S. address by Boris Hubaev, a leader in the Soviet Union's auto industry. He will provide an update on the Soviet auto industry, while spelling out its plans for exporting cars to the rest of the world.

In texts prepared for the opening night speeches, General Motors President Robert Stempel and Thyssen AG Executive Board Chairman Dieter Spethmann said their companies are prepared to deal with the demands of an increasingly global auto industry.

But both foresee strong challenges. Stempel cited his worries about new government regulations that could remove the market's hand in determining the industry's winners and losers.

Spethmann noted the task of meeting the demands of a single, global automotive market. Suppliers and automakers will have to deal with each other more efficiently if they are to jointly reach that goal, he said. He proposed the idea of a manufacturer-supplier "bill of rights" that would serve as a guide as they work more closely together in coming years.

He said that suppliers and manufacturers need to "deal with each other with integrity," as their ties become closer in years to come. His company, Thyssen AG, is the West German parent of The Budd Co., which does nearly $2 billion in North American sales annually, mostly in the auto industry.

The company is made up of more than 180 companies worldwide and offers steel, plastics and other products for automotive uses. Thyssen also has developed a mag-

see CONGRESS, page 58

THE BEST OF 1988: *Petersen, Stempel lead reader balloting*

It's 1988 Automotive News All-Star time.

This year — for the first time — the team was chosen by votes of Automotive News readers and staff.

Ford Motor Co. landed 11 of the 30 All-Star positions. General Motors captured nine spots, Chrysler Corp. four, and Honda Motor Co. Ltd. two.

Here's the team:

Chief Executive Officer Worldwide: Donald E. Petersen, Ford.
Chief Operating Officer Worldwide: Robert C. Stempel, GM.
Chief Executive Officer U.S.: Donald E. Petersen, Ford.
Chief Executive Officer Europe: John F. Smith Jr., GM Europe.
Chief Executive Officer Asia: Tadashi Kume, Honda Motor Co.
Chief Operating Officer U.S.: Robert C. Stempel, GM.
Chief Operating Officer Europe: Louis E. Lataif, Ford of Europe.
Chief Operating Officer Asia: Tadashi Kume, Honda Motor Co.
Domestic Division Manager: J. Michael Losh, Pontiac.
European Import Division Manager: Graham W. Whitehead, Jaguar Cars.
Asian Import Division Manager: Robert B. McCurry, Toyota Motor Sales U.S.A.
Design: Jack J. Telnack, Ford.
Engineering: Robert J. Eaton, GM.
Product Planning: Max L. Jurosek, Ford.
Manufacturing: Richard E. Dauch, Chrysler.
Purchasing: Clinton D. Lauer, Ford.
Finance: Robert S. Miller Jr., Chrysler.
Marketing/Sales: Robert L. Rewey, Ford.
Service/Parts: Joseph A. Kordick, Ford.
Truck Operations: Edward E. Hagenlocker, Ford.
Dealer Relations: C.N. "Bud" Moore, GM.
Government Relations: James D. Johnston, GM.
Labor/Industrial Relations: Peter J. Pestillo, Ford.
Advertising: J.W. "Jay" Qualman, Buick.
Public Relations: Bernard F. "Moon" Mullins, Chrysler.
International Affairs: Michael N. Hammes, Chrysler.
Rookie of the Year: Robert C. Stempel, GM.
Dealer of the Year: Roger S. Penske, Penske Corp.
Supplier Executive of the Year: Ralph E. Reins, ITT.
Industry Leader of the Year: Donald E. Petersen, Ford.

Complete details on Pages 56 and 57.

Fiat's Vittorio Ghidella: a purebread engineer

Ghidella, Fiat on top

He'll tell his story in Detroit

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

TURIN, Italy — Standing before an easel last January, Fiat Auto Managing Director Vittorio Ghidella filled page after page with sketches showing the evolution of the company's new Tipo subcompact to reporters linked by satellite in five European capitals.

A purebred engineer, Ghidella seems more at home with product than with the trappings that usually sur-

see GHIDELLA, page 59

Rejected dealer: Hyundai was anti-Semitic — Page 2
Car haulers vote; last time, they walked — Page 3
Parts are the same; prices aren't — Page 6

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Sales boom forecast for Midwest

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

There is still pent-up demand for 2 million to 3 million cars and trucks in the United States — most of it in the Midwest.

A recent study of regional trends by Kidder, Peabody & Co. reports that as much as half of the nation's untapped demand will come from the Midwest, which makes up about a fourth of the motor vehicle marketplace.

The anticipated growth in the Midwest market is expected to benefit traditional domestic automakers that have a large share of the market.

"Most observers looking at traditional patterns say pent-up demand has been absorbed in the Mid-Atlantic and New England areas. We feel that whatever shortfalls there are, will be more than offset by strong sales in the Midwest, South Atlantic and Pacific/Mountain regions which account for up to 70 percent of the market," said Jack V. Kirnan, automotive analyst for Kidder, Peabody.

Short of major economic shock to the system, vehicle sales in the future will be less cyclical Kirnan said.

"The use of incentives, which effectively cut vehicle price, and the impact of excess capacity, which also constrains pricing, mean that more marginal buyers will come into the marketplace," he said.

These factors, in conjunction with the regional shifts, mean a period where sales will be surprisingly stable, Kirnan said.

"*The Rebirth of Industrial America*," from Kidder, Peabody, the investment banking arm of GE Financial Services, New York, outlines U.S. regional economic shifts that indicate a much stronger outlook for U.S. vehicle sales.

Based on new regional research, the group has upgraded its 1988 total vehicle sales forecast to 15.3 million units. The 1989 and 1990 estimates also have been revised to 15.2 million and 15.5 million, respectively.

The report predicts total U.S.

see DEMAND, page 55

AUTOMOTIVE NEWS/JOE WILKENS

Classic car show — the eyes have it

"Eyes on the Classics, Automotive Design — Past, Present and Future" was the theme of a car show held in Grosse Pointe, Mich., earlier this month. Admiring this 1938 Cord is its designer, left, Gordon Buehrig; Jack Telnack, vice president of design, Ford Motor Co.; and Charles Jordan, vice president of design, General Motors. The show benefited the Detroit Institute of Ophthalmology. Buehrig received a Stueben crystal lifetime achievement award.

A reprise of 1985?

Car haulers vote; last time, they walked

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

The nation's 22,000 car haulers will begin voting on their new agreement Friday, and the auto industry is recalling 1985.

In July 1985, a 21-day strike by the haulers drained dealer inventories and slowed showroom traffic, causing a 10 percent drop in early August sales and a fear that a glut of older models would be on hand at new-model introduction.

That problem was resolved when a wave of factory finance programs led to record late-August sales.

Most new cars are transported to showrooms by trucks driven by Teamsters Union members, whose contract expired in May.

Bargainers from the Teamsters and the National Automobile Transporters Labor Division, which represents car-hauling companies, have reached a tentative agreement.

Teamster Vice President Walter Shea said the pact "made significant gains in wages, benefits (and) working conditions." But Ken Paff, director of the dissident Teamsters for a Democratic Union, called the agreement concessionary and said, "I think it will be voted down like the last one was."

At the beginning of this month, the import-car supply was 58 days, almost double the figure before the 1985 strike. But Honda, with a 16-day stock, would be pinched.

The import-truck supply was 81 days on July 1 this year.

Big 3 car supplies on July 1 were: Ford, 58 days; General Motors, 63 days; and Chrysler Motors, 67 days.

The July 1 inventory numbers show below-average stocks of some models. At Ford, those models include Ford Probe, 32 days' supply; Mercury Grand Marquis, 41; Ford Taurus and Crown Victoria, 46; and Ford Mustang, 48.

GM models with low inventories: Pontiac Grand Am, 35 days; Pontiac Bonneville, 36; Pontiac Sunbird, 40; Chevrolet Corsica/Beretta, 41; and Pontiac 6000, 42.

Chrysler Motors' cars in tight supply include the Dodge Dynasty, 42 days; Plymouth Sundance, 47; and Dodge Shadow, 48.

After the haulers returned to work in 1985 and began moving the cars that were stockpiled at assembly plants and railheads, GM cleared its backlog of 1985 models with a 7.7 percent financing deal — then the lowest ever for GMAC.

The other domestics also jumped on the cut-rate-financing bandwagon and sales took off.

Incentives geared to calmer cleanup

By Laura Clark
and Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTERS

Car buyers looking for the "fire sales" that characterized domestic makers' cleanup sales campaigns for the last three model years may be disappointed this time around.

Ford Motor Co. and Chrysler Motors have announced new wide-ranging incentive programs that actually reduce rebates on many vehicles. Small sweeteners were added to a few slow-selling models.

Chrysler, the only domestic maker offering cut-rate loans this cleanup season, also reduced the complexity of its multi-tiered annual-percentage-rate program.

By contrast, last year each of the Big 3 offered low-interest-rate loans and rebates and advertised those year-end sales bonanzas heavily.

GM's 1987 final cleanup campaign offered interest rates as low as 1.9 percent and cash rebates up to $2,000. So far, GM is offering no low-interest loans but is giving up to $1,000 directly to consumers on selected cars and trucks. It could still launch heavy cleanup incentives, however.

Ford's 1987 cleanup program, which followed GM's program, consisted of loans as low as 1.9 percent and rebates up to $700. Ford's cleanup campaign this year, which runs from July 13 to Oct. 5, skips cut-rate loans but does offer rebates up to $1,000.

Chrysler also offered loans as low as 1.9 percent and rebates up to $750 at the end of the 1987 model year. The 1988 Chrysler program, which began July 13 and runs indefinitely, calls for loans as low as 6.8 percent and rebates up to $1,000.

"What we're seeing are better managed incentive programs," said Thomas F. O'Grady, president of Integrated Automotive Resources, Wayne, Pa.

"The auto companies have learned from one another how much these incentives cost. They have also learned to sell fewer vehicles and to make money on them," said O'Grady, who added that inventories for domestic vehicles were down 20 to 25 percent on June 30 compared with a year ago.

Dealer incentive programs by the domestic makers also are slim. However, Cadillac is offering up to $2,000 per car for Eldorado, Seville and Brougham sales during June and July if dealers meet sales objectives.

Nissan, meanwhile, revamped its consumer rebate program on selected cars and trucks, while Mitsubishi began offering dealer incentives and a special lease on Precis.

Suzuki is paying dealers a $2,000 rebate on sales of its Samurai sport-utility vehicles, and there is a unique feature: a $600 advance before the sale. Samurai sales plunged 70 percent in June after Consumers Union labeled the vehicle unsafe.

The following programs have been announced:

CADILLAC: Cadillac is giving dealer rebates up to $2,000 per car if dealers meet individual sales objectives for 1987 and 1988 Eldorado, Seville and Brougham models. The program began June 1 and ends July 31.

Dealers receive $1,000 per car if they meet 25 percent or more of their sales objective for any of the three models and $2,000 per car at 70 percent. The rebates are not retroactive to the first sale.

CHRYSLER: The "America's Winners Clearance" incentive program covers selected 1987 and 1988 vehicles. The program began July 13 and has no expiration date. No dealer financial participation is required.

Chrysler reduced incentives on Plymouth Reliant and Dodge Aries from $400 to $300; Jeep Comanche two-wheel-drive short-bed pickup truck from $500 to $300; Dodge Daytona (base model) from $500 to $400; Eagle Premier LX and ES from $750 to $600; standard Dodge Ram pickup from $1,000 to $750; Daytona Pacifica from $1,500 to $1,000; and Chrysler Conquest from $1,500 to $1,000.

Chrysler increased incentives on Dodge Dakota pickups (excluding S model) from $500 to $750 and on Chrysler LeBaron GTS and Dodge Lancer from $750 to $1,000.

The following vehicle rebates remained the same in the new program: Plymouth Sundance, Dodge Shadow, Plymouth and Dodge Colt, $500 each; 1988 Eagle Medallion, $1,000; Cherokee two-door, $500; and Jeep Comanche 2wd long bed and 4wd models, $750.

Chrysler added the following rebates: Plymouth Horizon/Dodge Omni, $300; Plymouth Caravelle, $500; Chrysler LeBaron sedan, $500; 1989 Eagle Medallion, $500; and Dakota S, $300.

Buyers may also choose low-interest-rate loans between 6.8 percent for 48 months and 9.8 percent for 60 months as an alternative to the rebate for all incentivized vehicles except Omni/Horizon. Omni/Horizon buyers can receive the $300 in addition to a 10.8 percent loan financed for 61 to 72 months.

FORD: The new incentive program runs July 13 to Oct. 5. No dealer financial participation is required.

Ford reduced customer rebates on Ford Taurus and Mercury Sable from $600 to $500; Ford Mustangs equipped with 2.3-liter engines from $750 to $500; and Ford Tempo and Mercury Topaz models from $500 to $400. It previously offered $500 only on the two-door and all-wheel-drive versions of Tempo/Topaz.

Rebates on Ford EXP increased from $500 to $600. All Mustang buyers in California and Hawaii will receive a $500 rebate in the new program; the previous regional program offered a $500 rebate only on those equipped with 5-liter engines.

Ford added Aerostar rebates of $600 for July 8-31 only.

Rebates remained the same on Ranger S, $300; Festiva LX and Festiva L Plus, $300; 1988 Escort, $300; 1988½ Escort, $500; 1987 Lynx, $500; Thunderbird (excluding Turbo Coupe) and Cougar (excluding XR-7), $600; Thunderbird Turbo Coupe and Cougar XR-7, $1,000; Tracer, $650; Ranger (except S model), $750; Bronco II 4wd, $750; Bronco II 2wd and F-series conventional pickup trucks equipped with manual transmission, $500.

MITSUBISHI: The new dealer incentive program covers 1988 Mirage, Cordia, Starion, Sigma, wagons, vans, Montero and trucks.

Dealers receive $250 for each unit between 10 and 20 sold during July; $350 for the 21st through 40th; $500 for the 41st through

see INCENTIVES, page 60

GE taps American Express for vehicle-lease program

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

GE Capital and American Express will offer an auto lease program to American Express' two million small-business customers that promises savings of up to 20 percent on monthly retail lease payments.

Thai Lee, marketing manager — American Express Travel Related Services, said the company has a joint program with GE Capital to lease a broad range of domestic and import vehicles to American Express Corporate Card members.

"GE has several leasing companies, expertise in leasing and a dealer network," said Lee. She declined to speculate on the number of vehicles the company expects to lease, except to say it will be in the "multi-thousands."

Lee said GE will purchase cars from dealers and has negotiated prices with different auto manufacturers.

GE officials declined to comment.

American Express brings a market base and solicitation to the joint program and GE agreed to supply the vehicles, Lee said.

An advertising campaign launched in May described the program to card members.

Members call a telemarketing center in Barrington, Ill. — home to GE's leasing and auction operations — where they are provided with quotations based on dealership prices or the "factory-order option." GE declined to elaborate.

"All of the vehicles are delivered to members through the GE dealer network," said Lee. Billing is done through American Express cards and the leases are through GE Capital.

GE Capital has several leasing companies, including GE Capital Fleet Service, GE Capital Auto Financial Services and GECAL. The company says it has more than 400,000 cars on lease.

INDEX

Around the world	34-36
Auction dates	43
Classifieds	44-54
Coming events	31
Dealing with dealers	28
Engineering	14
Inventories	24
Legal briefs	32
Marketing and media	54
News briefs	8
Opinion	10
Personnel	30-31
Production	61
Sales, car	60
Sales, import car	38
Truck industry	12

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College aid now available to laid-off auto workers

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

Beginning with the 1988 school year, many laid-off auto workers and their families will be eligible for the first time for federal financial aid to attend college.

Meanwhile, a college in Missouri has made 100 scholarships available for the children of laid-off auto workers. The program begins this fall.

New eligibility requirements for federal financial aid — effective July 1 — no longer consider a laid-off worker's income for the previous year nor the value of the family home.

"That made our people essentially ineligible before," said Phil Mastin, manager of government relations at the GM-UAW Human Resource Center in Auburn Hills, Mich.

Laid-off workers, their spouses and children who apply for student aid must now report expected income for the coming year.

About 60,000 workers are laid off at General Motors alone. Plant closings accounting for about 40,000 of that total.

The new eligibility requirements apply to laid-off workers in all industries.

Workers enrolled at an accredited college are eligible for up to $2,100 a year in Pell grants, national direct student loans, college work-study grants and supplemental educational opportunity grants.

The Pell program alone is funded at more than $3 billion annually, Mastin said.

David Lah, a U.S. Department of Labor analyst, said some applicants will still be ineligible, based on expected family income.

"People seeking federal student aid should work with their college financial aid officer," who will help determine eligibility, he said.

Meanwhile, children of laid-off UAW workers are eligible for a new scholarship program established by Tarkio College in northwest Missouri.

The school has allocated $1.28 million from its general scholarship fund for the program, which will provide 100 annual scholarships of $3,200 each, guaranteed renewable for four years.

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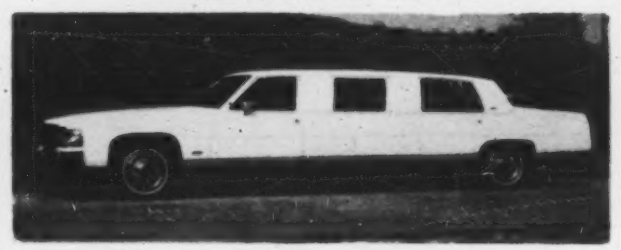

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DOMESTIC DAYS' SUPPLIES

	July 1, 1988	June 1, 1988	July 1, 1987
Alliance	73	54	151
Eagle	—	—	95
Premier	107	111	—
Total Eagle	105	99	140
Horizon	107	102	35
Sundance	47	57	49
Turismo	—	—	161
Reliant	59	41	55
Caravelle	79	68	75
Gran Fury	29	41	49
Total Plymouth	64	59	57
Laser	—	—	60
LeBaron K	100	96	77
LeBaron J	56	54	132
LeBaron GTS	114	121	144
Fifth Avenue	86	73	132
New Yorker C	73	84	—
New Yorker E	255	22	100
Total Chrysler	72	72	112
Omni	106	109	35
Shadow	48	50	47
Charger	—	—	134
Daytona	52	49	96
Aries	58	44	55
Lancer	148	152	160
Diplomat	61	53	51
Dynasty	42	45	—
Dodge 600	81	69	94
Total Dodge	61	57	68
CHRYSLER MTRS.	67	63	78
Escort	62	66	71
Mustang	48	40	41
Tempo	62	65	74
Taurus	46	39	73
Thunderbird	103	63	82
Probe	32	30	—
Crown Victoria	46	49	41
Total Ford Div.	57	54	66
Lynx/Tracer	110	108	76
Topaz	80	68	94
Sable	50	50	112
Cougar	82	73	81
Grand Marquis	41	44	49
Total Mercury	63	63	79
Continental	18	18	80
Lincoln	64	67	43
Mark VII	75	73	45
Total Lincoln	55	57	46
Total L-M Division	61	61	70
FORD MOTOR CO.	58	58	66
Skyhawk	92	85	112
Somerset/Skylark	64	61	116
Century	77	63	121
Regal	92	81	75
LeSabre	50	48	96
Reatta	98	94	—
Electra	83	88	122
Riviera	58	60	76
Total Buick	74	68	107
Cimarron	128	105	120
Allante	104	124	136
Seville	109	88	74
DeVille	110	61	113
Brougham	122	98	106
Eldorado	141	98	86
Total Cadillac	117	75	106
Chevette	310	247	64
Nova	95	82	41
Cavalier	51	52	105
Camaro	68	63	61
Celebrity	68	59	63
Corsica/Beretta	41	47	57
Monte Carlo	74	85	119
Caprice	58	52	91
Corvette	54	57	94
Total Chevrolet	56	56	71
Firenza	142	71	139
Calais	60	74	86
Cutlass Ciera	76	66	101
Cutlass Supreme	118	111	75
Olds 88	44	51	83
Olds 98	87	81	95
Toronado	64	60	47
Total Oldsmobile	74	72	89
Fiero	77	68	106
Pontiac 1000	—	—	111
Sunbird	40	44	91
Firebird	56	55	52
Grand Am	35	42	55
Pontiac 6000	42	52	101
Grand Prix	76	61	156
Bonneville H	38	37	—
Paris./Safari	87	79	114
Total Pontiac	45	46	81
GENERAL MTRS.	63	60	84
HONDA	16	9	11
MAZDA	16	32	—
NISSAN	48	59	49
TOYOTA	35	33	47
VOLKSWAGEN	140	116	123
DOM. TOTAL	60	57	75
Subcompact	52	48	—
Compact	49	48	—
Intermediate	64	60	—
Standard	60	57	—
Specialty	71	68	—

Vehicle supply steady

Domestic cars at 60 days; imports, 58

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Robust sales in June held the combined stocks of unsold U.S.-built cars and imported vehicles to the equivalent of a 61-day supply on July 1.

Inventories of unsold domestic cars and imported vehicles totaled 2,490,542 on July 1. That was 10.79 percent — or about 301,100 units — lighter than a year earlier when there were 2,791,643 unsold vehicles on hand. Last year's stocks represented a 71-day supply.

The July 1 total was 15,000 higher than the 2,474,699 unsold vehicles in inventory on June 1 of this year. That represented a 59-day supply.

In spite of June's improved sales performance, domestic car stocks moved up to 1,663,109 units on July 1, which represented a 60-day supply. On June 1, the stockpile of U.S.-built cars was 1,597,668 units, equivalent to a 57-day supply. A year ago on July 1, there were 1,900,096 units, representing a 75-day supply.

Imported-car inventories were whittled down to 634,143 units on July 1, a 58-day supply. A month earlier, there were 676,481 unsold imported cars representing a 63-day supply. On July 1 last year, imported car stocks totaled 650,508 units, which was equivalent to a 60-day supply.

"We have a 30-day supply and need about every model. Sales have been fair. They are not as good as last year, however, last year sales were great," said Scott Clark, owner of Toyota City, Charlotte, N.C.

Total import truck inventories rose to 193,290 vehicles on July 1, representing an 81-day supply. On June 1, there were 200,550 unsold units, equivalent to 72-days' worth. Last year on July 1, import truck stocks were fatter — 241,039 unsold imported trucks, which represented a 71-day supply.

Japanese and German shares of unsold car stocks edged up slightly in June. On July 1, import-stocks by country of origin were divided this way: Japan, 61.82 percent; Germany, 14.99 percent and all other countries, 23.19 percent.

Domestic and major transplant carmakers' shares of total stocks (including captive imports) on July 1 were: General Motors, 36.55 percent; Ford Motor Co., 20.68 percent; Chrysler Motors, 13.42 percent; Nissan, 6.25 percent; Toyota, 3.10 percent; Honda, 1.27 percent; all other manufacturers, 18.73 percent.

A year ago, inventory shares were split this way: GM, 44.38 percent; Ford, 19.78 percent; Chrysler, 12.55 percent; Nissan, 7.46 percent; Toyota, 3.92 percent; Honda, 0.91 percent and all others, 11.00 percent.

By size class, the July 1 domestic-car inventory was divided as follows: intermediate, 43.85 percent; compacts, 23.04 percent; standards, 17.53 percent; subcompacts, 14.63 percent; specialty class, 0.95 percent.

A year ago, stocks by size class were: intermediate, 42.97 percent; compact, 23.98 percent; standard, 18.07 percent; subcomapct, 13.91 percent; specialty, 1.07 percent.

GM shaved its total domestic and captive import car stocks to 910,251 units or 64-days' worth vs. 1,131,928 units, an 86-day supply, on July 1, 1987.

Ford's stocks, including captive import cars, were reduced to 515,100 units, representing 60-days' worth vs. 504,517, a 68-day supply a year ago. Chrysler's stocks including imports dropped to 334,127 units, equivalent to 75-days' worth of unsold vehicles compared with a year-ago inventory of 350,444, representing an 82-day supply.

Transplant Honda reported the slimmest stocks — 31,558 domestic and import cars, representing a 16-day supply compared with 23,263 units, representing a 13-day supply last year.

The second slimmest stocks belonged to Toyota, which reported inventories of 77,227, equal to a 25-day supply vs. 109,444 or a 38-day supply a year ago.

Nissan's combined import and domestic vehicle stocks totaled 155,541, representing a 65-day supply on July 1. Although inventories were fatter than on June 1, they were down considerably from last year's 208,221, equivalent to a 73-day supply.

Among U.S.-based manufacturers, Ford's slimmest inventories in terms of day supply belonged to Lincoln Continental and Ford Probe. Ford reported heavier Thunderbird, Festiva and Mercury Tracer stocks on July 1.

Chevrolet was shy of Corsicas/Berettas, and Pontiac's Sunbird, Grand Am and 6000 models were in short supply on July 1.

Cadillac's DeVille and Eldorado stocks grew and the division had a 117-day supply vs. a 75-day supply last month.

Dodge was low on Shadow and Dynasty models although Dodge Omni and Plymouth Horizon stocks were higher.

The slimmest import car stocks belonged to Honda with a 15-day supply, and Hyundai reported that its stocks dropped to a 32-day supply on July 1. Hefty import car stocks were reported by Audi, and Yugo's stocks were slightly higher than a month earlier but represented a 227-day supply.

IMPORT DAYS' SUPPLIES

	July 1, 1988	June 1, 1988	July 1, 1987
Chevrolet	88	116	152
Chrysler/Mitsubishi	104	113	91
Acura	43	37	33
Daihatsu	73	77	—
Honda	15	14	16
Isuzu	128	183	93
Mazda	47	44	54
Mitsubishi	86	89	92
Nissan	80	102	85
Subaru	91	99	87
Toyota	20	17	26
JAPAN	54	57	60
Audi	125	189	43
BMW	76	75	73
Mercedes-Benz	41	43	46
Merkur	93	132	71
Porsche	89	100	170
VW	83	78	60
GERMANY	75	77	70
Alfa Romeo	93	87	60
Festiva	117	123	124
Hyundai	32	35	29
Jaguar	51	50	11
Peugeot	66	70	93
Pontiac	63	64	82
Eagle/Renault	292	272	248
Saab	67	76	75
Sterling	90	97	76
Volvo	67	70	58
Yugo	227	172	41
Other Countries	63	75	52
Total Import Cars	58	63	60
Isuzu	131	140	130
Mazda	65	50	74
Mitsubishi	111	88	94
Nissan*	82	90	69
Range Rover	51	42	18
Suzuki	187	97	18
Toyota	43	32	60
Chrysler	114	106	98
Total Imp. Trucks	81	72	71
Total Imp. Vehicles	62	86	63

*—Includes domestic trucks.

Auto trade deficit rises after 2-month downturn

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The U.S. automotive trade deficit in passenger cars and light trucks increased slightly in April, following two months of improvement. The trade deficit edged up 0.8 percent in April compared with the year-ago period. The upturn was due to a 3.9 percent increase in imports, while export growth slowed for the month.

Trade numbers from the U.S. Commerce Department show a trade deficit for passenger cars and light trucks of $3.850 billion for April. Total car and truck exports had a value of $914.4 million during the month. Monthly car and truck imports were valued at $4.764 billion. The automotive trade deficit for April 1987 was $3.817 billion.

Exports of passenger cars reached 69,736 vehicles with an estimated value of $732.6 million in April. Light-truck exports for the month were 17,738 vehicles with an estimated value of $181.8 million. Passenger-car exports were up 55.1 percent to Japan, and increased 6.5 percent to Canada. Exports to other countries increased by 5,612 units.

On the import side, Japan turned in a mixed performance for the month with the quantity and value of truck shipments continuing to slide, while the value of passenger-car shipments increased 1.8 percent over April 1987. The number of Japanese passenger cars shipped to the United States continued to decline, however.

South Korea, Mexico and Brazil all continued to post increases in car shipments. Canada and Yugoslavia also sent more cars to the United States for the month. Shipments from West Germany, Sweden, the United Kingdom, Italy and France declined.

Total car and truck imports had a value in April of $4.764 billion, up 3.9 percent from the $4.585 billion of automotive imports shipped in April 1987. There were 472,307 finished vehicles imported to the United States in April 1988, compared with 476,136 vehicles in April of last year.

Imports of passenger cars reached 394,651 units for the month with a value of $4.176 billion. Imports of light trucks were 77,656 units with a value of $588.3 million.

Japanese car imports dropped 5.1 percent for the month, but the value of the shipments increased by 1.8 percent. Japanese truck imports were off 72.5 percent. Japan shipped 171,586 cars to the United States in April, down from 180,825 a year ago. Truck shipments were 24,991 units, down from 90,853 units a year ago.

West Germany, Sweden, United Kingdom, Italy and France all shipped fewer cars to the United States in April 1988 than in April 1987, continuing a year-long trend. German shipments were off 35.7 percent. Sweden's shipments were down 41.4 percent. French and Italian manufacturers — which already import only a small number of cars — sent 37.3 percent and 52.4 percent fewer vehicles, respectively, to the United States for the month. Imports from the United Kingdom were off 9.7 percent.

The number of passenger cars imported from South Korea in April increased 50.1 percent from the year-ago period. Korea shipped 43,988 vehicles to the United States in April 1988, compared with 29,303 in April of last year.

Imports from Mexico were 10,806 vehicles, up from 7,524 one year ago. Brazilian imports were 10,022 units for the month, up from 4,452 vehicles shipped in April of 1987. Yugoslavia saw exports to the United States rise 17.9 percent for the month, after falling slightly in March.

U.S. AUTOMOTIVE TRADE BY VALUE
(x $1,000)

Passenger cars

Country	Trade	Apr. 1987	Apr. 1988	May 1986-Apr. 1987	May 1987-Apr. 1988
Japan	Export	$ 7,995	$ 16,747	$ 47,731	$ 115,436
	Import	1,643,906	1,672,661	21,464,089	21,261,666
Canada	Export	543,217	573,161	6,417,260	6,114,947
	Import	810,112	1,306,028	11,225,656	11,186,536
West Germany	Import	823,233	529,034	9,504,623	8,115,147
South Korea	Import	146,008	239,606	1,086,436	2,534,553
Sweden	Import	225,017	131,788	1,935,534	1,680,166
Mexico	Import	76,822	92,175	414,873	1,326,478
Yugoslavia	Import	13,223	15,139	278,433	139,915
United Kingdom	Import	83,214	79,441	712,029	1,227,811
Italy	Import	17,995	11,710	285,051	186,300
France	Import	52,791	26,356	148,837	201,386
Brazil	Import	20,021	58,587	33,306	336,168
Others	Export	77,536	142,798	556,079	1,147,585
	Import	30,917	16,005	207,125	284,529
Car total	Export	628,748	732,806	6,021,070	7,377,971
	Import	3,924,929	4,175,557	46,294,987	48,482,758
Trade balance		(3,296,181)	(3,442,951)	(40,273,917)	(41,104,787)

Light trucks (up to 10,000 lbs. GVW)

Canada	Export	$ 116,031	$ 142,028	$ 1,481,516	$ 1,744,449
	Import	147,371	284,288	2,040,046	2,273,410
Japan	Import	500,429	285,988	5,108,183	3,652,506
Mexico	Import	10,126	554	131,196	51,113
Others	Export	22,689	39,724	144,800	262,839
	Import	1,936	17,473	55,943	114,083
Truck total	Export	138,720	181,752	1,626,319	2,007,088
	Import	659,864	588,302	7,335,388	6,091,111
Trade balance		(521,144)	(406,550)	(5,709,052)	(4,084,023)
Car and truck total	Export	767,468	914,358	7,647,389	9,385,059
	Import	4,584,793	4,763,859	53,630,355	54,573,869
VEHICLE TRADE BALANCE		(3,817,325)	(3,849,501)	(45,982,966)	(45,188,810)
TOTAL U.S. Merchandise trade (customs value)	Export	29,402,300	26,217,800	231,623,500	277,220,300
	Import	31,978,200	34,391,100	374,300,400	421,512,200
TRADE BALANCE		(11,575,900)	(8,183,300)	(142,676,900)	(143,291,900)

U.S. AUTOMOTIVE TRADE BY QUANTITY

Passenger cars

Country	Trade	Apr. 1987	Apr. 1988	May 1986-Apr. 1987	May 1987-Apr. 1988
Japan	Export	497	1,2[illegible]	2,899	8,322
	Import	199,825	171,586	2,535,842	2,399,144
Canada	Export	53,792	57,287	574,459	592,746
	Import	76,342	117,789	1,073,142	1,016,694
West Germany	Import	97,499	19,512	425,710	330,966
South Korea	Import	29,303	43,988	224,946	483,947
Sweden	Import	16,773	8,609	151,074	113,824
Mexico	Import	7,524	10,806	39,854	148,021
Yugoslavia	Import	4,397	5,186	48,294	54,773
United Kingdom	Import	3,704	3,343	32,493	48,998
Italy	Import	991	497	24,361	8,450
France	Import	3,817	2,394	21,499	19,784
Brazil	Import	4,452	10,022	7,120	64,587
Others	Export	5,584	11,161	41,962	86,922
	Import	2,098	985	14,295	18,236
Car total	Export	59,853	69,736	619,410	687,990
	Import	367,675	394,651	4,598,619	4,676,386
TRADE BALANCE		(307,822)	(324,915)	(3,979,209)	(3,988,406)

Light trucks (up to 10,000 lbs. GVW)

Canada	Export	12,759	14,344	163,165	175,520
	Import	16,327	51,978	221,858	219,296
Japan	Import	90,853	24,991	967,233	655,471
Mexico	Import	1,275	8	17,276	6,132
Others	Export	1,852	3,394	12,150	21,023
	Import	6	679	1,010	1,497
Truck total	Export	14,605	17,738	175,255	196,544
	Import	108,461	77,656	1,207,377	882,395
Trade balance		(93,856)	(59,918)	(1,032,122)	(685,841)
Car and truck total	Export	74,458	87,474	794,665	884,534
	Import	476,136	472,307	5,805,996	5,558,781
TRADE BALANCE		(401,678)	(384,833)	(5,011,331)	(4,674,247)

Compiled by Automotive News from official statistics of the U.S. Commerce Department, as reported by the U.S. International Trade Commission. Because of rounding, figures may not add to the totals shown.

FTC tells GM 1983 agreement doesn't override New York law

WASHINGTON — The Federal Trade Commission said General Motors is mistaken in claiming a 1983 consent settlement with the commission preempts the 1986 New York lemon law.

FTC lawyers filed the opinion June 30 in a pending lawsuit filed by GM in 1986 against the state of New York. In the case, GM said a 1983 consent agreement with the FTC establishing a nationwide arbitration system to settle warranty disputes exempts it from New York's law.

GM said the system, administered by the Better Business Bureau, sets "binding rules" of liability.

FTC attorneys disagreed. They said the cases aired under the FTC order are to be settled on a case-by-case basis and that it is not the commission's intent under the agreement to "preclude states from adopting laws designed to benefit consumers who participate in arbitration programs."

The 1983 consent order settled complaints brought against GM in 1980 involving the THM-200 automatic transmission, camshafts and lifters in certain Chevrolet gasoline engines and fuel injection pumps and fuel injectors in certain Oldsmobile diesel engines.

FTC said it can and in certain situations does pre-empt state laws but it did not intend to do so with the GM consent order and is unaware of any existing pre-emptive intent. Nor was the order viewed as a comprehensive regulation of arbitration so as to leave no room for state action, FTC said.

"In fact, it contains numerous references to state law and in each instance indicates that arbitration under the order will comply with, not pre-empt, the law," the FTC opinion said.

It concluded that it is not the commission's intent to "deny states the opportunity to experiment with legislative approaches to consumer protection, adding, there is "no evidence that this sort of nationwide uniformity was a goal of the commission's order."

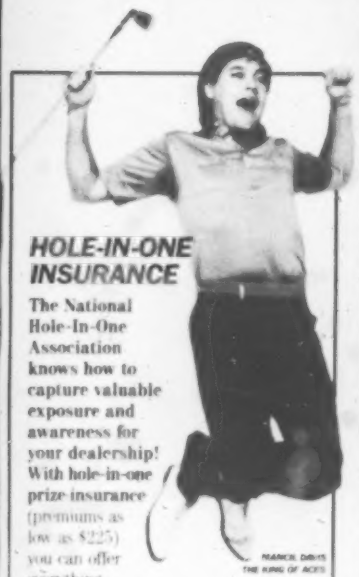
Mustang alive until early '90s if sales hold up

DEARBORN, Mich. — Ford Motor Co. has asked the city of Dearborn for a tax abatement on $58 million in planned improvements to its plant there which builds the Ford Mustang.

The request marks another show of support for the Mustang, whose future had been in question. Ford now says it expects to build the car at least into the early 1990s if sales hold up.

The $58 million would be used to install a new clearcoat paint system. The investment still has to be approved by Ford's board of directors.

An abatement would cut Ford's tax bill on the improvements by as much as 50 percent over 12 years.



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IMPORT SALES BY MODEL

	June 1988	June 1987	6 Mos. 1988	6 Mos. 1987
ACURA	11,390	9,509	61,303	50,171
Integra	5,677	4,800	28,129	28,381
Legend	5,713	4,709	33,174	21,790
ALFA ROMEO	466	657	2,708	3,422
Milano	196	254	1,822	1,342
Spider	270	403	1,086	2,080
AUDI	2,422	7,915	11,733	24,887
4000S	17	1,239	177	3,386
4000CS Quattro	3	289	63	1,120
5000S	1,031	4,277	3,617	14,412
5000CS Turbo	176	878	674	2,754
5000CS Turbo Quattro	102	1,080	636	2,567
80	452	0	3,079	0
90	522	0	3,067	0
Coupe GT	29	172	218	656
BMW	6,153	7,711	34,786	42,987
318i	0	1	9	15
524 TD	0	3	3	28
325	3,122	4,929	19,334	28,697
528e	877	867	4,598	4,897
535i/535iS	371	479	2,427	3,616
6-Series	170	161	677	988
7-Series	1,318	1,099	8,135	4,264
M3	180	61	930	74
M5	52	49	194	145
M6	55	64	270	344
CHEVROLET	13,278	10,897	64,347	60,162
Spectrum	9,393	6,628	40,734	36,280
Sprint	3,885	4,269	23,613	23,882
CHRYSLER/MITSUBISHI	10,986	11,085	60,823	60,639
Colt	7,536	7,344	45,109	38,842
Conquest	1,323	1,147	5,679	6,880
Vista	2,007	2,594	10,035	15,137
DAIHATSU	1,012	0	5,273	0
EAGLE/RENAULT	678	1,792	8,568	5,570
Medallion	678	1,792	8,568	5,570
FORD Festiva	6,087	1,492	33,269	2,945
HONDA	21,599	21,499	121,262	132,057
Civic/CRX	7,976	10,423	60,055	56,894
Accord	8,929	7,246	36,139	44,178
Prelude	4,965	3,800	25,071	28,985
HYUNDAI	26,041	27,199	148,493	127,056
ISUZU	2,799	4,418	11,595	16,151
I-Mark	1,587	3,912	7,578	12,356
Impulse	1,201	506	4,017	3,795
JAGUAR	1,948	2,192	9,897	10,024
XJ6	1,445	1,621	7,472	7,722
XJS	493	571	2,425	2,302
MASERATI	80	80	510	516
MAZDA	20,227	21,144	116,146	89,573
323	7,997	6,146	47,017	31,850
626	6,400	11,382	33,878	36,702
MX-6	445	0	5,935	0
929	2,520	0	13,167	0
RX-7	2,865	3,616	16,151	19,021
MERCEDES BENZ	8,154	7,273	44,088	4,541
190	2,200	1,434	9,002	9,448
260E	615	486	3,852	2,801
300	2,812	1,849	13,158	11,953
300SDL Turbo	3	573	87	3,620
300SEL	384	0	3,383	9
420SEL	594	1,191	4,709	8,875
560SEL	450	453	2,736	3,178
560SL	1,127	944	6,074	6,014
560SEC	127	119	825	916
Tourist	93	204	257	808
MERKUR	1,825	1,432	9,404	5,133
XR4Ti	422	641	2,587	4,008
Scorpio	1,403	791	3,837	1,125
MITSUBISHI	6,388	7,786	35,042	34,147
Starion	237	608	1,795	2,963
Cordia	486	432	3,341	2,166
Tredia	15	626	415	2,523
Mirage	1,991	1,936	5,777	8,469
Galant	2,375	912	8,991	5,949
Precis	1,821	2,487	11,539	8,443
Montero 4-Door	2	0	2	0
Van/Wagon	563	772	3,272	3,641
NISSAN	35,324	37,013	198,436	211,284
Sentra	10,545	10,274	73,566	59,872
Pulsar	6,566	5,508	26,872	33,348
Stanza	2,017	6,026	27,125	32,656
Maxima	9,596	6,689	36,739	45,221
200SX	3,821	3,228	10,112	18,163
300ZX	2,123	3,023	11,995	20,452
Hawaii	656	265	2,225	1,772
PEUGEOT	768	755	3,482	4,440
PONTIAC LeMans	5,484	3,454	32,434	3,454
PORSCHE	1,554	2,200	8,807	12,824
924S	497	312	1,302	1,487
944	287	995	2,056	3,162
944S	29	177	269	1,349
944 Turbo	125	225	1,025	1,383
911 Coupe	233	364	1,750	2,255
911 Turbo	85	144	579	771
911 Cabriolet	199	218	1,073	1,333
928S	125	165	753	1,084
SAAB	3,636	4,279	19,341	22,087
900	565	913	3,280	4,650
900S	959	1,425	5,115	7,095
900 Turbo	908	838	4,542	4,264
9000S	259	353	1,707	1,810
9000 Turbo	525	594	4,214	3,824
Tourist	382	168	483	444
STERLING	715	1,160	4,947	6,387
SUBARU	15,000	14,343	75,724	77,514
Hatchback	442	563	3,222	3,313
3-Door	1,034	1,253	4,274	6,332
4-Door Sedan	4,364	3,692	15,186	19,439
XT	1,195	1,695	7,220	9,852
Station Wagon	6,224	6,216	31,520	33,505
Justy	1,801	924	14,322	4,583
TOYOTA	54,906	47,594	283,478	242,717
Corolla	13,945	8,085	71,703	44,855
Tercel	7,947	8,993	42,586	40,864
Celica	6,350	6,602	32,521	35,209
Supra	1,587	2,467	10,721	14,175
Camry	29,503	15,849	98,148	75,289
Cressida	972	1,548	5,861	10,429
Land Cruiser	479	330	3,879	1,926
Van	498	1,171	3,086	7,145
4Runner SR 5	1,947	178	10,253	735
MR2	887	1,386	4,742	8,640
Hawaii	0	905	0	2,450
VOLKSWAGEN	11,945	12,813	73,194	62,855
Cabriolet	1,372	1,558	7,176	7,878
Jetta	4,983	5,163	30,441	28,995
Vanagon	494	742	3,095	4,980
Quantum	215	515	1,415	3,118
Scirocco	248	615	1,580	3,731
Fox	4,853	4,220	29,477	14,153
VOLVO	9,153	9,083	49,621	61,964
240 Series	3,471	4,609	21,494	30,463
740 Series	4,307	3,129	21,699	24,047
760 Series	1,058	1,027	5,208	6,464
780	201	28	788	35
Tourist	116	299	371	985
YUGO	2,013	4,761	16,544	27,033
IMPORT TOTAL	294,201	281,594	1,534,233	1,443,408

Compiled by Karen Dabrowski

SIZE CLASS SHARES, JUNE 1988

	Total Sales	Pct. of Total
SUBCOMPACT	230,654	22.85
COMPACT	284,488	28.20
INTERMEDIATE	351,808	34.86
STANDARD	130,208	12.94
SPECIALITY	10,969	1.09
TOTAL	1,008,385	100.00

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Circle ReaderService #52

Lemon-law pre-emption faces a new foe

By Helen Kahn
SENIOR CORRESPONDENT

WASHINGTON — Auto industry proposals to use Federal Trade Commission approval of informal dispute resolution mechanisms to pre-empt state lemon laws have been attacked by the National Association of Consumer Agency Administrators.

Meanwhile, both domestic and import car companies are taking sharp issue with the legal objections filed by 41 state attorneys general over the industry petition.

The Motor Vehicle Manufacturers Association and the Automobile Importers of America, said in a letter that their intent is to press for uniform procedures for private settlement mechanisms while allowing states to set their own arbitration programs.

They also said their April petition should make more manufacturer informal dispute settlement mechanisms available. They said that would benefit consumers directly since "only a small portion of warranty problems are covered by state lemon laws."

In opposing FTC pre-emption, the National Association of Consumer Agency Administrators cited three reasons. First, the group said, state lemon law regulations are appropriate because they fill a void created when no manufacturer offered a complete warranty under the 1975 Magnuson-Moss Warranty Act with provisions for repair, refund or replacement of lemons. Since the states filled that void, the group said, they should also determine the "appropriate role and form of private dispute settlement mechanisms.

Second, the group said, state regulation occurred because of FTC's "disinclination" to act on its Rule 703 under Magnuson-Moss permitting arbitration. In 1982 after Connecticut passed the first lemon law, controversy arose over whether programs claiming to meet the FTC rule actually did so. FTC's response was to treat it as a state matter. The consumer agency group said in its letter that "the commission cannot now justifiably turn around and pre-empt" the state rules it invited.

Finally, the group said, it would be inappropriate for the FTC to act since the same issue of pre-emption is now in litigation. If Congress feels the courts are misinterpreting the purposes and policies of the Magnuson-Moss Act, it can take appropriate action, the group said, but that is a fundamental policy decision properly left to Congress, not the commission."

The group said FTC cannot approve the programs since it is expressly forbidden by language in the conference report ironing out differences between the Senate and House versions of the 1975 Magnuson-Moss Act.

But the consumer group admitted that the MVMA Automobile Importers of America petition on the FTC rule has potential for consideration if the issues of pre-emption and FTC certification of settlement mechanisms are dropped. However, the industry associations feel their petition should be approved because in addition to providing a uniform settlement mechanism, other consumer benefits include better training for arbitrators, more oral hearings and more information on the programs.

They add that in the 21 states whose lemon laws merely incorporate the FTC rule by reference or those six states that do not have lemon laws, consumers would benefit greatly" from the changed FTC rule with greater consumer protection.

While the state attorneys general and the industry associations disagree over what would be pre-empted under the Magnuson-Moss Act, the automakers maintain that the pre-emption sought in their petition would affect fewer than half the states with lemon laws and that a handful of states would have their laws invalidated by such action.

Contrary to charges that they want a shortened rulemaking, the auto industry associations say they welcome public hearings on the matter.

AUCTION DATES

Chrysler Motors

July 19 — Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; Denver Auto Auction, Aurora, Colo.; Golden Gate Auto Auction, Fremont, Calif.; and South Seattle Auto Auction, Kent, Wash.

July 20 — Butler Auto Auction, Gibsonia, Pa.; A.D.E. of Birmingham, Birmingham, Ala.; and Minneapolis Auto Auction, Plymouth, Minn.

July 21 — Northway Exchange, Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Salt Lake Auto Auction, Salt Lake City; and Ark-La-Tex Auto Auction, Shreveport, La.

July 22 — Manheim Auto Auction, Manheim, Calif.

Ford Motor Co.

July 19 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction Inc., Hayward, Calif.

July 20 — Concord Auto Auction, Acton, Mass., and Lakeland Auto Auction, Lakeland, Fla.

July 21 — Aptco Auto Auction, Taylor, Mich.; Texas Hobby Auto Auction, Houston; Southwest Auto Auction, Chandler, Ariz.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

July 28 — Greater Chicago Auto Auction, Chicago, and St. Louis Auto Auction, Bridgeton, Mo.

General Motors

July 19 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

Used Car Sales
Auction Averages

July 88	$5,832
Month ago	$5,824
Year ago	$5,910

July 20 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.

July 21 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; and St. Louis Auto Auction, St. Louis

Model Breakdown
Auction Averages

	JULY 1988	JUNE 1988	MAY 1988
1988	$11,350	$12,545	$12,495
1987	$8,629	$8,668	$8,661
1986	$7,284	$7,327	$7,490
1985	$5,825	$5,801	$5,711
1984	$4,527	$4,534	$4,525
1983	$3,721	$3,721	$3,776
1982	$2,529	$2,529	$2,475
1981	$1,929	$1,932	$1,983
Overall Average	$5,832	$5,855	$5,800

July 26 — A.D.E. of Birmingham, Moody, Ala.; National Auto Dealer Exchange, Bordentown, N.J.; and Florida Auto Auction of Orlando, Ocoee, Fla.

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Scam tags 6th former Pontiac aide

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — A federal grand jury last week indicted another former Pontiac employee on charges stemming from warranty scams.

Indicted on five counts of mail fraud was Allen Peek, former assistant zone manager for service in Pontiac's Detroit zone. He currently is employed by BMW on its national warranty audit staff.

He will be arraigned before a federal magistrate in Detroit, probably during the week of July 25.

The grand jury last week charged that this alleged warranty scam worked similar to an earlier one in which five persons pleaded guilty.

The grand jury charged that Peek used his authority to direct dealership service department employees to submit claims to Pontiac for repair work — reimbursable beyond normal warranty coverage — that was never performed. It charged that Peek then approved the checks that were paid to "a personal friend and associate" of Peek.

The indictment charged that Peek allegedly was responsible for five bogus repair orders totaling $5,736.39, which were processed through two Detroit-area dealerships, Bob Sellers Pontiac-GMC, Farmington Hills, and Shelton Pontiac-Buick, Rochester.

No dealership personnel have been indicted.

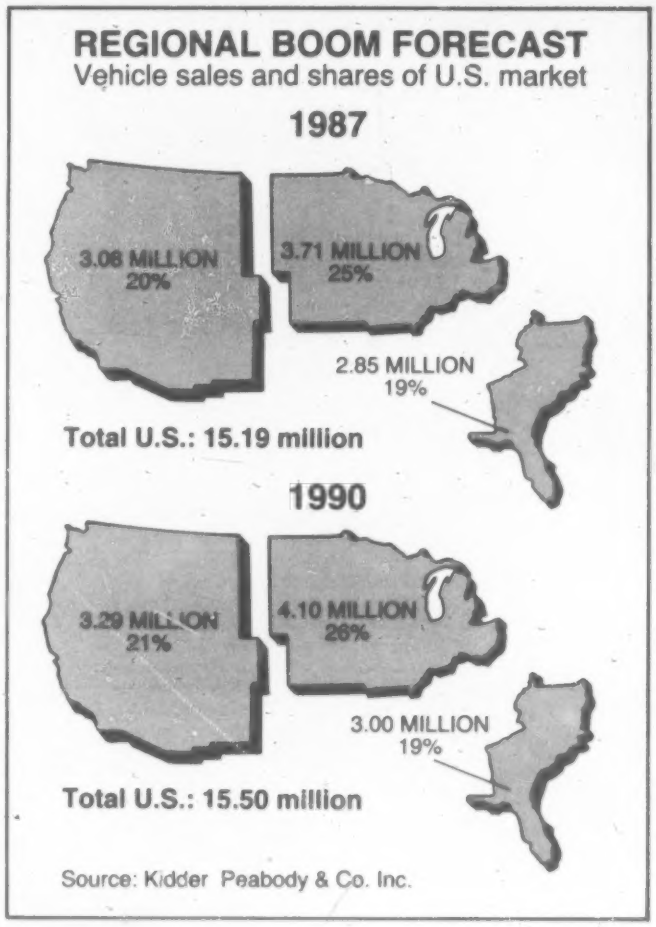
Separately, the fifth and final defendant in the original Pontiac warranty scam indictments — involving the Detroit and Buffalo, N.Y., zones — was sentenced in federal court in Ann Arbor, Mich.

All five of the original defendants pleaded guilty to various charges.

On July 13, U.S. District Judge George LaPlata sentenced Darrell D. Osland to two years in prison plus a consecutive five-year probation.

Osland earlier pleaded guilty to one count of mail fraud and one count of interstate transportation of property taken by fraud as part of a plea-bargaining agreement with the U.S. attorney's Detroit office.

He had been zone service manager in the Buffalo zone and dealer service consultant in the Detroit zone.



DEMAND

FROM PAGE 3

new-car sales of 10.3 million units in 1988 and sales of 10.2 million units in 1989. Sales of traditional domestic makes are expected to total 6.65 million in 1988 and 6.55 million in 1989.

Transplant car sales are projected to rise significantly to 650,000 this year and 850,000 in 1989, while import vehicle sales are expected to decline to 3.0 million this year and 2.8 million in 1989.

The overall import-car sales share is anticipated to decline over the next two years from a 31.1 percent share in 1987 to 27.5 percent in 1989, according to the report.

The report details regional sales patterns since 1964 and projects future sales trends based on a regional econometric model that considers regional economic growth, employment, income and population migration.

The key focus of the study is on untapped demand potential in the Midwest. The weaker dollar has "improved the international competitiveness of many basic industries" in the Midwest, which has only recovered about 40 percent of the volume that was lost during the last economic downturn, according to the report.

Improved Midwest vehicle sales should lead to better than expected domestic market share gains because 80 percent of all vehicles sold in the Midwest are domestic, compared with 67 percent on a national average basis, the report said.

Two other regions will contribute to the strength of the market. The Pacific Mountain region's economic strength is influenced by the weaker dollar, which has boosted export demand for lumber, aircraft, high-tech machine manufacturing and computer equipment manufacturing, according to the report.

Key industries in the South Atlantic region — including textiles, chemicals and high-tech office equipment — benefit from the lower dollar, according to the study which reports: "Motor vehicle sales should remain above trend line due to expected migration flows, a growing service sector and specific regional impacts of the lower dollar."

Car-like seat belts required for trucks

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — NHTSA has decided to require that all trucks, buses and multipurpose vehicles weighing more than 10,000 pounds meet new safety-belt regulations.

The new rules will make seat belts easier to use in those vehicles and will keep them cleaner. The agency has found that truckers will not wear dirty seat belts.

NHTSA's final rule, published July 6, specifies that all vehicles manufactured after Aug. 31, 1990, must meet the new requirements.

Since 1972, NHTSA has required manufacturers of vehicles weighing more than 10,000 pounds to install safety-belt systems and meet federal belt-strength requirements. Until now, however, NHTSA has not required those vehicles to meet passenger-car regulations that make seat belts easier to use.

The new rules require that all trucks, buses and multipurpose vehicles over 10,000 pounds use a standardized buckle-release mechanism, be equipped with a locking retractor that prevents the belt from tightening excessively around the wearer and have a retractor that is movable with the seat.

NHTSA said it based much of its rulemaking on studies of belt usage by truck drivers and of accidents involving those vehicles.

"There are substantial data showing that occupants of heavy vehicles, particularly heavy trucks, face a significant risk of death and injury in vehicle crashes," NHTSA said in its rulemaking announcement.

"For instance, there are approximately 1,000 deaths annually of heavy-vehicle occupants. Total or partial ejections, which could be substantially reduced by increased belt usage, accounted for about 30 percent of all heavy-vehicle fatalities. The agency estimates that about 43,000 injuries occur in heavy vehicles annually," NHTSA said.

The agency classifies any truck, bus or multipurpose vehicle weighing more than 10,000 pounds as a "heavy" vehicle.

"Surveys of belt usage among heavy-truck drivers have found usage to be as low as 6.2 percent, which is substantially below the national average for passenger-car drivers," the agency continued. "Surveys of heavy-vehicle drivers have noted several behavioral and vehicle-design-related reasons for low belt use among heavy-truck drivers."

One of the most significant reasons for low belt usage, NHTSA said, is that "belts in heavy vehicles were often too dirty to wear because most safety belts in heavy vehicles on the road today are not equipped with retractors. Absent a retractor, the belts can dangle from the seat structure and become soiled with dirt and grease on the vehicle's floor."

The agency said its rulemaking will help interstate truckers meet a belt-use requirement set by the Office of Motor Carrier Standards and mandatory safety-belt-use laws in various states.

Korean workers target union, supplier

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — As labor unrest continues here, members of two unions have expressed dissatisfaction with their leadership, and a work stoppage at a components supplier threatens to halt production at two auto companies.

Workers at Hyundai Motor Co. adopted a no-confidence motion against Lee Yong-Bok, chairman of the company's trade union. The workers are unhappy because the union signed a contract without the approval of the rank and file.

Some 14,000 workers have joined in a call for a general meeting and are seeking government permission to name one union member empowered to convene such a meeting.

Meanwhile, after ending their strike in May, several thousand workers at Daewoo Motor Co. staged sporadic sit-in protests demanding the resignation of Won Yong-Bok, their union leader. Workers accused him of being "insincere" in the early stages of negotiations with the company.

Daewoo Motor and Ssangyong Motor Co. are threatened with disruption in production as a result of labor problems that have re-emerged at Daewoo Precision Co., which supplies both automakers with components. If the situation continues, the two assemblers may be forced to suspend operations.

Labor problems at Daewoo Precision, which flared up in May, ended after a month of negotiations. However, the company's trade union resumed the strike on June 25 over wages.

The company manufactures carburetors, shock absorbers, steering knuckles and liquid crystal displays used in instrument readout panels.

The company is also a defense contractor and, as such, is subject to laws that forbid strikes in the defense industry.

South Kyongsang Gov. Cho Ik-Rae has warned the Daewoo Precision workers that their "unlawful labor dispute has caused a serious impediment to the defense industry." He vowed to take legal action, if necessary, to order workers back to their jobs.

VAN

FROM PAGE 1

new Vectra compact.

Last week, European sources confirmed the existence of the minivan project, for which preliminary approval has been granted by GM's executive committee in Detroit.

"If we get a program it might be something like a high-roof car — like (Renault) Espace — based on a Kadett platform," said an insider at Opel, which heads up all GM engineering outside North America.

"It will not be a Kadett as such. There will be more differences than similarities. It's not anything you could call a Kadett and it won't be badged a Kadett."

Another GM official said, "I know we've got an interest, no question. It would be an addition to our line, a niche product." He said the main block of volume would be designated for the United States as a Pontiac.

GM do Brasil currently is completing a $500 million investment program to build a modified version of the Kadett in Brazil for South American distribution. The car is set to go into production in 1989 and be badged as a Chevrolet for sale there. Chevrolet is not expected to get a version of the minivan for the United States.

Both GM spokesmen and insiders last week denied a report in a Sao Paulo newspaper that said GM would export the Brazilian Kadetts to several markets around the world, including North America and Europe.

The aerodynamic, German-designed subcompact already serves as the basis of the Pontiac LeMans, which is built for GM by Daewoo in Korea. Conceivably, a Kadett-derived small van developed by Opel also could be produced by GM's Korean partner.

John Smith, GM's new head of overseas operations, said in a recent interview that a Brazilian-sourced utility car/van "is something that has been looked at, but nothing has been approved."

Usines Chausson SA, the French coachbuilder and body engineering specialist, did some of the preliminary body engineering work on the project and is believed to have competed with Italy's Pininfarina for the main project development work.

The vehicle would complement the forthcoming plastic-bodied APV (all-purpose van) being readied for the Chevrolet-Pontiac-Canada Group. A 4wd version of that vehicle was scrapped for cost reasons, opening a niche for the 4wd version of the Kadett-based small van.

The APV launch for Chevrolet and Pontiac has been delayed and is now planned for the mid-1990 model year.

GM officials have been openly enthusiastic about export prospects for its Brazilian operations. But Richard McGill, GM-Europe's head of national sales operations, in a recent interview denied rumors that Europe's Opel Senator luxury sedan may be built in low-cost Brazil for both the U.S. and Brazilian markets.

Staff correspondent Rik Turner in Sao Paulo, Brazil, contributed to this report.

Auto sales tumble 14% for July 1-10

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Early-July sales of domestic cars dropped 14.38 percent from the year-ago period. Only Honda and Toyota reported gains.

Deliveries for the July 1-10 period totaled 142,110, a decline of 23,860 units from 165,970 a year ago. Two years ago, 189,474 domestic cars were delivered in early July.

This year, the daily-selling rate slipped by 445 units or 2.14 percent to 20,301 compared with an average rate of 20,746 last year. There was one less selling day in the 1987 period.

Honda's sales rose by 314 units or 3.34 percent, and Toyota's deliveries climbed 24.66 percent or 164 units in the first 10 days of July compared with a year earlier.

The Big 3 reported sales declines ranging from nearly 2 percent to 18 percent. GM delivered 14,249 fewer cars than last year, a dip of 17.59 percent.

Ford's sales declined 8,819 units or 17.55 percent in the first 10 days of July compared with last year.

Chrysler's deliveries slipped 1.83 percent or 405 units from last year's equivalent period, although Dodge delivered nearly 1,400 more cars in early July this year.

Nissan's transplant deliveries were off 247 units or 14.89 percent compared with a year ago.

Mazda delivered 281 cars built at its Flat Rock, Mich., plant. The company was not producing cars in the United States at this time last year.

Volkswagen stopped reporting sales June 30; its plant in Westmoreland, Pa., permanently closed July 21. A year ago, the German transplant operation sold 899 cars in the first 10 days of July.

DOMESTIC SALES

	July 1-10, 1988	July 1-10, 1987
Eagle	1,143	675
Chrysler	5,397	7,431
Plymouth	5,723	5,949
Dodge	9,437	8,050
Chrysler Motors	21,700	22,105
Ford	28,718	33,624
Mercury	9,790	12,287
Lincoln	2,928	4,344
Ford Motor Co.	41,436	50,255
Buick	8,391	12,552
Cadillac	4,840	5,112
Chevrolet	25,032	32,926
Oldsmobile	13,317	15,765
Pontiac	11,157	14,630
General Motors	66,737	80,986
Volkswagen	—	899
Honda	9,715	9,401
Nissan	1,412	1,659
Toyota	829	665
Mazda	281	—
U.S. Industry Total	142,110	165,970

INCENTIVES

FROM PAGE 3

70th, and $750 per unit thereafter.

Mitsubishi also is offering dealers a $500 bonus on all Monteros and wagons sold during the program, which runs until July 31.

The lease program on Precis five-door models, which is being run through Security Pacific Auto Finance, will continue through Aug. 31. The leases range from 36 to 60 months. The program will be backed by an advertising campaign in USA Today and local publications.

NISSAN: Nissan Motor Corp. in U.S.A. has unveiled new customer rebates in a program called Customer Cash Back II. It began July 6 and runs through Sept. 2.

It includes 1987 and 1988 Sentra, Pulsar, Maxima and 200-SX cars; 1987 and 1988 special, non-standard non-Hardbody pickups; and 1988 Hardbody special pickups.

Dealers must contribute to the rebates on all models except 200-SX. Rebates on that model range from $1,000 for four-cylinder models up to $2,000 on V-6 models.

Standard Sentra models carry a $300 rebate that includes a $75 dealer contribution. Other Sentras have a $700 rebate, including $175 from the dealer. Pulsar NX XE has $500 ($125 from dealers), while the SE model rebate is $700 ($175 from dealers).

The Maxima rebate is $1,000, including a $250 dealer contribution.

Truck rebates range from $500 ($125 from dealers) on standard pickups and 1988 Hardbody specials to $700 ($175 from dealers) on the non-standard Hardbody pickup.

SUZUKI: American Suzuki Motor Corp. is paying its dealers a rebate of $2,000 on each Samurai sport-utility vehicle sold from July 13 to Sept. 2, but dealers do not have to wait until the end of the program to get a portion of the money.

Dealers were given an advance of $600 for each Samurai in their inventory as of July 13. If rebates at $2,000 per sale exceed the advance, the dealer will pocket the difference. If sales rebates fail to cover the advance, the shortfall will be charged to the dealer's parts account.

Court upholds 4-year extension for passenger-side air bags

By Helen Kahn
SENIOR CORRESPONDENT

WASHINGTON — A federal appeals court has upheld a NHTSA decision to allow cars equipped with driver-only airbags to count toward its passive restraint standards through 1994.

NHTSA had granted a petition by Ford Motor Co. in March 1987 to allow cars with a driver-side air bag and passenger-side manual belt to count toward the requirement that all cars be equipped with front-seat passive restraints by 1990. Ford maintained the extra four years was needed to develop passenger-side bags and the extension would insure that a greater number of cars would be equipped with driver-side air bags.

However, the Center for Auto Safety and Ralph Nader's Public Citizen sued over the extension.

The Insurance Institute for Highway Safety and all auto companies argued that passenger manual belts would encourage more driver-side air bags.

Ford promised it would produce a 1988 model with full front air bag protection; the Lincoln Continental has such a system. Ford also promised to produce 500,000 to 1 million driver-only air bags between the 1990 and 1994 model years.

EPA ruling steams up importers

Agency calls for emissions test at U.S. ports, not home plants

By Helen Kahn
SENIOR CORRESPONDENT

WASHINGTON — Auto importers are fighting EPA's proposal to conduct emission-control testing at U.S. ports instead of on foreign assembly lines. They are basing their complaint on cost and legality.

The Automobile Importers of America, as well as non-members Volkswagen of America and Mercedes-Benz of North America, have objected to the EPA's proposal. Selective enforcement audits currently are conducted by EPA engineers at each manufacturer's assembly plant abroad.

The Automobile Importers of America opposes the move because EPA has announced the change without going through formal rulemaking, as it has done in the past whenever it changed assembly-line test procedures.

The group's primary concern is that using ports "would result in inequitable treatment of foreign manufacturers." Moreover, it said, doing so would "significantly increase costs and testing difficulties for our member companies."

The importers' letter also includes a legal analysis, which contends that EPA does not have the authority in its existing regulations to enforce its decision to use ports.

In preparing that view for the importers, attorneys Norman Shutler and Matthew Low, both former EPA officials, said there never was any intention to use ports for the selective enforcement audit program since "few, if any foreign manufacturers" had test facilities in the United States when the rules were written.

They also pointed to a special exception granted to General Motors by the EPA that allows GM to use preferred assembly plants for various engine families. That, they said, "suggests not only that the agency intended that selection occur at assembly plants but that the agency intended to be bound by the manufacturer's choice of plants for such selection."

Shutler and Low said importers will have to set up test facilities.

VWoA has told the EPA that additional pre-testing would be needed to screen salt water and other damage resulting from transportation that may affect emissions. These factors, VW said, are "outside manufacturer control."

The company suggested that "the manufacturer who elects to have the SEA conducted in the country where the vehicles are produced could be assessed a fee by EPA equivalent to the differences in expenses incurred by EPA as a result of conducting the SEA in that country rather than in the U.S."

Mercedes-Benz of North America cited "clear legal problems" and "significant cost issues" in opposing use of ports for testing. Mercedes said it believes foreign makers should be allowed to pay the cost of a foreign selective enforcement audit if EPA lacks the money.

Festival time for Brazilian industry

By Rik Turner
STAFF CORRESPONDENT

SAO PAULO, Brazil — Brazil's vehicle production, domestic market sales and exports were all up during the first half of this year.

Sales in Brazil rose an encouraging 20.7 percent despite the relative price freedom enjoyed by the industry for several months.

According to figures released by the country's automotive manufacturers' association, ANFAVEA, exports rose 9.9 percent in volume and 38.2 percent in value, compared with the first half of 1987, indicating an increase in the average unit value of the country's vehicle exports.

Vehicle production totaled 523,770 units, a 13.8 percent increase over the 460,272 built during the same six-month period in 1987. Sales in the domestic market rose to 337,906, compared with 279,859 a year earlier, while exports increased to 173,194 from 157,569 units for the 1987 period.

The industry earned $1.624 billion on foreign sales from January through June, a 38.21 percent hike over 1987's $1.175 billion.

ANFAVEA President Andre Beer said the industry's 1988 export forecast already has been revised upward, increasing $500 million from the original projection of $2.5 billion, and he said that estimate may still be too conservative.

However, in announcing the figures, Beer mentioned the widening gap between increases in the industry's costs and value of the cruzado. He criticized government's reluctance to devalue the cruzado at a faster rate in the face of a monthly inflation rate of about 20 percent.

Brazil's government has decided to devalue the cruzado in one percent increments rather than take a large decrease in the currency's value. Export industries, such as the automobile business, have found it difficult to remain competitive. As a result, prices have increased on exports by both Ford and Volkswagen to the point that both companies have lost some U.S. orders.

Beer said costs in the face of the overvalued cruzado increased 46.3 percent from January 1987 to May 1988. "We're now suffering losses on each unit exported," he said, adding that the government has so far taken no action on the industry's request for assistance.

Proposals include lengthening the period manufacturers can hold tax revenues from car sales before handing them over to the government.

In addition, the companies seek authorization to convert Brazilian foreign debt paper into payment for exports, which would allow importers to receive discounts on their purchases while manufacturers would receive the cruzado equivalent of the face value of the paper.

On the home front, Beer said the industry is not worried by the government's decision last month to allow alcohol fuel prices to rise.

Until the change, the government had held the price of the fuel to 65 percent of the price of gasoline in order to compensate for its higher consumption per kilometer.

Alcohol is actually more expensive to produce than gasoline at current oil prices, and Petrobras, the federal oil company, has been registering huge losses each month on its alcohol operations. Thus, in an effort to reduce Petrobras' losses, the government upped the parity to 70 percent of the gasoline price.

ROVER

FROM PAGE 1

adapt the five-year plan as conditions dictate.

British Aerospace's hesitancy was viewed by some observers as a last minute gambit to win further financial concessions. However, the company's chairman, Roland Smith, said his sudden reluctance to conclude the deal was not because it objected to financial details.

The British government's original agreement with the aircraft maker, reached last March, called for a cash injection and debt writeoff in excess of £2 billion ($3.4 billion). For competitive reasons, the EC — which is also investigating whether Fiat was allowed to buy Alfa Romeo too cheaply — decided that was too much.

Following three months of tortuous negotiations, the compromise package reached reduced the government's cash injection to £469 million ($797 million) from £800 million ($1.36 billion). Debt write-offs were also reduced to £500 million ($850 million) out of accumulated losses of £1.6 billion ($2.72 billion).

Furthermore, the tax credits may be applied only against Rover profits and not used to lower the aircraft maker's overall tax bill.

But the compromise did permit £78 million ($137 million) in regional government aid for individual Rover plants.

The tab for the five year plan prepared by Day, including the cost of reducing Austin Rover capacity in Britain, is said to be £1.5 billion ($2.55 billion) before the end of 1992. The deal also calls for the EC to closely monitor British Aerospace's adherence to the plan.

The final step in the sale is for British Aerospace to get shareholder approval for the Rover takeover, which is expected within three weeks.

Meanwhile, earlier rumors of Ford taking a position in Jaguar cooled last week. However, the flurry of unexplained buying activity that led to the speculation — which Ford denied — also spurred talk of possible moves by other manufacturers to gain a foothold in the British luxury-car maker.

The British government's "golden share" in Jaguar prevents acquisition of more than a 15 percent stake by a single entity before December 1990. But several analysts believe that several makers may want smaller stakes in advance of the date. That would give them leverage and possibly drive up the share price to help ward off other predators.

Jaguar's low share price at the moment makes it attractive, analysts say. With the value of the marque, it is seen as a far better buy for a carmaker than for private investors.

PRODUCTION

Auto output rises 20% after holiday

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Last week's targeted domestic auto production totaled 100,900 units, 20.08 percent more than the prior holiday week's 84,028 and 9.91 percent more than the year-ago week's 91,804.

Last week's and the year-ago week's car and truck numbers were affected by downtime at several plants for vacation and model changeover.

Companies split last week's scheduled output as follows: General Motors, 66.32 percent; Chrysler Motors, 18.14 percent; Honda of America Manufacturing Inc., 7.41 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.35 percent; New United Motor Manufacturing Inc., 3.22 percent; and Volkswagen of America, 1.56 percent.

All Ford Motor Co. plants were idle last week for vacation. Output was scheduled to resume today.

Nissan Motor Manufacturing Co.'s plant in Smyrna, Tenn., resumed output today. The plant was idle for a two-week vacation.

Truckmakers scheduled production of 40,495 units last week, 1.07 percent below the previous week's 40,935 and 40.46 percent below the year-ago week's 68,008.

The following GM plants are idle until Aug. 1 for model changeover: Doraville, Ga.; Tarrytown, N.Y.; Framingham, Mass.; and Willow Run, Mich.

GM's Detroit-Hamtramck plant will be down until Aug. 24 and the Lansing, Mich., plant until early August. Both are idle for changeover.

GM's Janesville, Wis., and Wentzville, Mo., plants will close Thursday for changeover. Janesville will resume output Aug. 1 and Wentzville Aug. 2.

Chrysler's Belvidere, Ill., and Warren, Mich., plants are idle for model changeover. The Warren plant is scheduled to resume output July 25 and Belvidere is slated to reopen Aug. 1.

Chrysler's St. Louis truck plant resumed output today. The plant had been down for one week for vacation.

Vacations cut Canada output

Scheduled production of cars and trucks in Canada dipped from the prior week's output as several plants shut down for model changeover and vacation.

Car output was targeted at 8,495, 31.18 percent below the previous week's 12,343 but 84.63 percent more than the year-ago week's 4,601. The year-ago week's production was also affected by plant closings for changeover and vacation.

Truckmakers scheduled 7,003 units last week, 54.29 percent below the previous week's 15,320 and 26.68 percent below the year-ago week's 9,551.

All Ford plants were idle last week for vacation. Production was slated to resume today.

Chrysler's Windsor, Ontario, truck plants and its Brampton, Ontario, facility are idle for vacation until July 25.

U.S. CAR	Week Ended July 16, 1988	Week Ended July 18, 1987	Week Ended July 9, 1988	July to Date	Jan. 1 to July 16, 1988	Jan. 1 to July 18, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	1,900	0	1,621	3,915	54,389	32,997
Sundance	2,900	0	2,087	5,510	59,633	56,294
Reliant	2,100	0	1,597	4,130	51,961	62,358
Caravelle	0	0	0	0	9,087	30,069
Gran Fury	300	128	311	672	15,057	2,565
Total Plymouth	7,200	128	5,616	14,227	190,127	184,283
LeBaron K	0	0	0	0	7,912	42,910
LeBaron J	2,000	3,142	1,636	4,041	44,526	70,652
LeBaron GTS	300	0	212	576	5,428	23,809
N. Yorker E-Class	0	0	0	0	0	46,793
N. Yorker C-Class	0	0	2,037	2,804	63,233	0
Fifth Avenue	200	1,909	251	515	15,745	26,241
Total Chrysler	2,500	5,051	4,136	7,736	136,844	210,405
Omni	1,700	0	1,472	3,554	53,084	28,363
Daytona	2,000	1,029	1,629	4,040	43,801	33,960
Shadow	2,600	0	1,810	4,859	59,265	57,629
Aries	1,800	0	1,440	3,617	50,811	59,367
Dodge 600	0	0	0	0	8,549	26,922
Dynasty	0	0	1,744	2,230	59,366	0
Lancer	200	0	138	372	5,471	15,008
Diplomat	300	510	341	738	12,371	5,266
Total Dodge	8,600	1,539	8,574	19,410	292,718	226,535
CHRYSLER MOTORS	18,300	6,718	18,326	41,374	619,689	637,217
Escort	0	8,660	0	1,883	201,238	204,880
Mustang	0	4,486	0	884	109,640	118,310
Tempo	0	0	0	776	102,764	99,830
Taurus	0	7,431	0	1,960	213,056	232,032
Thunderbird	0	3,748	0	653	84,245	91,155
Total Ford Div.	0	24,325	0	6,157	710,943	746,207
Lynx	0	237	0	0	0	20,917
Topaz	0	0	0	303	38,291	32,858
Cougar	0	2,506	0	649	63,775	82,962
Sable	0	2,422	0	610	73,626	74,155
Total Mercury	0	5,165	0	1,562	175,892	210,892
Continental	0	0	0	150	23,716	9,610
Mark VII	0	0	0	73	12,997	14,299
Lincoln	0	0	0	442	75,589	72,088
Total Lincoln	0	0	0	665	112,302	95,997
Total L-M Division	0	5,165	0	2,227	287,994	306,889
FORD MOTOR CO.	0	29,490	0	8,383	998,937	1,053,096
Skyhawk	172	0	70	245	9,945	16,451
Skylark/Somerset	523	0	1,311	2,162	27,983	37,072
Century	3,353	3,183	2,658	6,694	66,096	103,225
Regal (rwd)	0	1,444	0	0	0	26,681
Riviera	0	0	48	74	3,642	8,501
Electra	1,905	0	1,611	3,918	49,803	53,545
LeSabre (fwd)	2,600	2,790	2,040	5,140	69,970	80,693
LeSabre (rwd)	195	111	150	380	5,820	5,529
Reatta	224	0	165	421	5,140	0
Total Buick	8,972	7,528	8,053	19,033	238,399	331,697
Cimmaron	0	0	0	0	3,693	7,489
Eldorado	0	0	333	542	23,410	12,720
Seville	0	0	236	355	14,488	10,534
Brougham (rwd)	360	0	386	762	17,799	38,116
Deville (fwd)	937	0	2,862	4,520	97,108	90,573
Allante	0	150	0	0	1,135	2,485
Total Cadillac	1,297	150	3,817	6,180	157,633	161,917
Cavalier	8,317	4,451	5,885	15,701	201,538	204,504
Camaro	2,833	2,049	2,200	5,533	51,925	63,172
Celebrity	4,953	4,372	4,013	10,042	108,343	192,776
Corsica/Beretta	8,845	6,118	7,411	18,116	231,362	164,406
Monte Carlo	0	973	0	0	0	40,162
Caprice	4,475	2,625	4,403	9,811	114,478	110,417
Corvette	448	589	354	890	11,878	17,099
Total Chevrolet	29,871	21,177	24,266	60,094	719,524	792,536
Calais	767	0	2,478	3,827	64,657	69,547
Firenza	0	0	0	0	5,230	2,019
Cutlass Ciera	1,865	0	1,578	3,826	13,156	99,968
Cutlass Supreme	4,348	1,373	3,447	8,548	90,891	42,994
Toronado	0	0	127	210	10,209	10,127
88 (fwd)	2,900	1,885	2,662	6,234	89,661	106,017
88 (rwd)	110	0	118	256	6,925	10,656
Olds 98	508	0	1,525	2,359	44,948	37,869
Total Oldsmobile	10,498	3,258	11,935	25,259	325,677	387,791
Sunbird	2,217	0	1,449	4,059	59,756	60,295
Grand Am	4,140	4,166	4,616	9,828	138,286	149,797
Firebird	1,415	1,192	1,054	2,785	36,632	45,513
Grand Prix	4,035	0	3,130	7,780	73,415	0
Pontiac 6000	1,578	1,999	1,168	3,068	43,569	48,705
Bonneville	2,304	3,173	2,158	5,015	63,962	77,613
Safari/Parisienne	68	124	71	160	4,697	5,724
Fiero	520	0	0	615	11,134	20,689
Total Pontiac	16,277	10,654	13,646	33,309	431,451	408,336
GENERAL MOTORS	66,915	42,767	61,717	143,875	1,872,684	2,082,277
HONDA	7,480	6,208	0	8,976	196,869	184,168
Civic	2,440	1,748	0	2,916	54,206	61,604
Accord	5,040	4,460	0	6,060	142,663	122,564
MAZDA†	3,378	0	2,452	6,430	53,699	0
NISSAN	0	2,633	0	533	53,571	72,187
NUMMI	3,250	3,988	0	3,770	85,176	108,745
Corolla	1,200	891	0	1,392	31,278	22,580
Nova	2,050	3,097	0	2,378	53,898	86,165
VOLKSWAGEN	1,577	0	1,533	3,510	35,595	43,129
Golf/GTI	1,577	0	1,533	3,510	30,042	34,775
Jetta	0	0	0	0	5,553	8,354
Total Cars, U.S.	100,900	91,804	84,028	216,852	3,916,220	4,180,819
Total Cars, Canada	8,495	4,601	12,343	25,185	637,740	458,580
U.S., Canada Cars	109,395	96,405	96,371	242,037	4,553,960	4,639,399
U.S., Canada Cars and Trucks	156,893	173,964	152,626	364,347	7,338,722	7,203,254

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended July 16, 1988	Week Ended July 18, 1987	Week Ended July 9, 1988	July to Date	Jan. 1 to July 16, 1988	Jan. 1 to July 18, 1987
Eagle	0	—	0	0	0	—
Premier	1,485	—	1,541	3,347	38,874	—
CHRYSLER MOTORS	1,485	0	1,541	3,347	38,874	3,095
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	0	—	0	528	102,017	—
Topaz	0	—	0	282	36,450	—
Crown Victoria	0	—	0	457	71,940	—
Grand Marquis	0	—	0	485	71,864	—
FORD MOTOR CO.	0	0	0	1,712	282,271	284,261
Celebrity	530	—	681	1,321	12,948	—
Cutlass Ciera	2,322	—	5,473	8,952	155,498	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	707	928	29,675	—
Regal	2,818	—	3,780	7,224	94,088	—
GENERAL MOTORS	5,670	3,881	10,541	18,425	292,209	158,507
Civic	1,160	—	0	1,328	18,549	—
Accord	0	—	0	0	1,828	—
HONDA	1,160	495	0	1,328	20,377	6,750
VOLVO	180	225	161	374	4,009	5,967
Total Cars, Canada	8,495	4,601	12,343	25,185	637,740	458,580

U.S. TRUCK☆	Week Ended July 16, 1988	Week Ended July 18, 1987	Week Ended July 9, 1988	July to Date	Jan. 1 to July 16, 1988	Jan. 1 to July 18, 1987
Caravan	0	—	1,282	1,596	52,630	—
Dakota	0	—	1,543	2,044	61,653	—
Mini-Ram Van	0	—	183	241	8,496	—
Pickups	0	—	1,517	2,002	40,119	—
Total Dodge	0	2,702	4,525	5,883	162,898	141,929
Cherokee	3,300	—	3,828	7,876	102,230	—
Commanche	800	—	914	1,890	26,130	—
Grand Wagoneer	300	—	0	370	8,231	—
Pickups	0	—	0	0	0	—
Wagoneer	0	—	0	0	6,190	—
Total Jeep	4,400	4,040	4,742	10,136	142,781	119,516
Voyager	0	—	1,351	1,683	48,601	—
Total Plymouth	0	—	1,351	1,683	49,354	—
CHRYSLER MOTORS	4,400	6,742	10,618	17,702	362,297	261,445
Aerostar	0	—	0	0	109,133	—
Bronco	0	—	0	245	32,390	—
Bronco II	0	—	0	511	69,881	—
Econoline	0	—	0	936	130,025	—
Heavy trucks	0	—	0	0	35,060	—
Light trucks	0	—	0	2,076	266,783	—
Ranger	0	—	0	1,571	191,433	—
Total Ford Div.	0	28,949	0	5,339	834,705	810,250
FORD MOTOR CO.	0	28,949	0	5,339	834,705	810,250
Astro	3,698	—	3,394	7,735	96,392	—
Blazer	534	—	443	1,089	15,565	—
Mediums/Heavies	340	—	219	634	9,936	—
P-Model	966	—	737	1,864	22,311	—
Pickups	7,091	—	5,537	13,944	187,810	—
S-10	5,799	—	5,517	12,541	163,366	—
S-10 Blazer	3,620	—	2,563	6,885	93,409	—
Sportsvan/Van	2,383	—	1,813	4,594	50,113	—
Suburban	1,534	—	1,171	3,035	41,525	—
Total Chevrolet	25,965	19,692	21,394	52,322	680,427	652,747
Jimmy	153	—	87	268	4,486	—
Mediums/Heavies	760	—	653	1,553	22,023	—
P-Model	54	—	49	142	3,198	—
Pickups	2,149	—	1,821	4,408	58,177	—
S-15	1,173	—	1,094	2,529	37,244	—
S-15 Jimmy	1,005	—	695	1,885	24,264	—
Safari	909	—	850	1,919	24,547	—
Suburban	522	—	414	1,028	18,653	—
Vandura/Rally Vans	655	—	510	1,261	19,857	—
Total GMC	7,380	7,806	6,173	14,993	212,449	212,022
GENERAL MOTORS	33,345	27,498	27,567	67,315	892,876	864,769
NAVISTAR	0	0	0	299	45,649	40,037
NISSAN	0	2,069	0	253	55,959	43,596
AM GENERAL*	450	450	450	990	12,510	7,110
MISCELLANEOUS*	2,300	2,300	2,300	5,060	63,940	66,100
Total Trucks, U.S.	40,495	68,008	40,935	96,957	2,267,936	2,093,307

CANADIAN TRUCK	Week Ended July 16, 1988	Week Ended July 18, 1987	Week Ended July 9, 1988	July to Date	Jan. 1 to July 16, 1988	Jan. 1 to July 18, 1987
Caravan	0	—	2,900	3,339	79,451	—
Mini-Ram Van	0	—	251	297	7,850	—
Ram Wagon	0	—	354	444	13,401	—
Ram Van	0	—	1,639	1,880	35,238	—
Total Dodge	0	4,236	5,144	5,960	135,940	239,977
Voyager	0	—	2,696	3,030	72,320	—
Total Plymouth	0	—	2,696	3,030	72,320	—
Wrangler	0	—	805	964	26,865	—
Total Jeep	0	0	805	964	26,865	18,081
CHRYSLER MOTORS	0	4,236	8,645	9,953	235,125	258,058
FORD MTR (lt. trks)	0	0	0	609	91,509	83,579
Light trucks	3,665	—	3,202	7,434	86,130	—
Vans	1,276	—	1,418	2,899	35,398	—
Total Chevrolet	4,941	—	4,620	10,332	121,528	—
Light trucks	1,615	—	1,316	3,114	44,378	—
Vans	447	—	739	1,302	18,450	—
Total GMC	2,062	—	2,055	4,417	62,828	—
GENERAL MOTORS	7,003	5,315	6,675	14,749	184,356	123,813
NAVISTAR	0	0	0	41	5,836	5,098
Total Trks., Canada	7,003	9,551	15,320	25,353	516,820	470,548
U.S., Canada Trks.	47,498	77,559	56,255	122,310	2,784,762	2,563,855

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News

July 25, 1988

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Lab links cruise control, runaway cars

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER
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A respected Swedish research agency conducted a laboratory simulation and driving test that shows a flaw in one supplier's cruise control system may lead to unintended acceleration.

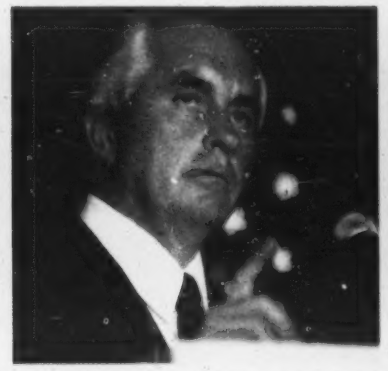
The agency's report first reached the United States last week and was obtained by NHTSA on Thursday. It was not clear how relevant the study would be in providing answers to the controversial problem of unintended acceleration — sometimes called "sudden acceleration" — which has baffled the industry and has been blamed for hundreds of accidents involving many carmakers.

Several were quick to question the significance of the findings. And even the Swedish Defense Research Establishment, which conducted the tests, was itself careful not to draw too much from its study.

"The weaknesses (in the cruise control system) disclosed in this report may be the causes of unintended acceleration in some of the alleged cases," it said. "However, no conclusions should be made from this investigation concerning the causes of malfunction in any specific case."

The report said SDRE demonstrated how, under certain conditions, a defect in the cruise control's electronic circuit board can cause a car to jump from idle to full throttle without the gas pedal being depressed. Tests

see REPORT, page 69



Faces of the World Congress, from left: Bennett Bidwell of Chrysler, entrepreneur Roger Penske and Joseph Kordick of Ford

WORLD CONGRESS: *Auto leaders assess issues that shape industry's future*

By Philly Martha
AUTOMOTIVE NEWS STAFF REPORTER

Focusing on customer satisfaction and service, creating products to define new niche markets and mapping out the dramatic changing markets here and abroad were common themes woven into talks at the 13th annual Automotive News World Congress in Detroit last week.

Hundreds of industry executives were given a perspective of the unrelenting global competition along with crystal-ball projections of excess capacity and robust second-half sales but perhaps lower sales in the future for the United States.

The downward shift in exchange rates is expected to continue and will increase Japanese transplants' presence here, according to analysts, and some Japanese transplant executives talked of exporting vehicles to Japan and Europe in the near future.

"We're edgy and confident and a little blase and a little scared at the same time," said Bennett E. Bidwell, president — product and marketing, Chrysler Motors Corp.

Bidwell told World Congress participants: "We were giving too many shots away for quite a while. But today — with the yen/dollar relationship where it currently is — we're playing the Japanese about even. No strokes. Not too much in the way of excuses. Basically good, flat out, fair competition."

However, there are serious challenges ahead. "There are more competitors in the North American automotive market than any of us ever expected. . . . Today, 27 major manufacturers produce more than 40 brand names for the U.S. market," Robert C. Stempel, General Motors president, told the opening-night session.

He warned that some of the more ambitious government standards for reduced exhaust emissions, fuel economy and gas-guzzler taxes are "counter to market forces" and "are a clear disadvantage for full-line U.S. manufacturers" like GM.

Looking ahead in the short-term, Stempel recognized that "more manufacturers will be looking for niche markets and lower volumes, moving with the customer's desire for something unique."

Marina v.N. Whitman, vice president and group executive of GM's public affairs staff group, agreed that there have been unprecedented changes in the nature of demand. "Consumers are more

see CONGRESS, page 58

AUTOMOTIVE NEWS JOE WILSEMS PHOTOS

Clockwise, from right: Strother MacMinn describes several styling concepts; Keith Crain, Robert Stempel and Dieter Spethmann share a few words; Soviet-Avtoexport executive Boris Hubaev peeks under Cadillac's Voyage.

Chrysler eyes plan to update Soviet plant

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Motors has discussed with representatives of the Soviet government a possible venture to modernize a vehicle assembly plant on the Baltic Coast.

Chrysler executives made an initial exploratory trip to the Soviet Union earlier this month.

Preliminary discussions focused on the possible modernization of the RAF factory in Riga on the Baltic Coast. The plant now produces an 11-passenger minibus (RAF-2203) and derivatives primarily used as medical ambulances, fire protection and traffic control vehicles.

In Detroit at the Automotive News World Congress, Boris G. Hubaev, first deputy general director of Avtoexport, the Moscow-based auto export organization, said an initial meeting was held in early July between Chrysler executives and representatives of Avtoexport and the Soviet ministry of automotive industry.

A Chrysler spokesman confirmed that Chrysler executives visited the Soviet Union but declined addi-

see SOVIET, page 69

Infiniti's dealers get financial perks

By Kathleen Hamilton
AUTOMOTIVE NEWS STAFF REPORTER

Nissan will provide its Infiniti dealers extraordinary financial assistance while the luxury marque gets established.

Nissan Motor Acceptance Corp. is prepared to offer to the first dealers in primary and secondary market facilities no-points financing with longer-than-usual amortization schedules, interest-only payments for the first five years and 10-percent dealer down payments.

The program was made public in a speech to the Automotive News World Congress by Thomas Mignanelli, executive vice president of Nissan Motor Corp. in U.S.A.

"We will do a little more to help our (Infiniti) dealers as far as margins and the like," Mignanelli said after his speech.

"The risk to dealers' profitability in the launch phase is that they have no back-end (service) business to support them . . . and we have no image," explained Infiniti Division General Manager William R. Bruce. So the division will offer dealer margins equal to the most prestigious marques, he said. Although he declined to specify the dealer discount, that would put it around 20 percent.

Providing architectural assistance at no charge to

see INFINITI, page 58

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Peugeot dealers happy about 405 pricing Page 2

House unit eyes rollovers Page 3

GM sales and profits climb for 2nd quarter Page 4

Bigger cars move ahead in first half

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

Significant increases in sales of mid-sized and large cars helped the auto industry register a gain of nearly 9 percent in the first six months of this year.

The total was 5,524,166 this year, up from 5,085,931 in the first half of 1987.

Driving in comfort and luxury seemed to be consumers' pleasure in 1988, as opposed to the years when saving money and gas led to gains in the compact and subcompact classes.

Sales of the mostly sporty, expensive models in the specialty car segment slid almost 20 percent, with the bulk of the loss coming from two-seater models. It was an indication of the consumer demand for larger, more comfortable cars.

Sales of the intermediate-sized cars for the first six months of this year totaled 1,962,203 — 16.05 percent or 271,346 units more than 1,690,857 sold in the comparable period of 1987.

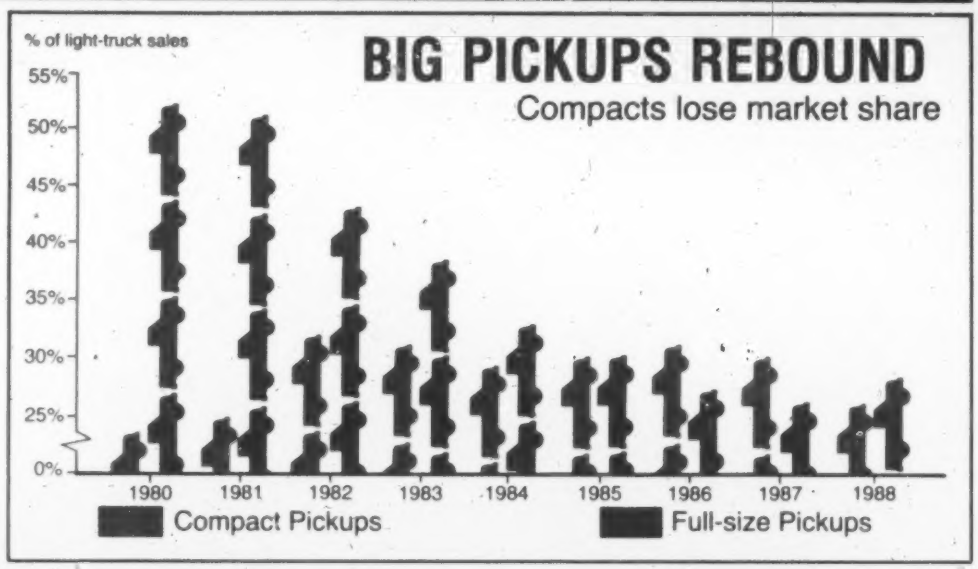
Domestic-car sales were responsible for most of the increase in the segment. Sales of U.S.-built intermediates totaled 1,629,912, or 19.63 percent above the 1,362,508 sold in 1987. By contrast, sales of imported intermediates rose 1.20 percent.

General Motors' contribution of 161,978 new W-body (GM10) cars helped boost the intermediate segment. The models the GM10 cars replaced had sales of 89,027 in the first half of 1987. Also hiking the intermediate count were Chrysler Motors' new Dodge Dynasty, Chrysler New Yorker and Eagle Premier and Mazda's new 929 model.

The standard-sized car market showed sales of 763,669 cars for the first half, 10.23 percent more than the 692,775 units sold in the comparable period of 1987.

In that segment, the imports' gains outpaced those of the domestic makers. Domestic sales of standard-size cars increased 10.09 percent over last year; imports, 16.60 percent.

see SEGMENT, page 42



Big pickup sales top compacts

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Full-sized pickup trucks reversed a long-time trend by outselling their compact counterparts during the first six months of this year and regaining their status as the industry's largest truck volume category.

Compact vans, particularly passenger models, continue to be the fastest-growing segment of the light-truck market, however.

The introduction of restyled full-size pickups by General Motors and Ford Motor Co. last year, coupled with a decline in Japanese compact pickup sales triggered by the strong yen, have led to a major reversal in the sales patterns of those two segments.

During the 1980s — until the 1988 model year — compact pickup sales had been growing steadily, while market share of the full-sized pickups declined.

Full-sized pickups dropped from 51.78 percent of industry light truck sales in the 1980 calendar year to 25.80 percent in the 1987 calendar year. For the first six months of this year, their market share bounced back up to 27.74 percent.

Meanwhile, compact pickups, which had 23.08 percent of the light-truck market in calendar 1980, climbed to 30.13 percent in calendar 1987. They dropped precipitously in the first half of 1988. Their market share is now down to 25.80 percent of the light-truck market.

The big change began to occur in the third quarter of last year, when the impact of the strong yen on Japanese truck prices really began to be felt.

As recently as the 1987 model year, the industry sold 275,000 more compact pickups than full-sized models.

During the first half of calendar 1987, compact pickups held a 119,217-unit sales lead over full-sized models, according to an Automotive News analysis. During the same period this year, the compacts trailed the full-size light-duty models by 49,356 sales.

Sales of the conventional full-sized light pickups were up 100,087 units in the first six months this year, while compact pickup sales were off 68,486 units from a year earlier. Overall, the light truck industry recorded 2,527,380 sales in the first half of calendar 1988, up from 2,342,525 a year earlier.

Full-sized pickup sales of 701,366 were up from 601,279 a year earlier. Conversely, compact pickup sales dropped to 652,010 from 720,496 last year.

Arthur G. Davis, an automotive analyst with Prescott Ball & Turben, said a number of factors, including further erosion in Japanese pickup sales and higher prices coming up for compact trucks generally and technological improvements in the full-sized models themselves, would continue fueling their popularity in 1989.

Davis: Basically, there's no competition for domestic manufacturers in that market segment

"There's increasing evidence of full-sized pickups gaining in popularity," Davis said. "Basically, there's no competition for domestic manufacturers in that market segment. And in the compact market, we see Japanese sales tumbling by 125,000 this year and another 100,000 next year. That's a giveup to the full-sized market."

In other industry categories, passenger-model minivan sales jumped to 386,775 from 286,023 a year earlier. At the same time, cargo-model minivan sales increased to 64,451 from 60,602 in the first half of 1987.

House unit looks into rollovers

Did Steed veto safety standard?

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — A House Energy and Commerce subcommittee is investigating whether NHTSA Administrator Diane Steed vetoed a proposed vehicle-rollover safety standard after a rulemaking request was approved by four members of NHTSA's senior staff.

The original request for the rulemaking was made in 1984 by then-representative, now senator, Timothy Wirth, D-Colo.

In announcing the investigation, Rep. Tom Luken, D-Ohio, chairman of the House Energy and Commerce Subcommittee on Transportation, said the subcommittee would look into press reports saying Steed overruled her senior staff by deciding last summer not to write a rollover standard.

Luken noted that Consumers Union, the New York product-testing organization, recently asked NHTSA to establish a minimum safety standard regarding rollovers when it labeled the Suzuki Samurai "unacceptable" due to an alleged propensity to tip over. Suzuki has fought the charge, but the company has suffered a nationwide sales slump since Consumers Union made its charges.

Luken and Rep. John Dingell, D-Mich., Energy and Commerce Committee chairman, have sent a letter to Steed asking for detailed responses to 13 questions dealing with light-truck safety and rollover research. Steed was asked to respond to the questions by Aug. 12.

A NHTSA spokesman said the agency had no comment on the investigation.

Luken's investigation will focus on NHTSA research activity regarding vehicle rollovers and will attempt to judge whether Steed's decision not to proceed with a new safety standard was justified. Luken and Dingell have asked for "all internal letters, notes, memoranda, studies, etc." dealing with

see ROLL, page 70

INDEX

Around the world	24-32
Auction dates	47
Classifieds	48-56
Coming events	36
Dealing with dealers	38-40
Extra section	E1
News briefs	8
Obituaries	69
Opinion	10
Personnel	16-18
Production	71
Sales, truck	12
Service management	14
Truck industry	12

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New Audi warranty covers most maintenance

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

Audi of America will upgrade its warranty on its latest models beginning Aug. 1 and begin footing the bill on virtually all maintenance and repairs for three years/50,000 miles.

In addition, the company will extend its unlimited-mileage corrosion protection from 6 years to 10 years. With that, Audi will match Porsche's warranty against rust as the longest in the U.S. market.

Dealers attending Audi's preview of the new 100/200 models in Chicago last week said the programs have been designed to provide worry-free ownership. They said Audi buyers will pay for no more than gas, tires and insurance during the warranty period.

Audi's current warranty also extends for three years/50,000 miles. But it does not cover routine maintenance for such things as oil changes, wheel allignments, tune-ups and brake pads. The new warranty will cover those parts and services but won't pay for negligence, collision damage and wear and tear on the trim.

The maintenance coverage appears to be the most comprehensive in the nation. The maintenance portion of the Yugo America warranty is similar, but it provide coverage for one year/12,000 miles. Some manufacturers offer longer-term warranties than Audi but don't pay for routine upkeep.

The new warranty program will be provided on all Audi 80/90 models sold after Aug. 1 and the new 100/200 series, which debuts that day. The 100/200 replaces the Audi 5000.

The steps are part of a plan to rebuild the franchise in the wake of damaging publicity about unintended acceleration incidents in the Audi 5000. Concerns about safety and resale value have been factors in Audi's dramatic sales slide since 1985. Audi is attempting to defuse such concerns with these and other plans.

One of those offers a guaranteed trade-in price on 1988 Audi models. It will now be expanded to apply to 1989 models as well.

Dealers said they expect the warranty program to be attractive because there is no fine print to spoil the initial appeal.

"It's a bold step. It really shows that there is no reason not to buy this car," said Jory Hite, a dealer in Aurora, Colo., and a member of the dealer group that worked with Audi in developing the program.

Audi also announced prices for the new 100/200 models at last week's meeting. The 100 series will be naturally aspirated and the 200 series will be turbocharged. Each will be available in wagon and four-wheel-drive "Quattro" versions.

The Audi 100 sedan will be priced at $27,480; the 100 wagon, $28,960; and the 100 Quattro, $30,805. There will also be a 100-E model, which will carry fewer standard features than the 100 and sell for $24,980. The Audi 200 will retail for $32,455; the 200 Quattro, $36,355; and 200 Quattro wagon, $37,855.

The 100/200 will retain the exterior styling that helped make the car a hit after its launch in 1983. The interior will be significantly improved, however, dealers said. More features will be made standard.

Currently, prices on the Audi 5000 range between $22,850 and $36,310.

Dealers reported that they were pleased with the 100/200 prices, and the announcement reportedly drew mild applause. In contrast, some dealers and the automotive buff magazines have said the 80 and 90, which were introduced last fall, have been overpriced.

June truck sales by manufacturer and segment

		14,000 & LESS GVW CLASS 1-3	14,001-16,000 GVW CLASS 4	16,001-19,500 GVW CLASS 5	19,501-26,000 GVW CLASS 6	26,001-33,000 GVW CLASS 7	33,001 & OVER GVW CLASS 8	TOTAL 1988	TOTAL 1987
CHRYSLER-PLYMOUTH	MO	21,738						21,738	15,855
	YR	105,119						105,119	84,091
DODGE	MO	56,627						56,627	61,278
	YR	312,119						312,119	299,630
JEEP	MO	22,839						22,839	20,336
	YR	124,104						124,104	101,524
TOYOTA	MO	20,461						20,461	25,172
	YR	121,309						121,309	154,760
NISSAN	MO	14,746						14,746	23,029
	YR	84,661						84,661	115,493
MAZDA	MO	7,676						7,676	11,184
	YR	52,125						52,125	60,523
ISUZU	MO	7,554						7,554	7,115
	YR	39,196						39,196	45,606
MITSUBISHI	MO	3,316						3,316	5,109
	YR	24,131						24,131	25,488
SUZUKI	MO	2,199						2,199	8,320
	YR	31,221						31,221	45,262
RANGE ROVER	MO	209						209	253
	YR 722	1,576							1,576
FORD	MO	133,307	2,147		1,096	3,065	1,362	140,977	139,989
	YR	757,445	9,451		5,540	18,038	7,075	797,579	736,263
FREIGHTLINER	MO						2,090	2,090	2,127
	YR						11,846	11,846	10,902
CHEVROLET	MO	124,431		18	610	770	58	125,887	114,481
	YR	683,742		130	4,016	4,782	241	692,911	585,948
GMC	MO	32,053		232	1,004	1,367	115	34,771	33,562
	YR	181,142		2,776	7,692	8,915	1,005	201,530	176,401
KENWORTH	MO					33	1,582	1,615	1,199
	YR					252	7,913	8,165	6,647
MACK	MO				171	227	2,270	2,668	2,475
	YR				971	1,289	10,314	12,574	12,286
MERCEDES	MO				134	203		337	313
	YR				587	988		1,595	1,922
NAVISTAR	MO		24	24	1,410	2,291	3,079	6,828	6,566
	YR		110	194	9,595	15,191	16,904	41,994	35,039
PETERBILT	MO					24	1,534	1,558	1,170
	YR					156	7,823	7,981	5,234
VOLVO	MO					176	1,689	1,865	1,012
	YR					680	7,299	7,979	6,096
HINO	MO			52	34	65		151	191
	YR			318	239	480		1,037	973
NISSAN DIESEL	MO			64	23	64		151	211
	YR			356	171	483		1,009	782
ISUZU TRUCK	MO	461	44	14	50	47		616	713
	YR	2,491	186	73	576	199		3,495	2,727
MITSUBISHI FUSO	MO	135		76	22	59		292	157
	YR	667		231	126	323		1,347	514
SCANIA	MO						10	10	9
	YR						95	95	72
IVECO TRUCKS	MO	105	71	31	18			225	302
	YR	528	308	163	98			1,097	1,382
WESTERN STAR	MO						100	100	131
	YR						781	781	676
OTHER DOMESTICS	MO				6		89	95	121
	YR				31		443	474	611
GRAND TOTAL	MO	447,855	2,286	511	4,578	8,391	13,978	477,599	482,446
	YR	2,521,576	10,085	4,240	29,672	51,728	71,739	2,689,040	2,488,591
1987 YR to DATE		2,348,333	359	4,329	20,158	51,447	63,965		

NOTE: Subaru sales of 2 units included in Class 3 Grand Total and also in 1988 monthly grand total. Sales of 9 Subarus included in year-to-date 1988 Class 3 total and year-to-date 1988 Grand Total. Sales of 142 Subarus included in 1987 Class 3 and 839 in 1987 Grand Total.
Class 1-3 sales data reported by individual manufacturers; Class 4-8 data reported by Motor Vehicle Manufacturers Association.

Truck sales fly high

1st half best ever; June just short of peak

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Total retail truck sales of just under 2.7 million set a record in the first six months of the 1988 calendar year.

Manufacturers retailed 477,599 light, medium and heavy trucks in June, just shy of last year's record 482,446. They retailed 2,689,040 trucks in the first six months, up from 2,488,591 in 1987.

Light-duty, Class 1-3 trucks, accounted for 2,521,576 sales in the six-month period, up from 2,348,333 a year earlier.

Although light duties have been the major sparkplugs in the industry's upturn, mediums and heavies have also been scoring big gains.

The Class 4-7 medium segment, particularly, has recorded a big upsurge, due to the impact of Ford's Super Duty chassis in Class 4 and the aggressive efforts of Japanese importers.

The medium segment tallied 95,725 sales in the first six months, up 25.47 percent from 76,293 a year earlier, according to the Motor Vehicle Manufacturers Association.

Ford's Super Duty, a brand new entry in the 1988 model year, has been instrumental in pumping up Class 4 sales from a mere 359 in the first half of last year to 10,085 in the most recent six-month period.

The Super Duty has drawn Class 3 buyers who might otherwise have bought a light-duty truck and overloaded it or a Class 5 and underutilized it.

Class 3's 1,323 sales in June were off from 1,542 a year earlier, according to MVMA, as were Class 5 sales.

Class 3, though losing ground, still managed sales of 7,185 for the first six months, slightly ahead of 7,101 a year earlier.

Class 5 sales of 4,215 were off from 4,329 during the first half of last year.

Classes 6 and 3 have been the other major gainers this year, with sales of 29,672 and 71,739, up from 20,158 and 63,965, respectively, in the year-earlier period.

All the major Class 8 manufacturers are benefiting from the strong market upturn, and Peterbilt is having a particularly strong year.

Peterbilt's six-month sales of 7,981 were up 52.48 percent from last year's 5,234.

Volvo, after taking over General Motors' heavy-truck operations, also turned in a strong showing with 7,979 sales during the first six months, up 30.85 percent from 6,098 a year earlier. The 6,098 does not include GM's heavy-duty sales last year.

Iveco's Jerr-Dan Wrangler car-towing vehicle

Iveco adds van and stake truck, makes towing unit for Jerr-Dan

BLUE BELL, Pa. — Iveco Trucks has formed a joint-marketing agreement to produce a new commercial tow vehicle and has introduced several other new products including a contoured van and a new stake body truck.

Iveco made an agreement with Jerr-Dan in which the Jerr-Dan Wrangler roll-back body will being mounted on its cab and chassis models.

The new product is designed to allow automobile towing companies to haul one standard-sized car on the deck while towing another behind on the three-position tow bar.

The units are available on the Iveco Euro 220, EuroTurbo 220 (14,800-pound GVW) and EuroTurbo 230 (16,900-pound GVW), providing an ergonomic cab designed for driver comfort.

The Jerr-Dan Wrangler body is made of polished aluminum; is 17 feet, 11 inches long; and has an 8,000-pound winch installed on the front end and a three-position tow bar standard on the back. Optional equipment includes a chrome bumper and chrome hub caps.

Iveco also introduced a van body, designed to carry and deliver greater payloads through crowded city streets more conveniently. The vehicle uses the Supreme European-design contour body mounted on Iveco Euro 110 and 220 and EuroTurbo 120A and 220 cutaway chassis.

The contoured van has 647 cubic feet of cargo space, with payload capacity ranging from 5,080 pounds to 7,716 pounds in an aerodynamic body.

Iveco is also working with the Supreme body company to offer an all-steel stake body to handle a variety of hauling needs.

The Iveco Stake Supreme truck is available in Euro 110 (11,600-pound GVW) and Euro 220 (14,800-pound GVW) models, providing up to a two-ton payload capacity. Both models are available with a five-speed manual or automatic transmission.

The vehicle has an ergonomically designed cab, good maneuverability and a low bed-to-curb loading height, according to Jim Underwood, Iveco senior vice president of sales. It also features a fuel-efficient six-cylinder diesel engine, he said.

SERVICE MANAGEMENT

Lexus, Infiniti stress service as they plan debut

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — As Toyota and Nissan prepare to move into the U.S. luxury segment, both companies have given top priority to developing service programs that will be offered to the buyers of their new cars.

They plan to make service and customer satisfaction throughout the ownership cycle key ingredients in their marketing strategy. Both the Toyota Lexus and Nissan Infiniti lines are scheduled for introduction in the the fall of 1989.

Lexus has appointed Richard L. Chitty corporate manager, parts, service customer relations, and has named Robert Rinkel customer satisfaction manager. Chitty formerly was Toyota's national technical service manager, and Rinkel was manager of Toyota touch activities, a corporate customer satisfaction operation.

Richard J. Lueders Jr. has been appointed Infiniti national parts and service manager. He formerly was Los Angeles regional service manager for Nissan.

Both Chitty and Lueders indicated that their divisions are entering a new era in customer relations and satisfaction.

"The whole basis for everything we develop and everything we are doing in service, parts and customer relations at Lexus is with the customer in mind and geared toward the ultimate in customer satisfaction," Chitty said.

"Customer satisfaction is what we are going to deliver, and that starts with the development, design and production of the car, right on through the delivery of the car and servicing of the car."

Minimum standards for a Lexus dealership, according to Chitty, are based on a total commitment to achieving the absolute highest levels of of owner satisfaction.

For example, all dealership personnel whose work involves customer contact will undergo, at the dealer's expense, an intensive training program prior to introduction. Training of service personnel will start in July or August 1989, prior to the Lexus introduction in September of that year.

Standards also call for the adoption of a customer relations system that will be reviewed at least quarterly by Lexus field representatives. It will be subject to an annual review by Lexus management.

Dealerships also will be required to own or lease a computer data system that meets compatibility requirements for interfacing with a nationwide database of information on all Lexus vehicles and customers.

HIDDEN IMAGE: HANS B. LEHMANN

When Nissan Infiniti bows in fall 1989, its dealers will aim to provide premium service

"When a customer brings his car in for service, the service consultant will be able to track the complete history of the car by entering a VIN number or any other designated code," Rinkel said.

"Instantaneously, the consultant will have a complete record of the service work — warranty, maintenance or customer-paid — done on the vehicle, whether it was done at the that dealership or one 3,000 miles away."

Also, dealership parts departments will be required to maintain the highest customer fill rate in the industry. It is anticipated that dealerships will be assigned minimum parts stocking levels and participate in automatic parts reordering systems.

The system will be set up to automatically reorder parts from headquarters in Torrance, Calif., after a completed work order is entered into the computer.

Chitty said Lexus also will provide the owner with a 800 toll-free phone number that the Lexus owner can use for 24-hour emergency roadside service.

The emergency call will be handled in Torrance, Rinkel said, and will be referred to a Lexus dealership, if it is in the vicinity, or to a backup road-service network that is being developed.

"We are not only going to fix the car but also going to fix the customer by finding out what his personal needs are," Chitty said. "For example, if he has an appointment to meet, we will try to get him there on time. If he wants his wife notified that he will be late, we will do that. We will do whatever has to be done to make it easier for an owner in that situation."

Lexus will also have a no-hassle warranty that will take care of the customer, he said.

"After all, you have to keep in mind that the Lexus is a luxury car and certain things are expected. We want to make sure that what we offer is the very best and the very most that can be expected," he said.

Rinkel said Lexus is basing part of its program on the fact that there won't be many problems with the car.

That will be true because Lexus will establish product quality check points at the factory, ports of entry and at the dealerships, Rinkel said.

After service, a diagnostic/quality control team will check out repairs and make sure the vehicle is in top condition before it is returned to its owner, Chitty said.

The Lexus V-8 sedan is expected to be priced in the $30,000 to $35,000 range, while the V-6 is targeted around $20,000. Lexus has selected its first 81 dealers and expects to name about 20 more to met its start-up goal of 100 outlets.

Nissan's Infiniti Division also is in the initial stages of setting up its management organization, dealer network and service programs.

Infiniti will develop an operating procedures and standards manual for parts, service and sales and then use an interlocking computer system to back up those procedures, Lueders said.

In the service writeup area, for example, the dealer will have a procedure outline and a computer system that takes information and relays it to the customer in the form of a repair order, Lueders said.

"Dealers, specifically in the service and parts areas, are looking for clear-cut direction from the manufacturer," Lueders said. "Not from the standpoint of us telling them what to do, but giving them a good framework within which to operate with our ultimate goal being to push the decision-making process down to the lowest possible level."

In the warranty field, Infiniti's general direction is to be competitive with upscale franchises such as BMW and Mercedes-Benz, an Infiniti spokesman said.

"We still don't have a definite blessing from Tokyo at this point as to what we are allowed to announce as our warranty," he added, "because we are going back and forth on some details."

At this point, Infiniti has decided only that it will offer a warranty that will not confuse the customer, he indicated.

"What we want to do is send the customer the highest signal that the car has good quality and that he can rely on the car," he said.

Infiniti, like Lexus, has developed and is providing its dealers with a facility design guide.

The key design element of an Infiniti dealership is its axial configuration to provide an open corridor that extends diagonally the length of the building.

All key elements of the dealership are located along that axis — the reception center, showroom, retail merchandising center, parts counter and cashier.

The same attention given to the new-car showroom is reflected in the service area as a function of axial design.

A special area is designated as the service drive with a reception desk where customers are greeted and assisted.

The design includes offices for service advisers that overlook the entire service drive as well as the balance of the dealership.

The service adviser's space opens onto the service drive so if the customer has to demonstrate a problem, the vehicle is readily available.

The service workshop, according to Lueders, will be equipped with the latest tools, equipment and systems to support customer needs and vehicle servicing.

The parts department is centrally located in the dealership design. The parts counter also is located for ease of identification to stimulate impulse purchases.

The initial Infiniti offerings will be a full-sized sedan with a four-liter V-8 and a V-6-powered specialty coupe. The four-door model will be priced in the $30,000 range, the two-door will be in the $20,000 bracket.

Infiniti has appointed 23 of the 75 dealers scheduled for 50 metropolitan markets when the line is launched in the fall of 1989.

Service Index moves up for month, year

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

Service and parts volume at new-car dealerships in April increased slightly, compared with the year-earlier month.

In April 1988, shop volume at new-car dealerships was 0.5 percent above business in April 1987, according to the Automotive News Service Index.

Service business during the first four months of 1988 registered at 4.9 percent above the volume reported in the year-earlier period.

When the January 1988 figures were announced, an analyst at one of the Big 3 automakers predicted a slowdown for April, partly as a result of declining warranty work.

This month, a Southwestern Cadillac dealer said its body shop reported a 2 percent increase but mechanical service fell as a result of less warranty work and less drive-in traffic.

An Eastern Oldsmobile dealer also said warranty volume declined and other dealer service operations stayed about even.

SERVICE INDEX
100.5*

	April, '88 vs. April, '87	4 mos., '88 vs. 4 mos., '87
Gross Profit on All Labor and P&A Sales	+3.0%	+6.8%
Repair Orders Written	−2.7%	+1.4%
Total Labor Sales (Customer & Warranty)	+5.0%	+5.8%
Shop Parts Sales (Customer & Warranty)	−0.5%	+5.6%
Sales of All P&A	−2.2%	+4.7%

* Survey by Automotive News shows that dealers' service and parts business in April 1988 was 100.5 percent of business in April 1987. Service business in the first 4 months of 1988 was 104.9 percent of business in the corresponding period in 1987.

A Northwestern Ford dealer said a direct-mail campaign led to a large increase in service business.

A Buick dealer in the Rocky Mountain-state area, who reported an increase in service also said he added a new outlet about 15 months ago and increased promotion of service.

Parts and accessories sales to off-premises customers fell 6.5 percent in April, compared with the year-earlier month. In the first four months of 1988, parts and accessory sales to off-premises customers increased 7.1 percent.

ASIA provides career data for students

The Automotive Service Industry Association has produced a packet of information for high school, technical school and college level students interested in a career in the aftermarket.

John W. Nerlinger, Automotive Service Industry Association president, said the association receives an average of 50 requests per week for information.

"They (students) are looking to ASIA for direction, information and leadership in providing pertinent data on career opportunities in our industry.

"Our new packet of career information contains the most complete description of the total job market available anywhere," he said.

The packet contains 21 career briefs for both technically inclined and creatively oriented students. The briefs include job descriptions for accountants, automotive machinists, painters, technicians, manufacturer's representatives, technical writers and training instructors.

The packet is available for $10 but the association encourages instructors and counselors to reproduce the career information from the packet.

For more information, contact the Automotive Service Industry Association, Attn: William R. Host Jr., 444 N. Michigan Ave., Chicago, IL 60611.

SHOP TALK

ARTHUR FLAX

Parts video

Autronix Video of Santa Monica, Calif., has designed a computer system that allows customers to purchase automotive parts and accessories at just the touch of a finger.

The unit, which occupies only 5½ square feet of retail space, permits shoppers to retrieve information and order parts from an inventory that would be impossible to stock, even at the largest automotive supermarkets, the manufacturer said.

The system tracks parts' availability at the retail store, and at manufacturers and distributors.

"Maintaining sufficient inventory to cover thousands of vehicle makes, styles and year combinations would require the rental of the Grand Canyon," said Fred C. Robin, Autronix chairman.

"The VideoShopper kiosk can not only preview and demonstrate each product with the impact of television, it can interact with the customer and close the sale," he said.

Consumers enter information into the computer on their vehicle and touch the unit's color, 19-inch video screen, instructing the computer to display and demonstrate specific components.

The parts information is stored in a laser disc catalog.

The unit also can generate a printout of the customer's order after confirming availability, a shipping date or inventory status at the retail store.

The system was developed in association with ByVideo Corp., Sunnyvale, Calif.

PERSONNEL

FROM PAGE 16

chemistry at Eastern Michigan University.

NAFC

David Loeffler has been named president of the National Accounting and Finance Council in Alexandria, Va., part of the American Trucking Associations. He succeeds **Harvey Smalheiser**, senior vice president of corporate taxes for Ryder Systems Inc.

Loeffler is senior vice president of finance and administration for Yellow Freight System, Overland Park, Kan.

In addition, **Mike Newton**, treasurer of Roadway Services in Akron, was elected president-elect of the council. **Richard Mikes**, senior vice president for Ruan Transportation in Des Moines, Iowa; and **James Fuquay**, senior vice president of administration for Viking Freight System in San Jose, Calif., were elected vice presidents.

Succeeding Fuquay as treasurer is **John Meyers**, vice president and treasurer of ABF Freight System in Fort Smith, Ark.

HUF

H. Lynn Anderson, chairman of the Arizona Highway Users Conference, will receive the Highway Users Federation's Stanley W. Gustafson Leadership Award Sept. 20 in Washington.

HUD presents the award annually to the person or persons who have made the most significant contribution to the safety, efficiency or energy effectiveness of the nation's highway system.

Other Suppliers

Robert Eller has been named executive vice president and general manager of Multibase, a division of Polybase Inc. of Copley, Ohio. The company is a thermoplastics compounder.

Christopher H. Corbett has been promoted to manager of engineering at Flex Technologies in Zoar, Ohio. He previously was a sales engineer for the company. Flex is a designer and manufacturer of plastic components for the auto industry.

Charles R. Eliason has been appointed manager of the Southern region for Volstatic Inc., Florence, Ky., a producer of electrostatic powder coating equipment.

Eugene Skennion has been named Southern regional sales manager for Sprec'er and Schuh USA. He formerly was district sales manager. The company makes low-voltage industrial motor control equipment.

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Canadian vehicle sales up 16.3%

May's domestic, import truck deliveries jump 27%; cars, 12%

A booming Canadian market fueled by continued strong demand for trucks pushed May's vehicle sales 16.3 percent over the year-earlier period.

The Canadian industry sold 168,139 domestic and imported vehicles during the month, compared with 144,273 in May 1987.

Domestic and imported car sales totaled 116,216 units, a 12.3 percent gain over a year earlier, while sales of domestic and imported trucks rose 27.2 percent.

The industry's domestic and import vehicle sales for the January-May period rose to 674,394 units, compared with 627,876 for the 1987 period. Car sales for the first five months of 1988 were up 2.2 percent over last year, while truck sales surged ahead 20.7 percent.

Aided by Jeep, Chrysler's May truck sales were the largest in the company's history. Sales jumped 64.9 percent over May 1987, totalling 12,905 imported and domestic vans and light trucks compared with 7,827 last year.

General Motors, paced by its full-sized pickups, tallied a 31.6 percent boost in truck sales over May 1987. GM sold 19,076 domestic and import trucks compared with 14,491 last year.

Ford truck sales were up 15.4 percent over a year ago to 15,130 units, compared with last year's 13,107. It was Ford's 12th consecutive month of improved sales.

Sales of the Big 3's domestically built and imported cars were ahead of the May 1987 pace. GM was up 20.9 percent; Ford followed with a 19.1 percent boost; and Chrysler rose 16.8 percent.

On the import side, Suzuki was up 166.6 percent on sales of 544 cars followed by Subaru with a 67.4 percent spurt over May 1987.

Mazda enjoyed a year-to-year sales gain of 27.9 percent, selling 3,382 cars this May compared with 2,645 in the year-ago period. Nissan got things turned around with a gain of 9.7 percent following a 41.2 percent drop in April.

The soft spot in the May market was the import luxury segment, with Mercedes-Benz, Volvo and Saab all seeing some sales erosion.

CANADIAN CAR AND TRUCK SALES

General Motors	38,681	33,709	157,818	153,595
Ford	23,023	16,991	89,489	82,357
Chrysler	19,991	13,524	66,749	64,079
Honda	1,145	1,357	4,066	2,918
Volvo	230	210	864	979
Domestic car total	83,994	68,991	321,991	288,396
Import cars				
Toyota	6,662	9,995	27,961	26,941
Honda	6,519	6,497	26,351	28,726
General Motors	3,794	2,174	11,018	6,693
Nissan	3,998	3,265	12,963	15,088
Volkswagen	3,481	3,815	15,945	14,045
Mazda	3,382	2,645	13,782	10,760
Hyundai	3,331	5,027	13,995	23,857
Chrysler	943	1,373	3,434	4,774
Subaru	837	900	2,912	2,831
Suzuki	544	204	3,132	943
Ford	543	826	1,726	3,693
BMW	481	486	2,137	1,996
Mercedes-Benz	357	437	1,863	1,928
Volvo	327	508	1,361	2,477
Jaguar	286	312	1,012	956
Saab	132	165	666	734
Lada	99	72	469	371
Skoda	25	65	204	289
Import car total	35,290	35,490	140,535	140,366
TOTAL — ALL CARS	116,216	103,469	461,534	451,575
Domestic trucks (including vans)				
GM	18,957	14,468	76,877	66,775
Ford	15,130	13,107	63,981	58,743
Chrysler	12,686	7,367	55,469	31,192
Domestic truck total	46,773	34,942	196,119	156,710
Import trucks (including vans)				
Nissan	1,483	1,773	6,094	7,349
Toyota	1,408	1,617	6,619	5,219
Mazda	1,168	1,524	4,722	4,717
Suzuki	643	288	2,613	1,210
Chrysler	219	430	1,480	1,225
GM	119	1	696	228
Volkswagen	114	172	387	580
Lada	18	4	61	63
Import truck total	5,190	5,810	22,642	20,591
TOTAL — ALL TRUCKS	51,963	40,804	212,788	176,301
TOTAL — CARS, TRUCKS	168,179	144,273	674,394	627,876

ROSS

FROM PAGE 4

Adding to Wixom's capacity will be expensive, Ross said. But the alternative poses some risks, too. The level of training, job skills and quality controls are higher at a plant like Wixom than they are at a typical plant.

"We're reluctant to do it somewhere else," he said. "I'm leaning toward Wixom." The decision will come in another month or two.

Wixom's output is already scheduled to jump this month from 42 units to 46 an hour when a new addition to the paint shop opens. In the process, output of the hot-selling Continental will go up from 9 units to 15.

Ross is taking the blame for the sales estimates that kept Continental production as low as it has been. "I blew it," he said. "I could have changed it had I had the foresight to know how successful it would be."

On another production front, a joint study to build a minivan with Nissan "is still looking positive." The two companies had been expected to wind up their research this past spring. Now it may not be finished until fall.

Ross said the task force is ironing out the the same types of issues that typically pop up on any new vehicle program: profitability, sourcing, location and others. Although signs are pointing toward Avon Lake, Ohio, as the production site — the company just exercised options to buy 108 acres adjacent to its Ohio Truck Works plant — Ross says that is just one of the places being considered. The venture will produce about 100,000 units annually, with each company splitting the output.

Despite that and other vehicle projects, powertrains will get a disproportionate amount of Ford's attention in coming years. Ford will spend at least 50 percent more on powertrains in the next five years than it has in the past five, Ross said. In the process, virtually every Ford engine will be replaced or upgraded.

The company recently started converting its Romeo, Mich., tractor plant to an engine facility, a $1 billion project that will create a new family of powertrains — first V-8s, then V-6s and maybe 4-cylinder versions later on.

The engines will bring Ford more flexibility in production. For the consumer, "you'll have the ability to get more horsepower if you want, but you'll see it in smaller displacement engines," he said. Overall, the engines will be lighter and deliver better fuel economy. No car engine will be larger than five liters. Romeo's first engine will be a 4.6-liter V-8.

Ford has expanded transmission and transaxle capacity in the last year. The moves will help give the company the supply of components it will need if it decides to increase assembly capacity.

But in the meantime, product shortages mean more than lost sales. Ford division, for example, has been playing detective lately in an effort to close up pipelines that are feeding hard-to-get products through brokers to Ford dealers.

"(Ford Division General Manager Tom) Wagner and (General Sales Manager Dick) Fenstermacher have been on this since the beginning of the year," Ross said. "If you can get units from the broker, why can't you get from the dealer? It affects the credibility of our distribution system, and that's what bothers me. We want a credible distribution system — we think we have one — and we don't condone the practice."

Ford is coming off a first half that saw all but three of its car lines record sales increases over their year-ago levels. Other than the Continental, the biggest gainers were Taurus/Sable, up 25 percent, and Tempo/Topaz, up 18 percent.

Models that are down from a year ago are the Mark VII, 16 percent; Lynx/Tracer, 3.4 percent; and Crown Victoria, 0.3 percent. Ford stopped building the Lynx nearly a year ago, several months after the launch of its replacement, the Tracer.

Ross said he is satisfied with the sales of the Scorpio and XR4Ti. The two imports from Ford of Europe accounted for 6,400 sales in the first half of the year, compared with 5,133 at the same point in 1987. Scorpio was launched in May of last year. Its first-half sales in 1988 were curtailed by a production halt made to accommodate various changes in the car.

A price increase on those two models is "inevitable," however. Currency purchases made by Ford have so far offset the effects of the dollar's decline against the German mark in recent years, Ross said. But eventually that protection will diminish, and Ford will have to raise prices to reflect the higher cost of importing a German product.

AROUND THE WORLD

Fiat holds midyear lead in Europe

New Tipo helps Italian maker top VW; Peugeot in 3rd place

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Fiat Auto is clinging to first place in a European new-car market that after six months has defied predictions of a decline.

Fiat also held first place midway through 1987, but surrendered the top spot to Volkswagen in September. The West German group went on to finish No. 1 in Europe for the third straight year.

The differences this year, analysts say, are the slight downturn in VW's West German domestic market and Fiat's introduction of the subcompact Tipo in a segment where it was extremely weak last year.

Aside from the battle for first place, the biggest story in the first half of 1988 was the emergence of Peugeot S.A. as an unchallenged No. 3.

Six months ago, most analysts forecast a drop in 1988 from the record European sales of more than 12.4 million units last year. But through June, new-car sales in the 17 Western European nations increased 5.1 percent to 6,843,400, according to industry estimates compiled by Automotive News. Most auto companies are now projecting that 1988's sales will be at least as high as last year's.

Some alarms went off when April showed the first monthly decline since January 1987. But European sales increased in both May and June over the year-ago totals. Industry volume was up 2.5 percent last month, with only West Germany, among the four major markets, registering a decline.

Fiat, including Alfa Romeo and Lancia, held first place through the entire six-month period. Through June, car sales for the Italian group totaled 1,066,900, an increase of 8 percent over last year and good for 15.6 percent of the market.

Alfa was up 15.5 percent to 119,300 for the first six months. The marque has benefited from the introduction of its 164 sedan in Italy, where sales have jumped nearly 20 percent. The big Alfa will be introduced in other European markets starting early this autumn.

Overall, Fiat is maintaining its 60 percent share in an Italian market that was up 8.5 percent for the first half. The Tipo, which was introduced in Italy earlier this year, is expected to boost Fiat's drive for No. 1 as it is launched in other European countries. The Tipo competes directly with VW's Golf, the best-selling car in Europe.

Second-place VW held 14.6 percent of the European market through June with volume of 996,100, a 2.8 percent increase over last year. VW has slipped some in West Germany, where it is the leader with nearly 30 percent of the market. VW sales in the home market were off 3.7 percent for the first half, while total sales in Germany were down 1.7 percent.

Across Europe, the VW brand is about even with 1987's pace. However, wider introduction of the new Passat intermediate in the second half should spark VW figures.

VW's Audi unit rose almost 7 percent and the Seat brand improved just over 9 percent in the first six months.

Peugeot SA, including Peugeot and Citroen, has grown far faster than any other major producer in Europe this year. Sales in the first half ran 15.5 percent ahead of the 1987 period, with unit volume for the French group at 868,700.

Peugeot outperformed its French domestic market, increasing its first-place market share at home to nearly 36 percent in the first half, compared with 33.5 percent in the first six months of 1987.

Automobiles Peugeot sales — buoyed by the new 405 compact — increased 20.5 percent in Europe during the first half and show no signs of slowing down. In June alone, the Peugeot brand improved 28.5 percent in Europe.

Peugeot S.A.'s 12.7 percent share gives it a firm grasp on third place over Ford, which was stalled in February by a lengthy strike in the United Kingdom that affected Ford's entire European operations.

Ford's sales amounted to 776,800 units through June, an 11.4 percent share and up less than 1 percent for the period. Ford's first-place share in the United Kingdom dropped from 29 percent for the first six months of 1987 to just under 27 percent.

With Austin Rover also down in the United Kingdom, General Motors' third-place Vauxhall and fourth-place Peugeot SA have gained considerable ground in Britain.

Throughout Europe, GM was up 2.4 percent to 729,100 units for the first half and held a 10.7 percent share. Sixth-place Renault had 10.1 percent of the market on sales of 688,000, a 2.1 percent increase.

Among other makes, BMW — on the strength of its new 5- and 7-series models and strong 3-series performance in West Germany — was up 14.6 percent for the year to 179,300.

Japanese makers kept pace with overall European market growth. Combined sales increased 4.7 percent to 754,300, good for an 11 percent share. Nissan remained the best-selling Japanese brand at 193,500 units for the first half, giving it a 2.8 percent share and a 7.2 percent improvement over last year.

Among national markets, West Germany's 1.7 percent decline to 1,471,500 units in the first half was in line with projections for a slight tail-off to 2.7 million units this year, after a record 2.9 million registrations in 1987.

But the other three major markets — Italy, France and the United Kingdom — are all on target to reach two million units, while Spain climbs to one million for the first time in its history.

Through June, Italy was No. 2 with 1,239,100 car sales, the United Kingdom was third with 1,104,900, up 10.2 percent, and France was fourth at 1,049,900, a gain of 5.5 percent.

Spain's dramatic surge is now nearly two years old and shows little sign of fading. Sales declined in April, but last month the Spanish market rose 22 percent. Sales for the first half were up 17.5 percent to 538,900.

EUROPEAN SALES

Manufacturer	6 months 1988	1988 share*	6 months 1987	Change 88 vs 87
Fiat Group**	1,066,900	15.6	997,500	+ 6.0
VW-Audi-Seat	996,100	14.6	969,200	+ 2.8
PSA***	868,700	12.7	752,100	+15.5
Ford	776,800	11.4	770,800	+ 0.8
General Motors****	729,100	10.7	711,800	+ 2.4
Renault	688,000	10.1	674,000	+ 2.1
Mercedes-Benz	238,000	3.5	225,600	+ 5.5
Austin Rover	228,600	3.3	217,700	+ 5.0
Nissan	193,500	2.8	180,500	+ 7.2
Toyota	179,800	2.6	178,500	+ 0.7
BMW	179,300	2.6	156,400	+14.6
Volvo	143,300	2.1	145,100	– 1.3
Mazda	132,000	1.9	123,300	+ 7.0
Mitsubishi	79,600	1.2	82,500	– 3.6
Honda	75,100	1.1	69,000	+ 9.4
Others	297,000	3.9	287,000	+ 0.5
Total	6,843,400	100.0	6,510,800	+ 5.1

* Total does not add up to 100 percent because of rounding
** Includes Alfa Romeo
*** Peugeot, Citroen, Talbot
**** Opel, Vauxhall, Isuzu, GM-U.S./Canada

NEW-CAR SALES BY COUNTRY IN EUROPE

Country	6 mos. 1988	Percent ch./loss
West Germany	1,471,500	– 1.7
Italy	1,239,100	+ 8.5
United Kingdom	1,104,900	+10.2
France	1,049,900	+ 5.5
Spain	538,900	+17.5
Netherlands	312,900	– 12.4
Belgium-Luxembourg	275,000	+ 9.5
Switzerland	182,800	+ 8.1
Sweden	178,900	+ 9.4
Austria	140,200	+ 7.0
Finland	97,400	+15.0
Portugal	96,100	+48.1
Denmark	53,200	–24.3
Ireland	38,900	+11.2
Norway	37,100	–41.3
Greece	26,600	+ 8.4
Total	6,843,400	+ 5.1

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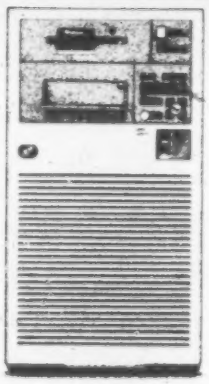

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Circle ReaderService #13

COVER STORY

Managers high on service biz

But fewer expect auto market to improve in the next two years

The nation's dealer service managers are less bullish about the automobile market today than at any time in the past four years.

But they are more optimistic about the outlook for future business at their own dealerships than they were a year ago.

These are among the findings of the fifth annual nationwide survey of dealer service managers, conducted by *Automotive News* last month.

Only 44.3 percent of those polled said they expect the business outlook for the automobile market will improve during the next two years. That is the lowest "improvement" response in the five-year history of the survey, and the first time it has dropped below 50 percent.

Major reasons given by those who do not expect auto sales to climb include: an economic downturn following this year's elections; an expected recession by 1990; rising car prices; and longer car ownership by customers.

Noted a service manager in Orlando, Fla.: "Business has been very strong for five years now. But I'm starting to sense saturation in the marketplace."

However, 78.4 percent of those surveyed indicated they believe business at their dealerships will improve over the next two years. That is up from 74.3 percent a year ago.

Reasons cited for increased dealership business include: better vehicle quality to attract customers; more parts and service work; more efficient operations by dealerships; and a trend by car owners toward having franchised dealers, rather than independents, do repairs.

A service manager in Oklahoma City said: "I feel the competition by imports has brought up the quality of domestic cars. When quality by all car manufacturers increases, it will lead to more sales. And more sales means more service business."

Well over 90 percent of service managers said they and their dealership management believe the service department offers a potential for increased profits in the future.

A typical comment on that subject came from a service manager in Cincinnati: "Our service department has set a goal of working toward greater productivity and profitability, while maintaining integrity and customer trust."

Only 67.5 percent believe their dealerships are spending enough on advertising and promotion to improve their service business.

A service manager in Gulf Port, Miss., noted: "With competition as competitive as it is, you can't do too much advertising or coupon mailing."

A new service manager in Washington, D.C. said: "I've made a change at the dealership. We're advertising weekly, and business is growing."

According to the survey, tuneups continue to be the most profitable service operation, followed by brake and transmission work. The least profitable operation continues to be wheel balancing, followed by engine overhaul and body shop work.

A service manager in Phoenix said: "Tuneups require a specialist today. The independents are having a difficult time keeping up in this field, so there is less competition."

Another in Rock Island, Ill., said: "Manufacturer quality of original-equipment pads and rotors in our area seems to result in short brake life. We have set up two complete brake lathes in one shop, and one in a second shop, and can really do the work fast."

The most significant generator of business, according to service managers, is general customer drive-in. This is followed by new-car warranty work, offering of special service packages and extended service contracts.

Among those surveyed, 58.8 percent said their dealerships will purchase service equipment this year.

Exactly 57 percent said they will buy computerized diagnostic equipment in 1988 (37.7 percent consoles, 19.3 percent hand-held). Major interest also was indicated for wheel alignment equipment (31.6 percent).

The increasingly important role of the service manager in the dealership's acquisition of shop equipment shows through in this year's survey. All phases of equipment purchasing — originating the purchase request, giving advice on equipment needs, approving makes of equipment purchased and negotiating terms — show greater involvement by service managers this year than last year.

In fact, an all-time high 32.1 percent said they now participate in negotiating terms of the shop equipment bought by their dealerships.

Indicating a trend toward longer service department hours, 13.9 percent of the managers said their shops are open more than 60 hours a week. That is up from 4.2 percent in 1987 and 2.0 percent in 1986.

Also on the rise is service department employment. This year, 17.5 percent of the managers said they have more than 40 people working in their shops. That compares to 6.9 percent last year.

Also up, to 11.3 percent this year from 6.9 percent last year, are departments with 31 to 40 employees.

Service managers are increasingly assuming responsibility for hiring their dealerships' technicians. Four years ago, 85.7 percent said they did the hiring. The number climbed to 92.3 percent this year.

In contrast, dealership owners (11.3 percent) are doing less of the technician hiring now than during any of the five years in which the survey has been conducted.

A service manager in Wilmington, Del., said: "I'm responsible for the department. I know my people better than anyone else. I feel I have the best opportunity to make the right choices."

Another in Atlanta, Ga., said: "I know who and what I need. Experienced people are easy for me to spot. I train and supervise my people."

Asked whether finding competent technicians today is more difficult than a year ago, 71.1 percent of the service managers said yes.

Said a Reno, Nev., service manager: "The work force is not keeping up with the technical aspects of auto repair. Vocational and technical schools are not keeping up either."

Another in Long Island, N.Y., said: "Competent service technicians are nearly impossible to find. Experienced technicians do not leave their jobs anymore because of seniority, profit sharing and vacations. And while the need for technicians is great, fewer and fewer people want to become technicians."

On the other hand, there is a definite move toward higher monetary compensation for service managers.

In 1984 and 1985, most service managers (27.0 and 24.1 percent, respectively) had annual incomes in the $25,000 to $29,999 range. In 1986, most of them (20.8 percent) were in the $35,000 to $39,999 bracket.

Continued on page E6

Contents

COVER STORY: SERVICE SURVEY E2
Service managers are bullish about the business outlook at their dealerships.

FEATURE: PUSHING TIRE PERFORMANCE E8
Educating enthusiasts is how one company is marketing performance tires.

FEATURE: WARRANTY WAR RAGES E10
Increased competition has caused some automakers to boost their coverage.

FEATURE: TAPPING THE WOMEN'S MARKET E14
When shopping for service, women consider convenience, a survey says.

Q&A: ROBERT N. ROSSI E16
Chrysler's national field service manager is high on customer satisfaction.

Q&A: JOSEPH A. KORDICK E19
The Ford vice president offers his philosophy of caring for customers.

Q&A: C.N. MOORE & R.J. BUGNO E22
Achieving greater customer satisfaction ranks No. 1 at General Motors.

COMING AUG. 22: AUTOMOTIVE NEWS SHOWROOM PROFITS EXTRA

Industry Editor
Al Fleming

Assistant Industry Editor
Edward Peabody

Automotive News Survey of Dealer Service Managers

Note: Figures indicate percent of total responses for each question, each year; in some cases, totals do not add to 100 percent because either multiple responses to a question were given or no response was given. Blank areas indicate questions that are new to this year's survey.

Question 1: What do you consider the business outlook to be for the automobile market in general and your dealership specifically for the next two years?

Automobile Market	1988	1987	1986	1985	1984
Improve	44.3	50.0	61.2	64.9	69.7
Same	39.2	27.9	32.6	25.7	7.6
Worse	12.4	22.1	6.2	9.4	2.7
Dealership					
Improve	78.4	74.3	88.0	86.9	92.1
Same	16.5	20.0	8.0	10.2	5.3
Worse	1.5	5.7	4.0	2.9	2.6

Question 2: Do you, as a service manager, feel that your service department offers a potential for increased profits in the future?

	1988	1987	1986	1985	1984
Yes	94.8	94.4	98.0	98.6	97.2
No	5.2	5.6	2.0	1.4	2.8

Question 3: Do you feel that your dealership management believes the service department offers the potential for increased profits in the future?

	1988	1987	1986	1985	1984
Yes	92.8	90.0	96.0	97.1	94.4
No	6.2	10.0	4.0	2.9	5.6

Question 4: Do you, as a service manager, believe your dealership is spending enough on advertising and promotion to improve your service business?

	1988	1987	1986	1985	1984
Yes	67.5	62.5	74.0	72.3	74.3
No	30.4	37.5	26.0	27.7	25.7

Question 5: Who hires the service technicians in your service department?

	1988	1987	1986	1985	1984
Dealership owner	11.3	18.1	15.5	15.7	17.8
Dealership manager	5.7	2.7	2.9	5.7	6.7
Service manager	92.3	91.7	88.9	87.6	85.7
Other	10.8				

Question 6: Compared to last year, finding competent service technicians today is:

	1988
Less Difficult	3.1
Same	23.7
More Difficult	71.1

Question 7: Do you have women service technicians?

	1988
Yes	5.2
No	92.3

Question 8: When your dealership buys new service equipment and services, are you involved?

	1988	1987	1986	1985	1984
Yes	96.4	100.0	100.0	100.0	97.2
No	3.6	0.0	0.0	0.0	2.8

If yes, which one statement below best describes your involvement?

	1988		1986	1985	1984
Originate purchase request	57.8		62.0	62.9	39.9
Approve make(s) selected	47.6	3	48.0	38.6	24.3
Negotiate terms	32.1	19	28.0	22.9	3.7
Give advice on needs	49.2	47	58.0	37.1	53.5

Question 9: Does your dealership plan to buy any service equipment this year?

	1988	1987	1986	1985	1984
Yes	58.8	59.2	55.0	61.5	69.4
No	38.1	40.8	45.0	38.5	30.6

If so, what type?

	1988	1987	1986	1985	1984
Tuneup	15.8	30.9	24.5	21.4	27.7
Wheel alignment	31.6	21.4	26.4	18.6	21.3
Wheel balance	12.3	14.3	11.8	10.0	14.9
Brakes	15.8	11.9	7.1	5.6	10.6
Transmissions	7.0	9.5	2.9	1.8	4.3
Engine overhaul	1.8	9.5	3.7	2.9	2.1
Refinishing	14.0	9.5	1.8	—	—
Frame-body straightening	7.0	7.1	10.8	10.0	12.8
Computerized diagnostic (console)	37.7				
Computerized diagnostic (hand-held)	19.3				
Other	25.4	40.5	30.0	29.7	26.3

Question 10: Are 1988-model cars more profitable to service than those of previous years?

	1988	1987	1986	1985	1984
Yes	8.2	12.5	13.7	11.4	11.8
No	43.6	40.3	50.9	54.3	52.9
Same	46.4	47.2	35.4	34.3	35.3

Question 11: Are 1988-model cars more difficult to service than those of previous years?

	1988
Yes	40.7
No	25.3
Same	33.0

Continued on page E6

COVER STORY

Continued from page E2

The upward spiral really spurted in 1987 when 21.1 percent of those surveyed indicated their incomes were $50,000 or more. This year the figure jumped to 25.8 percent.

In most cases (42.8 percent), compensation is comprised of salary and bonus.

As was the case the previous two years, most service managers this year (20.6 percent) are in the 35-to-39 age bracket. And most (24.9 percent) have been service managers for less than three years.

Perhaps this is why most service managers (62.9 percent, the highest figure since 1984) now believe their salaries and benefits are commensurate with their experience. ■

Shop is still a man's world

Auto dealership service departments remain very much a man's world. Only 5.2 percent of service managers responding to the *Automotive News* survey said they have women technicians in their shops.

Service bosses across the country cited two main reasons for an absence of female mechanics: qualified women technicians are not available; few if any women apply for service technician jobs.

"There's none available. I'd hire one tomorrow," said Dave Kulig, service and parts director, Warnock Ford Country, Morristown, N.J.

Noted a service manager in St. Louis: "I have not had the opportunity to speak with an applicant of the feminine gender."

Another in the Detroit metro area observed: "I did have one woman apprentice, but she relocated. Her performance and ability were below expectations anyway."

Still another in the Cincinnati area said: "Most techs are macho and would offend females."

But a Providence, R.I., service manager without a woman technician got the last word. "Our service manager is female," she said. ■

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Circle ReaderService #29

Continued from page E2

Question 12: How many hours per week is your service department open?

	1988	1987	1986	1985	1984
Less than 45 hours	12.9	11.1	18.0	18.6	11.1
45 to 50 hours	38.7	54.2	60.0	38.6	47.2
51 to 55 hours	22.7	20.8	14.0	27.1	19.4
56 to 60 hours	11.9	9.7	6.0	11.4	8.3
More than 60 hours	13.9	4.2	2.0	4.3	14.0

Question 13: How many employees are there in your service department including parts and service personnel?

	1988	1987	1986	1985	1984
1 to 10	23.2	25.0	28.0	25.7	33.3
11 to 20	32.0	27.8	18.0	28.6	27.8
21 to 30	15.5	33.4	36.0	15.7	13.9
31 to 40	11.3	6.9	8.0	17.1	11.1
More than 40	17.5	6.9	10.0	12.9	13.9

Question 14: What is your most profitable service operation?

	1988	1987	1986	1985	1984
Tuneup	37.6	50.7	24.0	40.3	39.8
Wheel alignment	12.9	14.5	6.6	9.0	11.3
Wheel balance	8.2	8.7	4.0	1.8	2.7
Brakes	32.0	34.8	25.3	20.4	25.6
Transmissions	13.9	15.9	6.6	10.4	8.4
Engine overhaul	9.8	10.1	13.3	3.3	1.8
Rustproofing	12.9				
Body shop	10.3	11.6	9.3	6.1	7.7
Other	14.9	13.0	10.6	8.7	2.7

Question 15: How much do the following contribute to your service profits?

1988	Significantly	Some	None
New car warranty work	41.2	50.0	7.2
Extended service contracts	36.1	56.2	3.6
General customer drive-in	73.6	23.8	0.0
Special service packages	38.7	46.9	7.7
1987	**Significantly**	**Some**	**None**
New car warranty work	40.3	54.2	5.5
Extended service contracts	34.3	62.9	2.8
1986	**Significantly**	**Some**	**None**
New car warranty work	40.8	48.9	10.2
Extended service contracts	27.0	66.6	6.4
1985	**Significantly**	**Some**	**None**
New car warranty work	44.3	48.6	7.1
Extended service contracts	17.1	67.3	15.6
1984	**Significantly**	**Some**	**None**
New car warranty work	48.8	43.9	7.3
Extended service contracts	8.6	74.3	17.1

Question 16: What is your age?

	1988	1987	1986	1985	1984
18 to 24	2.1	2.9	4.0	0.0	0.0
25 to 29	8.8	9.7	16.0	15.7	9.8
30 to 34	18.6	15.3	16.0	11.4	19.5
35 to 39	20.6	26.4	26.0	18.6	29.3
40 to 44	18.6	20.8	16.0	22.9	7.3
45 to 49	12.9	8.3	10.0	12.9	4.9
50 to 54	8.8	6.9	2.0	11.4	12.2
55 to 59	5.7	6.9	4.0	4.3	14.6
60 to 64	2.1	1.4	6.0	2.8	2.4
65 or over	1.0	1.4	—	—	—

Question 17: Before becoming a service manager at your present or at any other dealership, what type of job did you have?

	1988	1987	1986	1985	1984
Write-up man	34.2	30.6	24.6	31.4	24.4
Mechanic	51.0	43.4	43.4	37.2	44.1
Parts manager	21.1	7.3	8.6	5.7	9.8
Other	37.1	18.7	23.4	25.7	21.7

Question 18: How many years have you been a service manager (including time spent at previous dealerships)?

	1988	1987	1986	1985	1984
1 to 3	24.9	20.8	19.6	22.9	22.9
4 to 7	19.7	19.4	33.3	21.4	26.6
8 to 11	22.3	26.4	17.6	15.7	11.4
12 to 15	12.4	13.9	5.8	12.9	15.7
16 to 19	8.8	8.4	9.8	11.4	9.2
20 or more	11.9	11.1	13.9	15.7	14.2

Question 19: What was your total compensation last year for being a service manager?

	1988	1987	1986	1985	1984
Less than $15,000	0.5	2.7	4.1	2.9	2.7
$15,001 to $19,999	3.1	11.3	4.1	10.0	8.1
$20,000 to $24,999	11.9	14.1	18.7	14.3	18.2
$25,000 to $29,999	11.3	7.0	10.4	24.1	27.0
$30,000 to $34,999	12.9	9.9	8.3	11.4	13.5
$35,000 to $39,999	12.9	12.7	20.8	10.1	10.8
$40,000 to $44,999	9.8	11.3	14.5	8.7	6.8
$45,000 to $49,999	5.7	9.9	6.2	10.2	9.5
$50,000 or more	25.8	21.1	12.5	8.3	5.4

Question 20: What was your total compensation for being a service manager based on?

	1988	1987	1986	1985	1984
Salary only	12.9	15.3	9.4	8.6	11.8
Salary + overtime	0.0	0.0	1.8	1.9	2.9
Salary + bonus	42.8	31.9	26.7	38.6	41.2
Salary + incentive	30.9	41.7	43.6	45.2	35.3
Salary + stock	0.0	1.4	—	—	—
Salary + other	11.3	9.7	18.5	5.7	8.8

Question 21: Do you believe your salary and benefits are commensurate with your experience?

	1988	1987	1986	1985	1984
Yes	62.9	50.0	48.9	54.2	63.6
No	33.0	50.0	51.1	45.8	36.4

SEGMENT

FROM PAGE 3

Mercedes-Benz helped boost the standard-class numbers by adding sales of 3,363 new 300-SEL models, while Pontiac sold 64,811 Bonnevilles that weren't on the market during the same period in 1987. Bonneville outperformed the Parisienne, Pontiac's 1987 big car, by a wide margin. Parisienne sales totaled 52,777 in the first six months of 1987.

Subcompact sales for the first half totaled 1,269,930, a jump of 6.65 percent over the 1,190,765 sold in 1987.

The only newcomer in the segment during the first half of this year was Daihatsu, which reported first-half sales of 5,273 Charades.

First-half sales of compact cars increased 3.31 percent to 1,412,773 over last year's first-half total of 1,367,523.

Reporting first-half sales for the first time in the compact market were Ford Probe, with 18,837, and Audi 80/90 with 6,146. The 80/90 replaced the Audi 4000, which had sales of 4,508 last year.

Sales of speciality cars for the six-month span totaled 112,255, 18.52 percent below the 137,772 sold in the comparable period of 1987.

Fiero sales showed the largest decline of any model in the specialty segment. Sales of the once-popular two-seater dropped 10,707 units from last year's first half.

Chiefly because of slow sales, Pontiac will close its Fiero plant in Pontiac, Mich., and discontinue the line this fall.

Another hurting two-seater in the speciality market was the Nissan 300-ZX, reporting a first-half sales loss of 8,757.

The only new entry in the speciality market for the first half was Buick's Reatta. Sales of that model totaled 1,634.

CAR SALES BY SIZE CLASS

First half 1988 vs. 1987

	1988	1987
Subcompact Cars		
Escort	192,871	191,892
Hyundai	148,488	127,088
Sentra	123,825	124,482
Civic/CRX	103,400	109,695
Corolla	88,274	69,137
Nova	82,896	75,577
Mazda 323	47,017	31,869
Colt	45,108	38,942
Tercel	42,588	40,894
Spectrum	40,734	36,286
Festiva	35,289	2,945
LeMans	32,434	3,454
Lynx	31,056	32,168
Fox	29,477	14,153
Integra	28,129	28,381
Horizon	27,808	34,675
Omni	26,809	28,134
Pulsar	26,872	33,348
Sprint	23,613	23,862
Yugo	16,544	27,033
Golf/GTI	15,186	26,112
Justy	14,322	4,589
Precis	11,539	8,443
Vista	10,035	15,137
I-Mark	7,578	12,386
Cabriolet	7,176	7,878
Mirage	5,777	8,469
Daihatsu	5,273	0
Alliance	3,696	14,171
Scirocco	1,380	3,731
Chevette	191	15,555
Pontiac 1000	154	4,123
Lasar	0	3,629
TOTAL	1,269,930	1,190,765
Compact Cars		
Accord	172,667	149,188
Cavalier	156,855	168,885
Tempo	147,088	126,105
Grand Am	127,760	111,661
Reliant	65,697	53,962
Aries	58,293	50,671
Calais	54,832	54,236
Shadow	47,823	38,602
Sunbird	45,100	45,677
Topaz	44,657	36,271
Sundance	43,179	40,912
Daytona	40,886	16,529
Jetta	40,195	36,714
Mazda 626	33,676	38,702
Celica	32,521	36,209
Somerset/Skylark	32,030	36,458
Subaru Sta. Wgn.	31,520	33,605
Stanza	27,125	32,658
Prelude	25,071	28,985
Mazda MX-6	19,940	0
BMW 325	19,334	28,607
Probe	18,837	0
Skyhawk	15,574	18,906
Subaru 4-Dr. Sdn.	15,166	19,438
LeBaron K	14,338	30,004
Nissan 200SX	10,112	18,163
Dodge 600	9,404	18,486
Mercedes 190	9,302	9,446
Subaru XT	7,220	9,852
Firenza	6,845	8,370
Subaru 3-Door	4,274	6,532
Impulse	4,017	3,755
Mercedes 260E	3,862	2,801
Cimarron	3,697	6,757
Cordia	3,341	2,168
Subaru Hatchback	3,222	3,583
Audi 80	3,079	0
Audi 90	3,067	0
Merkur XR4Ti	2,567	4,006
Milano	1,622	1,342
Quantum	1,415	3,118
Eagle	1,382	2,228
Turismo	1,115	11,935
Charger	1,022	15,802
BMW M3	930	74
Maserati	510	518
Tredia	415	2,523
Audi Coupe GT	218	856
Audi 4000S	177	3,398
Audi 4000CS Quattro	83	1,120
BMW 318	9	15
TOTAL	1,412,773	1,367,523
Intermediate Cars		
Corsica/Beretta	222,514	76,906
Taurus	210,973	174,980
Celebrity	138,504	178,152
Cutlass Ciera	119,859	128,575
Mustang	99,430	96,273
Camry	98,148	75,289
Thunderbird	88,432	60,923
Sable	86,893	47,224
Regal	83,127	25,708
Cougar	58,788	52,842
Century	59,173	74,415
LeBaron J	56,931	28,190
Pontiac 6000	55,380	64,216
Cutlass Supreme	54,320	56,260
Camaro	53,055	68,139
Grand Prix	44,531	9,059
Dynasty	37,887	0
Maxima	36,739	46,221
New Yorker C	34,524	0
Firebird	33,632	42,498
Legend	33,174	21,780
Volvo 740 Series	21,888	26,047
Monte Carlo	21,563	31,946
Continental	21,502	7,288
Volvo 240 Series	21,494	30,463
Prelude	18,488	0
Eldorado	14,340	16,386
New Yorker E	14,170	30,734
Mazda 929	13,167	0
Mercedes 300	13,158	11,963
Mark VII	11,275	13,449
Supra	10,721	14,175
Seville	10,611	12,407
Caravelle	10,287	19,630
Galant	8,901	5,940
Toronado	8,888	10,141
LeBaron GTS	8,798	17,717
Medallion	8,588	5,570
Jaguar XJ6	7,472	7,722
Cressida	5,861	10,429
Lancer	5,755	13,423
Volvo 780 Series	5,288	6,454
Riviera	5,187	11,089
Saab 9000S	5,115	7,095
Sterling	4,947	6,381
BMW 528e	4,5[illegible]	4,897
Saab 900 Turbo	4,54[illegible]	4,264
Saab 9000 Turbo	4,21[illegible]	3,824
Scorpio	3,83[illegible]	1,125
Audi 5000S	3,617	14,412
Peugeot	3,482	4,440
Saab 900	3,280	4,650
BMW 535i/535iS	2,427	3,616
Jaguar XJS	2,425	2,302
Saab 9000S	1,707	1,810
BMW 6-Series	877	999
Audi 5000CS Turbo Quattro	838	2,557
Volvo 780	789	35
Audi 5000CS Turbo	674	2,754
BMW M6	270	344
BMW M5	194	145
Mercedes 300SDL Turbo	87	3,620
BMW 524 TD	3	26
TOTAL	1,962,203	1,690,857
Standard Cars		
Olds 88	94,619	89,296
Caprice	89,888	89,118
LeSabre	79,231	65,913
DeVille	77,352	71,164
Bonneville H	64,811	0
Lincoln	64,388	60,331
Crown Victoria	64,104	64,317
Grand Marquis	61,028	58,956
Electra	41,836	36,245
Olds 98	38,091	34,254
Fifth Avenue	26,388	20,655
Brougham	20,385	25,356
Diplomat	12,227	5,581
Gran Fury	7,584	3,889
BMW 7-Series	6,135	4,264
Mercedes 420SEL	4,700	6,875
Paris./Safari	3,804	52,277
Mercedes 300SEL	3,363	0
Mercedes 560SEL	2,738	3,178
Mercedes 560SEC	825	916
Marquis	0	2,510
TOTAL	753,980	692,775
Speciality Cars		
Mazda RX-7	16,151	19,021
Fiero	15,889	26,396
Corvette	13,544	13,202
Nissan 300ZX	11,695	20,452
Toyota 4Runner SR 5	10,253	735
Mercedes 560SL	6,074	8,014
Conquest	5,679	6,686
Toyota MR2	4,742	8,640
Toyota Land Cruiser	3,879	1,926
Mitsubishi Van/Wagon	3,272	3,841
VW Vanagon	3,085	4,980
Toyota Van	3,060	7,145
Porsche 944	2,058	3,182
Starion	1,795	2,863
Atlantis	1,792	1,093
Porsche 911 Cpe.	1,750	2,255
Reatta	1,634	0
Porsche 924S	1,302	1,467
Spider	1,086	2,080
Porsche 911 Cabriolet	1,073	1,333
Porsche 944 Turbo	1,025	1,383
Porsche 928S	753	1,064
Porsche 911 Turbo	579	771
Porsche 944S	269	1,349
Montero 4-door	2	0
TOTAL	112,255	137,772
*Total Car Sales	5,529,838	5,079,692

*Total does not include some deliveries.

Sterling picks ad agency to replace Riney

MIAMI — Austin Rover Cars of North America confirmed that it has awarded its advertising account to New York-based AC&R/DHB & Bess Advertising.

The ARCONA account previously was handled by Hal Riney & Partners, San Francisco, but Sterling terminated the account when Riney won the Saturn Corp. account. Saturn, a GM subsidiary, will begin building cars in summer 1990 at a plant in Spring Hill, Tenn.

ARCONA sells Sterling models through 180 dealers in the United States. Britain's Austin Rover Group recently acquired total control of ARCONA from majority owner Braman Enterprises, which is headed by dealer-entrepreneur Norman Braman.

The ARCONA account is reportedly worth some $20 million, though company officials declined to disclose the size of the account.

Monroe, Bosch to make electronic suspension

BROADVIEW, Ill. — Monroe Auto Equipment Co., Monroe, Mich., a division of Tenneco Automotive, has reached an agreement with Robert Bosch GmbH of Stuttgart, West Germany, to co-develop and sell a new electronic ride-control suspension system.

The system will enable a vehicle to adapt automatically to changing road surface and driving conditions, according to Robert Bosch Corp. here, a subsidiary of Robert Bosch GmbH.

A Tenneco spokeswoman said the company hasn't decided which of the partners will market the system, but she said it would be an original-equipment item.

Balance Engineering forms new division

TROY, Mich. — Balance Engineering Corp. has established a new operating division here called Dynotech Engineering.

The division will provide single-sourced balancing services, prop-shaft/driveline research and dynamometer engine testing services for standard and high-performance engine configurations.

Balance Engineering was established in 1987 in a management buyout from General Motors. It had been part of GM since 1923.

Trade bill awaits vote in Senate

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The Senate is expected to vote soon on an overhaul of U.S. trade laws.

The House already has approved a new plant-closing notification bill and also has passed separate legislation on trade. Both measures carried by margins, sufficient to override a presidential veto.

The measure requiring companies to give workers 60 days' notice of plant closings or large layoffs passed 286-136, four votes more than is needed to override a veto. The trade bill was approved 376-45.

The Senate already has passed its version of the plant-closing bill and will vote on the trade measure now that the Democratic National Convention is over.

President Reagan vetoed the trade bill in May, primarily because it included the plant-closing measure. Now, it looks as though the trade-reform measure and the plant-closing legislation will become law anyway.

Political observers here say the president may sign the trade bill and simply allow the plant-closing measure to become law without his signature. The unpopularity of the president's trade-bill veto has become an embarrassing election-year issue for Republicans, especially the president's opposition to advance notice of plant closings.

Domestic automakers and the UAW have supported trade reform, while import automakers and car dealers have opposed the legislation. The plant closing bill may affect some non-union auto suppliers but is not expected to have an impact on the auto industry's mainstream.

Union contracts already require advance notice of layoffs and plant closings throughout most of the industry. Small businesses, including car dealerships, are not covered by the bill.

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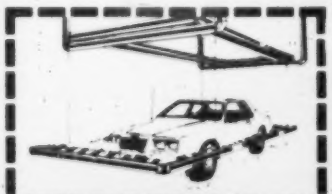
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AUCTION DATES

Chrysler Motors

July 26 — Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; and Riverside Auto Auction, Riverside, Calif.

July 27 — Columbus Fair Auto Auction, Obetz, Ohio, and Southern Auto Auction, Warehouse Point, Conn.

July 28 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Southwest Auto Auction, Phoenix, Ariz.; and Omaha Auto Auction, Omaha, Neb.

July 29 — St. Louis Auto Auction, St. Louis.

Aug. 1 — St. Louis Auto Auction, St. Louis.

Aug. 5 — American Auto Auction, Walpole, Mass.; Nashville Auto Auction, Nashville, Tenn.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Aug. 6 — South Seattle Auto Auction, Kent, Wash.; A.D.E. of Birmingham, Birmingham, Ala.; Denver Auto Auction, Aurora, Colo.; Minneapolis Auto Auction, Plymouth, Minn.; and Butler Auto Auction, Gibsonia, Pa.

Ford Motor Co.

July 27 — Clanton's Auto Auction, Darlington, S.C.; Albuquerque Auto Auction, Albuquerque, N.M.; Mississippi Auto Auction, Hattiesburg, Miss.; and Southern California Auto Auction, Fontana, Calif.

July 28 — Greater Chicago Auto Auction, Chicago, and St. Louis Auto Auction, Bridgeton, Mo.

Aug. 3 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.; and Newburgh Auto Auction Inc., Newburgh, N.Y.

Aug. 4 — Interstate Auto Auction, Mercer, Pa., and Nashville Auto Auction, Nashville.

Aug. 9 — South Seattle Auto Auction, Kent, Wash.

Aug. 10 — Atlanta Auto Auction, Red Oak, Ga., and Wednesday Auto Auction, Obetz, Ohio.

General Motors

July 26 — A.D.E. of Birmingham, Moody, Ala.; National Auto Dealer Exchange, Bordentown, N.J.; and Florida Auto Auction of Orlando, Ocoee, Fla.

July 27 — Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Indianapolis Auto Auction, Indianapolis; and Minneapolis Northstar Auto Auction, Shakopee, Minn.

July 28 — Butler Auto Auction, Gibsonia, Pa.; Colorado Auto Auction, Commerce City, Colo.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; and Nashville Auto Auction, Nashville, Tenn.

Aug. 2 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas.

Aug. 3 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fontana, Calif.; and Omaha Auto Auction, Omaha, Neb.

Aug. 4 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, St. Louis; and Utah Auto Auction, West Bountiful, Utah.

Used Car Sales
Auction Averages

July 88	$5,816
Month ago	$5,833
Year ago	$5,923

Model Breakdown
Auction Averages

	JULY 1988	JUNE 1988	MAY 1988
1988	$11,391	$12,545	$12,495
1987	$8,587	$8,668	$8,661
1986	$7,241	$7,327	$7,400
1985	$5,820	$5,801	$5,711
1984	$4,520	$4,534	$4,525
1983	$3,710	$3,721	$3,776
1982	$2,509	$2,529	$2,475
1981	$1,926	$1,932	$1,983
Overall Average	$5,816	$5,855	$5,800

'88 Continentals recalled for gearbox, electric fixes

DEARBORN, Mich. — Ford Motor Co. is voluntarily recalling 27,757 1988-model Lincoln Continental passenger cars in response to two electrical wiring-related conditions and a transmission gearshift mechanism condition.

The recall involves nearly the entire 1988 model production.

Heat resistant fiberglass tape will be installed around an engine compartment electrical wiring harness located above the engine exhaust manifold.

The harness is covered by a nylon shield that under extremely severe temperature and driving conditions could melt and drip onto the exhaust manifold, possibly resulting in an engine compartment fire. The tape will enclose and insulate the nylon shield.

A new ignition switch and certain ignition circuit electrical wiring and connectors will be installed on most of those cars.

In some Continentals, the presently installed ignition switch wiring can become overheated under heavy accessory use and lose electrical contact. That would cause such systems as the turn signals, radio, heater and air conditioner blower motor to stop functioning.

The brake system pump also would be affected, and the vehicle could experience substantially reduced braking capability if the brake system malfunction warning light were ignored.

In most of the vehicles, new transmission shift-control cables also will be installed. The present cables, in some cases, may come apart at one end, and when the vehicle is shifted, the transmission may be in a gear different from that indicated on the instrument panel "PRNDL" display.

Of the vehicles being recalled, 26,217 are in the United States, 1,347 are in Canada and 193 have been exported.

Owners will be notified of the safety recall by letter and will be requested to return their Continentals to dealers for modification. There will be no charge to owners for the recall service.

In a separate action, Ford Motor Co. is voluntarily recalling approximately 16,000 1986-87 F-series and B-series and 1986-model year C-series trucks over 14,000 pounds GVW to assure acceptable evaporative emissions levels. The affected vehicles are equipped with 6.1-liter 4-barrel and 7-liter 4-barrel engines.

The emission levels of some of those vehicles exceed applicable standards. To correct that condition, dealers are being asked to remove two purge control valves. The work will be performed at no cost to owners.

Of the trucks being recalled, 15,988 are in the United States and 90 are in export locations.

Vehicles built for sale in Canada are not affected by this action.

AUCTION DIRECTORY

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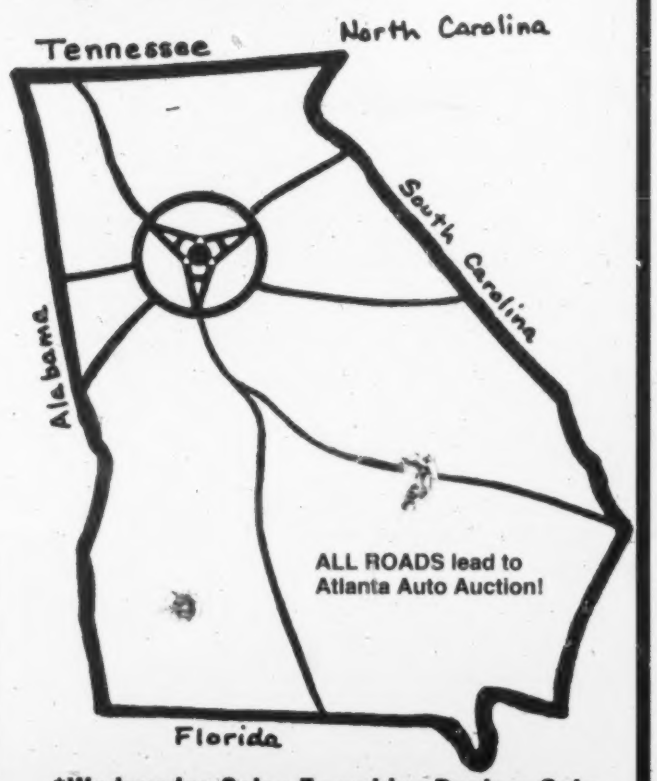
Wednesday, Aug. 10th — 10:00 a.m.

Wednesday, Aug. 17th — 10:00 a.m.

Thursday, Aug. 25th — Summer Sizzler Sale

Wednesday, Aug. 31st — 10:00 a.m.



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Metro Milwaukee Auto Auction. Sale every Wednesday. FMC, GMAC, all leasing. 414-835-4436, Caledonia, Wisconsin.

PRODUCTION

Changeovers trim week's car output

With more plants shutting down for model changeover, last week's targeted domestic car output of 88,929 was 5.38 percent below the previous week's 93,984 but 19.96 percent more than the year-ago week's 74,130, which was also affected by downtime.

Companies spit last week's estimated output as follows: Ford Motor Co., 43.70 percent; General Motors, 27.27 percent; Chrysler Motors, 10.12 percent; Honda of America Manufacturing Inc., 8.64 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.80 percent; New United Motor Manufacturing Inc., 3.65 percent; and Nissan Motor Manufacturing Co. U.S.A., 2.82 percent.

Truck production was slated at 71,682 units last week, 80.46 percent more than the prior week's 39,721 when all Ford plants were down for vacation along with several others for changeover.

The following GM plants remain idle until Aug. 1 for model changeover: Janesville, Wis.; Doraville, Ga.; Arlington, Texas; Fairfax, Kans.; Linden, N.J.; Tarrytown, N.Y.; Framingham, Mass.; and Willow Run, Mich.

These GM plants are also down for changeover: Flint, Mich., until Aug. 2; Wentzville, Mo., until Aug. 2; Lansing, Mich., until early August; Orion Township, Mich, until Aug. 8; Van Nuys, Calif., until Aug. 15.; Framingham, Mass., until Aug. 18; and Detroit-Hamtramck until Aug. 24.

Two Chrysler plants are closed until Aug. 1: Sterling Heights, Mich., and Belvidere, Ill. Sterling Heights is idle for vacation and Belvidere for changeover.

Chrysler's Toledo, Ohio, and Kenosha, Wis. (No. 1) plants are down until Aug. 8, and Kenosha (No. 2) is down until Aug. 29. Its Newark, Del., plant is down until early October for changeover.

Chrysler's Warren, Mich., facility resumed output today after being down for changeover.

Only five plants build in Canada

With only five car and truck assembly plants open, last week's scheduled output in Canada dipped considerably from the prior week's total.

Car production was targeted at 5,654 units, 34.01 percent below the previous week's 8,568 and 33.76 percent below the year-ago week's 8,536.

Truck output was scheduled at 5,070 units last week, 10.19 percent below the prior week's 5,645 but 45.15 percent more than the year-ago week's 3,493.

General Motors' Oshawa, Ontario, (No. 2) plant is closed until Aug. 1 for changeover. The Scarborough, Ontario, and Ste. Therese, Quebec, facilities are closed until Aug. 15 for changeover.

Ford Motor Co.'s Oakville, Ontario, car and truck plant resumed output today. Both were idle three weeks for vacation.

Chrysler Motors Windsor, Ontario, and Brampton, Ontario, plants are slated to reopen today after being idle for vacation.

U.S. CAR	Week Ended July 25, 1988	Week Ended July 23, 1987	Week Ended July 16, 1988	July to Date	Jan. 1 to July 25, 1988	Jan. 1 to July 23, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	0	0	1,400	3,415	53,889	32,997
Sundance	2,600	0	3,142	8,352	62,475	56,294
Reliant	2,100	0	2,120	6,250	54,061	63,258
Caravelle	0	0	0	0	9,087	30,019
Gran Fury	0	247	290	662	15,047	2,793
Total Plymouth	4,700	247	6,952	18,679	194,579	185,361
LeBaron K	0	0	0	0	7,912	43,210
LeBaron J	0	0	2,050	4,091	44,576	70,194
LeBaron GTS	200	0	329	805	5,657	23,809
N. Yorker E-Class	0	0	0	0	0	46,793
N. Yorker C-Class	0	0	0	2,604	63,233	0
Fifth Avenue	0	2,046	249	564	15,794	28,550
Total Chrysler	200	2,046	2,628	8,064	137,172	212,556
Omni	0	0	1,218	3,072	52,602	28,363
Daytona	0	0	2,020	4,060	43,821	33,909
Shadow	2,200	0	2,648	7,107	61,513	57,629
Aries	1,800	0	1,894	5,511	52,705	60,267
Dodge 600	0	0	0	0	8,549	26,922
Dynasty	0	0	0	2,230	59,366	0
Lancer	100	0	185	457	5,556	15,008
Diplomat	0	451	297	735	12,368	5,776
Total Dodge	4,100	451	8,262	23,172	296,480	227,874
CHRYSLER MOTORS	9,000	2,744	17,842	49,916	628,231	641,785
Escort	10,394	7,759	0	12,277	211,632	212,789
Mustang	4,213	4,467	0	5,097	113,853	122,828
Tempo	3,755	0	0	4,531	106,519	99,830
Taurus	8,777	7,981	0	10,737	221,833	239,739
Thunderbird	3,138	3,657	0	3,791	87,383	94,799
Total Ford Div.	30,277	23,864	0	36,434	741,220	769,985
Lynx	0	253	0	0	0	21,135
Topaz	1,596	0	0	1,899	39,867	32,858
Cougar	3,160	2,414	0	3,809	66,935	85,387
Sable	2,767	2,593	0	3,377	76,393	76,588
Total Mercury	7,523	5,260	0	9,085	183,215	215,968
Continental	353	0	0	503	24,069	9,610
Mark VII	178	545	0	251	13,175	14,821
Lincoln	532	2,724	0	974	76,121	74,894
Total Lincoln	1,063	3,269	0	1,728	113,365	99,125
Total L-M Division	8,586	8,529	0	10,813	296,580	315,093
FORD MOTOR CO.	38,863	32,393	0	47,246	1,037,800	1,085,078
Skyhawk	0	0	177	250	9,950	16,451
Skylark/Somerset	0	0	712	2,351	28,172	37,072
Century	0	0	1,580	4,921	64,323	103,225
Regal (rwd)	0	1,405	0	0	0	28,123
Riviera	0	0	0	74	3,642	8,501
Electra	1,509	0	1,905	5,427	51,312	53,545
LeSabre (fwd)	2,600	0	2,592	7,732	72,562	80,693
LeSabre (rwd)	173	86	196	554	5,994	5,643
Reatta	228	0	166	591	5,310	0
Total Buick	4,510	1,491	7,328	21,899	241,265	333,253
Cimmaron	0	0	0	0	3,893	7,489
Eldorado	0	0	0	542	23,410	12,720
Seville	0	0	0	355	14,488	10,534
Brougham (rwd)	358	124	356	1,116	18,153	38,116
Deville (fwd)	0	0	1,116	4,699	97,287	90,573
Allante	0	144	0	0	1,135	2,635
Total Cadillac	358	268	1,472	6,713	158,166	162,067
Cavalier	7,246	0	7,369	21,999	207,836	204,851
Camaro	2,998	4,899	2,825	8,523	54,915	67,717
Celebrity	0	0	2,638	7,727	106,028	192,484
Corsica/Beretta	0	8,521	9,460	18,731	231,977	170,649
Monte Carlo	0	1,158	0	0	0	41,135
Caprice	4,488	1,879	4,457	14,281	118,948	113,223
Corvette	450	615	450	1,342	12,330	17,688
Total Chevrolet	15,182	16,872	27,199	72,604	732,034	807,747
Calais	0	0	1,360	4,420	65,250	69,547
Firenza	0	0	0	0	5,230	2,019
Cutlass Ciera	0	0	2,260	4,221	13,551	99,968
Cutlass Supreme	0	1,323	3,937	8,137	90,480	44,367
Toronado	0	0	0	210	10,209	10,127
88 (fwd)	337	1,451	2,919	6,590	90,017	107,303
88 (rwd)	110	0	118	374	7,043	10,656
Olds 98	95	0	584	2,530	45,119	37,869
Total Oldsmobile	542	2,774	11,178	26,481	326,899	390,450
Sunbird	1,827	0	1,834	5,503	61,200	60,295
Grand Am	0	0	4,186	9,874	138,332	149,576
Firebird	1,203	2,475	1,325	3,898	37,745	46,427
Grand Prix	0	0	2,536	6,281	71,916	0
Pontiac 6000	0	0	711	2,201	42,702	48,689
Bonneville	0	2,315	2,345	5,056	64,003	78,687
Safari/Parisienne	118	93	71	281	4,818	5,861
Fiero	508	0	496	1,099	11,618	20,689
Total Pontiac	3,656	4,883	13,504	34,192	432,334	410,224
GENERAL MOTORS	24,248	26,286	60,681	161,889	1,890,696	2,103,741
HONDA	7,682	6,110	7,133	16,311	204,204	190,467
Civic	2,540	1,821	2,325	5,341	56,631	63,424
Accord	5,142	4,289	4,808	10,970	147,573	127,043
MAZDA†	3,377	0	3,514	9,943	57,212	0
NISSAN	2,509	2,589	0	3,042	56,080	74,815
NUMMI	3,250	4,006	3,237	7,007	88,413	112,733
Corolla	1,200	878	1,172	2,564	32,450	23,471
Nova	2,050	3,128	2,065	4,443	55,963	89,262
VOLKSWAGEN	0	0	1,577	3,510	35,595	43,129
Golf/GTI	0	0	1,577	3,510	30,042	34,775
Jetta	0	0	0	0	5,553	8,354
Total Cars, U.S.	88,929	74,130	93,984	298,865	3,998,233	4,251,748
Total Cars, Canada	5,654	8,536	8,568	30,912	643,467	462,026
U.S., Canada Cars	94,583	82,666	102,552	329,776	4,641,700	4,713,774
U.S., Canada Cars and Trucks	171,335	152,166	147,918	526,707	7,501,082	7,347,915

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended July 25, 1988	Week Ended July 23, 1987	Week Ended July 16, 1988	July to Date	Jan. 1 to July 25, 1988	Jan. 1 to July 23, 1987
Eagle	0	—	0	0	0	—
Premier	0	—	1,595	3,457	38,964	—
CHRYSLER MOTORS	0	0	1,595	3,457	38,964	3,095
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	0	—	0	528	102,017	—
Topaz	0	—	0	262	36,450	—
Crown Victoria	2,042	—	0	2,499	73,982	—
Grand Marquis	2,232	—	0	2,697	74,096	—
FORD MOTOR CO.	4,274	5,359	0	5,986	286,545	283,953
Celebrity	0	—	553	1,344	12,971	—
Cutlass Ciera	0	—	1,978	8,608	155,154	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	928	29,675	—
Regal	0	—	3,368	7,774	94,638	—
GENERAL MOTORS	0	2,527	5,899	18,654	292,438	161,541
Civic	1,200	—	894	2,262	19,483	—
Accord	0	—	0	0	1,828	—
HONDA	1,200	425	894	2,262	21,311	7,245
VOLVO	180	225	180	554	4,189	6,192
Total Cars, Canada	5,654	8,536	8,568	30,912	643,467	462,026

U.S. TRUCK☆	Week Ended July 25, 1988	Week Ended July 23, 1987	Week Ended July 16, 1988	July to Date	Jan. 1 to July 25, 1988	Jan. 1 to July 23, 1987
Caravan	1,500	—	0	3,096	54,130	—
Dakota	0	—	0	2,044	61,653	—
Mini-Ram Van	200	—	0	441	8,696	—
Pickups	0	—	0	2,002	40,119	—
Total Dodge	1,700	0	0	7,583	164,598	141,731
Cherokee	3,300	—	3,626	11,502	105,856	—
Commanche	800	—	874	2,764	27,004	—
Grand Wagoneer	0	—	284	354	8,215	—
Pickups	0	—	0	0	0	—
Wagoneer	0	—	0	0	6,190	—
Total Jeep	4,100	4,070	4,784	14,620	147,265	123,556
Voyager	1,700	—	0	3,383	50,301	—
Total Plymouth	1,700	—	0	3,383	51,054	—
CHRYSLER MOTORS	7,500	4,070	4,784	25,586	370,181	265,287
Aerostar	1,540	—	0	1,540	110,673	—
Bronco	1,238	—	0	1,483	33,628	—
Bronco II	1,145	—	0	1,656	71,026	—
Econoline	3,877	—	0	4,813	133,902	—
Heavy trucks	1,476	—	0	1,476	36,536	—
Light trucks	10,277	—	0	12,353	277,060	—
Ranger	5,007	—	0	6,578	196,440	—
Total Ford Div.	24,560	29,710	0	29,899	859,265	839,144
FORD MOTOR CO.	24,560	29,710	0	29,899	859,265	839,144
Astro	3,913	—	3,365	11,315	99,972	—
Blazer	534	—	617	1,706	16,162	—
Medium/Heavies	340	—	333	967	10,269	—
P-Model	968	—	1,017	2,881	23,328	—
Pickups	7,122	—	6,620	20,595	194,461	—
S-10	6,559	—	5,886	19,187	170,012	—
S-10 Blazer	3,300	—	3,648	10,213	96,737	—
Sportsvan/Van	2,172	—	2,036	6,419	51,938	—
Suburban	1,534	—	1,561	4,596	43,086	—
Total Chevrolet	26,440	18,637	25,083	77,880	705,985	672,129
Jimmy	152	—	71	338	4,556	—
Medium/Heavies	760	—	769	2,322	22,792	—
P-Model	54	—	16	158	3,214	—
Pickups	2,158	—	1,991	6,408	60,177	—
S-15	1,333	—	1,162	3,851	38,566	—
S-15 Jimmy	900	—	966	2,746	25,125	—
Safari	961	—	892	2,863	25,491	—
Suburban	522	—	505	1,533	19,158	—
Vandura/Rally Vans	597	—	732	1,935	20,531	—
Total GMC	7,437	8,750	7,104	22,154	219,610	220,979
GENERAL MOTORS	33,877	27,387	32,187	100,034	925,595	893,108
NAVISTAR	1,782	0	0	2,081	47,431	40,037
NISSAN	1,213	2,092	0	1,466	57,172	45,865
AM GENERAL*	450	450	450	1,440	12,960	7,560
MISCELLANEOUS*	2,300	2,300	2,300	7,360	66,240	66,400
Total Trucks, U.S.	71,682	66,009	39,721	167,865	2,338,844	2,157,401

CANADIAN TRUCK	Week Ended July 25, 1988	Week Ended July 23, 1987	Week Ended July 16, 1988	July to Date	Jan. 1 to July 25, 1988	Jan. 1 to July 23, 1987
Caravan	0	—	0	3,339	79,451	—
Mini-Ram Van	0	—	0	297	7,850	—
Ram Wagon	0	—	0	444	13,401	—
Ram Van	0	—	0	1,880	35,238	—
Total Dodge	0	0	0	5,960	135,940	239,258
Voyager	0	—	0	3,030	72,320	—
Total Plymouth	0	—	0	3,030	72,320	—
Wrangler	0	—	23	987	26,888	—
Total Jeep	0	0	23	987	26,888	18,081
CHRYSLER MOTORS	0	0	23	9,976	235,148	257,339
FORD MTR. (lt. trks.)	0	0	0	609	91,509	87,075
Light trucks	3,330	—	2,604	9,703	88,399	—
Vans	0	—	983	2,606	35,105	—
Total Chevrolet	3,330	—	3,587	12,308	123,504	—
Light trucks	1,470	—	1,434	4,403	45,667	—
Vans	0	—	601	1,456	18,604	—
Total GMC	1,470	—	2,035	5,860	64,271	—
GENERAL MOTORS	4,800	3,493	5,622	18,168	187,775	127,228
NAVISTAR	270	0	0	311	6,106	5,098
Total Trks., Canada	5,070	3,493	5,645	29,065	520,538	476,740
U.S., Canada Trks.	76,752	69,502	45,366	196,930	2,859,382	2,634,141

—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Ford, VW hit snags in S. America

Engines, exports trouble Autolatina

By Rik Turner
STAFF CORRESPONDENT

SAO PAULO, Brazil — Heralded two years ago as a joint venture prototype for the future, the Ford-Volkswagen Autolatina alliance is now wrestling with strains from its product decisions, dealers upset by the sharing of technology and political-economic pressures in this inflation-plagued country.

As Ford and VW have faced those issues — and altered strategies in the process — agreed-upon plans have become muddied. And reactions have been strong.

VW dealers are threatening legal action against Autolatina to stop technology transfers between the partners. There are plans to lay off 500-600 workers as a result of lost orders for VW's Fox in the United States, and the Brazilian press is reporting that the partners differ in their views of VW's U.S. export program.

All this greets Ford's new top official in the Brazil-Argentina linkup of the two companies. By the end of this year, James D. Donaldson, Ford's executive director of marketing for North American automotive operations, will become the new vice president of Autolatina, replacing Wayne Booker, who was sent to Brazil in 1986 to negotiate the merger with VW.

Booker will return to the United States after Donaldson, who recently arrived, completes a months-long transition.

Meanwhile, the latest round of problems stemming from dealer concern over the swapping of components began when the Ford dealer network started running ads comparing prices for the Escort compact with those of competitors such as the VW Golf and claiming that the Escort was a better value

see AUTOLATINA, page 51

AUTOMOTIVE NEWS/JOE WILSSENS

Some AMC veterans, from left: Rita McKay, manager of Jeep public relations; John Nemeth, director of vehicle engineering; Martin Levine, Jeep general marketing manager; Steve Harris, director of brand and product communications; James Julow, advance/special marketing plans manager; and Karen Palma, executive secretary

The merger: One year later

Both are changed, stronger, richer — and happier

By Mary Connelly and Laura Clark
AUTOMOTIVE NEWS STAFF REPORTERS

While the merger of Chrysler Corp. and American Motors one year ago relegated AMC to the annals of automotive history, the effect on Chrysler has been just as significant, if less dramatic.

Chrysler today is clearly not the same company it was one year ago. It has been fundamentally changed — by AMC people, product, facilities and attitudes.

The acquisition created both challenges and opportunities for Chrysler as it moves into the 1990s.

It burdened Chrysler with the need to launch a new car brand — Eagle — in a market already glutted with 40 competitors.

It instantly lost for Chrysler the title of low-cost domestic producer by slicing its manufacturing capacity utilization rate 20 percent.

But the purchase also gave Chrysler a springboard into international markets, increased its product and platform flexibility and made it a more formidable player in the truck market.

Jeep was the crown jewel sought by Chrysler when it made the purchase on Aug. 5, 1987, that will eventually cost it $855 million to $1.2 billion. Although Chrysler acquired a 1,472-member dealer network to market Jeep, it also inherited a weak AMC car lineup.

Consequently, Chrysler took on one of the greatest challenges wrought by the merger: the company would attempt to launch a new domestic car brand in a crowded U.S. market.

Chrysler acknowledges it will take years and millions of dollars before Eagle becomes an automotive household name.

see MERGER, page 46

Dealer groups initiate talks to join forces

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

The industry's two primary retail trade groups are engaged in private, top-level negotiations aimed at merging the American International Automobile Dealers Association into the National Automobile Dealers Association.

High-level executives from NADA and AIADA held a two-hour meeting July 15 at NADA's McLean, Va., headquarters to discuss the matter.

Although the talks have been termed "preliminary" by both sides, early discussions have included a scenario whereby AIADA would remain an autonomous division within NADA.

The July 15 meeting was attended by NADA Executive Vice President Frank McCarthy, two NADA dealer directors and another NADA staff member, McCarthy said.

AIADA was represented at the meeting by McCarthy's counterpart, AIADA President Robert M. McElwaine; AIADA Chairman Lee G. Seidman, a nine-franchise import dealer in Cleveland; and another AIADA dealer director.

"The talks are in the embryonic stage," Seidman said last week. "We had the meeting to explore any common ground, and the key word is 'explore.' "

"Nothing is close," McCarthy said. "We had a preliminary discussion to ask, 'Does it make any sense to have an affiliation?' and 'What are the issues that would have to be resolved if we decide to have an affiliation?' We have an interest, but we are not pushing it."

Seidman said AIADA's nine-member future planning committee will discuss the affiliation topic — along with several other matters, including a five-year organizational forecast — at a 3½-day meeting later this month.

McCarthy said it is likely the matter — perhaps only as a briefing — will be on the agenda at the next NADA directors' meeting, to be held Oct. 25-26 in Pebble Beach, Calif.

The July 15 meeting of the dealer groups was the result of informal conversations between two old friends — Seidman and Ron Tonkin, NADA first vice president who is virtually certain to be elected 1989 NADA president. Tonkin is a Portland, Ore., mega-dealer with 12 import and two domestic franchises and he is an AIADA member.

Seidman said he and Tonkin first discussed the

see GROUPS, page 52

LOW FINANCE: *Yugo offers loans to spur buying*

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — It's often difficult for Yugo buyers to obtain financing because the lowest-priced car sold in America also tends to attract the lowest-income car buyers in America.

So Yugo America has announced a new finance plan for first-time buyers. It begins today and will be administered by San Diego-based Imperial Savings Association.

The finance plan will start with a pilot program with 50 participating dealers for 90 days, followed by a nationwide launch, according to William E. Prior, Yugo America president and chief executive officer, and Frank Mercer, vice president of Imperial Savings.

As many as 70 percent of the people who want a Yugo can't get financing, Prior said.

And since many Yugo dealers are dualed with one or more other nameplates, a lot of those customers end up being steered into other makes or into used cars, he said.

While Yugo has attacked the entry-level market on price, its financing program has rates that are closer to credit cards than car loans.

The Yugo program can afford to fi-

see YUGO, page 51

AUTOMOTIVE NEWS/JOE WILSSENS

Prior: As many as 70 percent of the people who want a Yugo can't get financing

Saturn's first 9 dealers will spend $175 million

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

TROY, Mich. — General Motors' Saturn Corp. has named its first complement of dealers, who collectively will spend $175 million on their Southern California franchises.

Three of the nine dealers have no previous GM affiliation. Three have Ford franchises. All but two have import franchises. One minority dealer is included. All have top customer satisfaction index ratings. And one already has received approval to bundle his Saturn franchise with seven others and sell a half interest in them to a publicly traded British firm.

see SATURN, page 51

s venture an Page 2

3% hike expected on '89 Big 3 cars Page 3

Gamer's health an issue in Mazda ad change Page 6

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Price hike of 3% expected on 1989 Big 3 cars

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Domestic automobile manufacturers are expected to raise prices about 3 percent on 1989 models.

None of the Big 3 automakers has made an official announcement regarding prices, although Chrysler has notified dealers that fleet prices will rise 3 to 5 percent and retail prices will climb about 3 percent, and General Motors is offering dealers price protection up to 4 percent.

Dealers and analysts believe industrywide domestic price increases will be around 3 percent and no more than 5 percent.

The increase could be double the hike on the 1988 models at introduction time. The higher increase is seen by dealers and analysts as a way to restore the automakers' profit margins and pay for costly incentives that are bound to continue through the 1989 model year.

Dealers also predicted the automakers will expand the strategy they started in earnest last year of eliminating bare-bones base models and grouping options in packages.

GM dealers said they expect a 3 percent increase when the company makes its pricing announcement later this month. The automaker is offering its dealers price protection up to 4 percent on orders for 1989 models that they take now.

Last year, GM said it raised prices of its entire fleet an average of 1.9 percent. Base sticker prices rose considerably more than that on 1988 GM models, but GM said that with more standard equipment included in the base price, the cost of a third of its 1988 fleet was actually lower than comparably equipped 1987 models.

Ford followed GM's lead last year, hiking 1988 prices 1.3 percent over comparably equipped 1987 models. Ford raised the base prices on some models four or five times the 1.3 percent but, like GM, promoted many items from extra-cost options to standard equipment.

Ford has issued no official 1989 prices except for the Aerostar minivan, which went up 3.5 percent. That action leads dealers to believe that Ford's overall price increase on 1989 models will be between 3 and 5 percent. Some expect the increase to be closer to 3 percent, considering today's competitive market.

Meanwhile, Chrysler has already indicated to its dealers that prices of 1989 models will rise about 3 percent. Chrysler told dealers 1989 fleet prices — an early indication of what retail prices will be — will rise 3 to 5 percent.

Bennett Bidwell, Chrysler Motors president of product and marketing, said last month that cost pressures were mounting and the company would have to increase prices more than it did the last two or three years. Among the higher costs he cited were the addition of air bags on five Chrysler models, Chrysler's new labor agreement with the UAW last fall and rising costs of materials.

"If we didn't (raise prices)," Bidwell said, "we would have further profit margin erosion, and we don't feel we can afford that now."

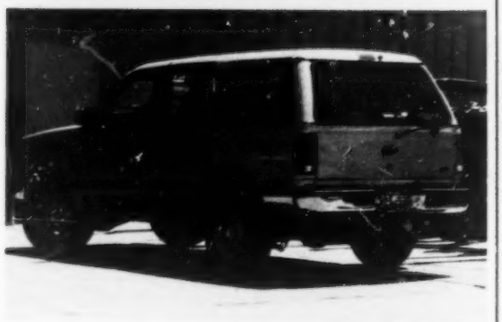
Bidwell said he doubted that Chrysler would raise prices more than 3 percent. He did suggest that the increase on the Omni/Horizon America models would be greater, saying, "I think they would be as good a buy at $6,295 as they are at $5,995."

A $300 hike on a $5,995 car is 5 percent.

Bidwell said that Chrysler had "underpriced the industry for three straight years fairly significantly." However, he said that if he had the opportunity to do it over again, he would have suggested higher price hikes to make up for the massive incentives offered in recent years.

Chrysler said it raised prices an average of 1.7 percent overall on its 1988 models. But on a comparably equipped basis, it said it actually reduced prices by about 1 percent.

Like its domestic counterparts, Chrysler raised base prices significantly more than the 1.7 percent, especially on its most popular models, as it made more optional equipment standard.



POPULAR MECHANICS/JIM DUNNE

4-door Bronco II
Ford will increase the size and engine displacement of the Bronco II when it adds a four-door version in late 1990. At 181 inches, the new four-door model will be about 10 inches longer than the new 2-door Bronco II, which itself will be upgraded and lengthened by 13 inches. Track for both will be widened. They will be powered by a 4-liter inline-6.

Big 3 profits smash record

$3.49 billion for 2nd quarter; 1st half just misses

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

Although the battle for market share in the United States curtailed Big 3 profits in the second quarter, overseas and non-automotive operations buoyed results enough to make second-quarter profits a record and first-half profits the second best in industry history.

In the second quarter, domestic automakers reported combined net income of $3.49 billion on combined sales of $60.74 billion. Earnings were up 19 percent from $2.93 billion on sales of $53.79 billion in 1987, when American Motors was still in business.

The old industry profits record for the quarter was $3.33 billion in 1984.

For the first six months of the year, the domestic automakers reported combined earnings of $6.39 billion on sales of $115.63 billion — up 13 percent from $5.64 billion profits on sales of $105.16 billion in the first half of last year. However, the results for the first half of this year were slightly below the January-June net income record of $6.55 billion, set in 1984.

The 1987 and 1984 industry results include AMC as a separate entity.

Only Chrysler Corp. failed to improve on last year's second-quarter and first-half profits, as Ford Motor Co. reported record earnings and General Motors reported its best profitability since 1984.

The performances of both Ford and Chrysler — which reported their earnings last week — were adversely affected by a margin squeeze in the United States, directly related to competitive price pressure and retail incentives.

GM, which reported its earnings the previous week, said its profitability in the United States improved.

The Big 3 automakers had a combined net profit margin — net income as a percent of sales — of 5.75 percent in the second quarter compared with 5.45 percent in the same period last year.

Individually, only GM, which reported higher earnings as well as favorable accounting changes, improved its margin — to 5.04 percent in the second quarter from 3.67 percent last year.

Ford's second-quarter margin slipped to 7.43 percent from 7.68 percent last year. Chrysler's margin was 3.79 percent in the second quarter compared with 6.61 percent last year.

AMC, which was reported separately last year, had a 2.56 percent margin in the second quarter of 1987.

Chrysler Corp.

Chrysler reported lower profits on higher sales for the quarter. Its net earnings of $320.4 million ($1.45 a share) on sales of $8.45 billion in the second quarter compared with earnings of $424.1 million ($1.98 a share) on sales of $6.41 billion in the same period last year.

The company said that "conservative pricing" and "aggressive incentive programs" contributed to the earnings decline.

see EARNINGS, page 45

INDEX

Around the world	20-24
Auction dates	31
Classifieds	32-43
Coming events	27
Dealing with dealers	44
News briefs	8
Obituaries	4
Opinion	10
Personnel	16-18
Production	53
Recreation on wheels	12
Sales, car	26

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Parts firms see bonanza in light-truck boom

By Mary Klein
SPECIAL CORRESPONDENT

CHICAGO — A generation of compact trucks is aging, much to the delight of the automotive parts industry. Members of that industry gathered in seminars and at convention exhibits here, trying to calculate how best to tap the massive replacement and accessories market on the horizon.

New market opportunities overseas were also addressed by speakers at the Automotive Parts and Accessories Association show last week.

Participants filled the sessions in which experts predicted that booming light-truck sales into the 1990s will translate into a booming parts market.

By 1992, there will be 46.5 million light trucks operating in the United States compared to 33.3 million last year, predicted Judith Broseker, managing director of market research for the association.

"A General Battery study indicates that 82 percent of light-truck owners plan to buy some accessory or equipment for their trucks within the year," she said.

"Research has shown that vehicles in the three-to-10-year-old age group tend to receive more attention in terms of repairs, accessorizing and customizing than newer or older vehicles," she said.

In 1987, there were about 27 million light trucks aged three to 10 years, comprising 59 percent of the light-truck population. In the next few years, an average of 2.5 million light trucks will be added annually to that group, she said.

Yet concentrating solely on the domestic market may soon not be enough for parts makers and aftermarket suppliers.

To succeed in the future, the American automotive industry must learn how to sell its products and services worldwide, said Heinz Prechter, chairman and chief executive officer of ASC Inc.

The European market in particular could be lucrative for the American auto industry, he said. In 1992, the European Economic Community will lift all trade barriers among member countries and "theoretically become the biggest uniform economic unit in the world," he said.

To tap foreign markets, U.S. manufacturers "must forge business partnerships that are based on trust and designed to enhance the capabilities and opportunities for both parties," Prechter said.

For American firms, such partnerships would expand market opportunities, help offset fluctuations in the U.S. and world economies and create jobs.

The U.S. auto industry should take a lesson from the Japanese auto manufacturing firms, he said. Although the Japanese have been criticized for their aggressive export tactics, "any one of us in the same position would do the same; that is, identify a business opportunity and go for it."

The Japanese succeed, he said, because they understand the needs of American car buyers, continuously improve the quality of their cars and export high-quality, affordable cars to the

see PARTS, page 52

Controversy cools; Chevy van deal moves ahead

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

A good deal of the early controversy surrounding Chevrolet's 1989-model van conversion program has subsided, and officials are beginning to implement the program.

Thomas Pfingst, Chevrolet assistant director of fleet sales and special vehicles, said new converters will be added to the consignment pool in waves of 10 or more.

Chevrolet has met with the first 13 companies being considered for admission. In mid-July, it sent letters to all Recreation Vehicle Industry Association members outlining guidelines for admission.

More than 60 non-consignment pool converters have submitted letters requesting admission, including 36 from Indiana and 21 from Georgia.

Pfingst said there is no firm limit on how many companies will be admitted.

Chevrolet officials are hoping to complete the selection process within a month.

Meanwhile, General Motors Acceptance Corp. will play a major role in Chevrolet's new program by taking over administration of the financial portion. That will provide benefits for both the converters and dealers.

With GMAC's involvement, bailment companies won't need letters of credit from their local financing sources to back the units they order. That will free their credit for other uses.

GMAC will handle wholesale financing of the van conversion units in much the same way it handles dealer floorplan financing. It will base bailment company charges on units in their current inventory, rather than on a worst-case scenario inventory level. Currently, converters must have a letter of credit, which costs them money, covering what they think would be their maximum inventory level.

A second advantage to dealers is that they can, if they choose, automatically add the price of the upfit packages or conversions to their floorplan costs.

Currently, dealers are automatically invoiced for the chassis, which goes on their floorplan charges, but they have to pay for the upfit package separately.

Normally, they either carry it on their open accounts or have to fill out a form asking GMAC to add it to their floorplan.

Under the new program, converters still have to pay an insurance fee. Insurance will be handled by Motors Insurance Co., a GMAC subsidiary, as part of the package.

Converters still have to provide financial statements and data to GMAC, whose representatives will visit each location and talk to them about their financial position.

Once a company is approved as financially sound and meeting other Chevrolet criteria for admittance to its bailment pool, the financial portion of the program for that company will be administered by GMAC at the local level with local branches working directly with the body companies.

GMAC is expected to become involved in the retail and wholesale phases of this market.

Chevrolet officials have been meeting with various concerned groups to explain their program and allay any fears it may have engendered.

They met in Elkhart, Ind., with a select group of 15 conversion pool members, as well as the mayor of Elkhart and a congressman's aide, to explain what they are doing.

Since Elkhart is an RV town, just as Detroit is an automotive city, Chevrolet officials were also interviewed about their program on local television.

And they are tentatively scheduled to meet with representatives of Georgia conversion companies in Detroit later this week to explain how converters in that state can get into the Chevrolet program if they meet the guidelines for admission.

Rivals watch Chevy plan, but no followers yet

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Fears like those recently expressed by a northeast Georgia state legislator that Chevrolet's new van conversion program could cost some 1,250 conversion-related jobs in the state appear to be unfounded.

Chevrolet officials have already reassured 21 Georgia converters they are all being considered for admission to its consignment pools.

And Chevrolet's major competitors have expressed no inclination to duplicate its program, although they will obviously be tracking its outcome carefully.

Recently, Georgia State Sen. Don Johnson, D-Royston, took note of Chevrolet's plan to sell its van bodies only to converters that belong to its bailment companies. He said Ford and Dodge might follow suit and that northeast Georgia's van conversion business and employment would suffer.

But Ford and Dodge officials expressed no intentions to do what Chevrolet is doing. Even GMC has not committed to any changes in its van conversion program.

In order to follow Chevrolet, Ford would have to open its consignment pool system to a lot of additional companies, said Jerome Mittma , Ford Division recreation vehicle sales manager.

"We feel our lineup of 60 van conversion companies in the consignment pool program is an efficient level of operation at the present time, and to go beyond that, we would start losing control over the process," Mittman added.

Jim Lynch, Chrysler manager of special vehicles, said, "We observed it (Chevrolet's program) and reviewed it and have not made any changes in what we're doing. We'll continue with business as usual.

"We totally understand what they are trying to achieve, and many of their objectives are sound. Our concern is for non-pool companies and how they will survive. We are not planning any changes for '89 in our method of distribution."

Lynch added that this year "retail demand is holding up, and there doesn't appear to be anything on the horizon that will pull it down. My biggest problem is getting vehicles to customers."

There's a potential for Chevrolet's competitors to pick up some spillover business as a result of its restricting chassis only to authorized consignment pool accounts.

Major converters obviously favor Chevrolet's program.

William Becker, vice president of marketing, advertising and consumer relations for Glaval in Elkhart, Ind., applauded Chevrolet's move. He called it a "dynamic step in terms of improving the products and the image generally of van conversions."

Recreational Vehicle Wholesale Deliveries

	May 1988	May 1987	% change	5 mos. 1988	5 mos. 1987	% change
Travel trailers	5,600	5,300	+ 5.7	29,000	29,500	– 1.7
Park Trailers	700	400	+75.0	3,300	2,700	+22.2
Travel trailers—fifth wheel	2,800	2,100	+33.3	14,200	11,400	+24.6
Folding camping trailers	3,700	3,800	– 2.6	19,300	18,300	+ 5.5
Truck campers	1,200	1,000	+20.0	5,000	4,700	+ 6.4
Towable RV total	14,000	12,600	+11.1	70,800	66,600	+ 6.3
Conventional (type A)	3,900	3,500	+11.4	18,100	16,900	+ 7.1
Van Campers (type B)	500	500	+0.00	2,200	2,800	–21.4
Chopped vans (all)	2,800	2,800	+0.00	11,800	12,600	– 6.3
Motor home total	7,200	6,800	+ 5.9	32,100	32,300	– 0.6
Van conversions	20,400	18,400	+10.9	86,700	81,500	+ 6.4
TOTAL ALL RVs	41,600	37,800	+10.1	189,600	180,400	+ 5.1

Source: Recreation Vehicle Industry Association.

RV wholesale shipments reach 10-year high for May, 5 months

Wholesale shipments of RVs climbed to their highest level in 10 years during May and in the first five months of this year.

Shipments of 41,600 RVs during May were up 10.05 percent from a year earlier, according to the Recreation Vehicle Industry Association.

Five-month shipments of 189,600 RVs were up 5.10 percent from last year.

Seasonally adjusted, May shipments increased 5 percent over April's and represented shipments of more than 440,000 units on an annualized basis, RVIA said.

Similarly, year-to-date totals have climbed to a seasonally adjusted annual rate of 430,000.

Van-conversion shipments totaling 20,400 in May were up 10.87 percent from last year, according to RVIA. For the first five months of calendar 1988, van conversion shipments totaled 86,700 and were up 6.38 percent from 1987.

The May level of consumer confidence, as measured by the University of Michigan's Survey Research Center, was up to 94.8, the highest level in more than a year.

During May, the four domestic van manufacturers shipped 21,700 van chassis with the seat-delete option to converters, up from 20,700 a year earlier.

For the first five months, domestic manufacturers shipped 90,700 seat-delete vans to converters, slightly below the 92,600 shipped in the 1987 period.

There has been a general shortage of van product for converters to work on. The shortage has been in full-sized vans, which account for the bulk of conversions.

Manufacturers shipped 4,800 compact vans to converters in May, up from 3,700 a year earlier. During the January-May period, they shipped 21,800 compacts to the conversion community, up from 16,700 last year.

Manufacturer shipments of standard-sized vans totaled 16,900 in May, slightly below 17,000 a year earlier. For five months, manufacturers shipped 68,900 full-sized vans to converters, off from 75,900 in the 1987 period.

502,244: *Exhibit space for Louisville show exceeds a half-million square feet*

RESTON, Va. — A total of 502,244 net square feet of exhibit space has been assigned for the Recreation Vehicle Industry Association's 26th annual National RV Trade Show in Louisville, Ky.

The show is scheduled for Nov. 29-Dec. 2.

Suppliers and manufacturers were assigned space at the national show through a drawing held at RVIA headquarters here.

All 54,500 net square feet of supplier exhibit space was sold out and assigned, according to Steve Krivian, chairman of RVIA's Louisville show committee and director of corporate marketing services for Thor Industries Inc., Jackson Center, Ohio.

A total of 233 suppliers will exhibit at 545 booths. RVIA's show department will accept waiting-list applications accompanied by 50 percent deposits. That space will be assigned from cancellations or added exhibit space, Krivian said.

A total of 447,744 net square feet of exhibit space was assigned to 97 manufacturers.

Due to heavy response to the space offering mailed in January, RVIA allocated space to manufacturers based on the amount of their contribution to the total revenue RVIA received in fiscal 1987 from membership dues and the purchase of seals and manufacturer certificates of origin.

Non-RVIA members and new members were limited to 1,000 net square feet under this allocation system.

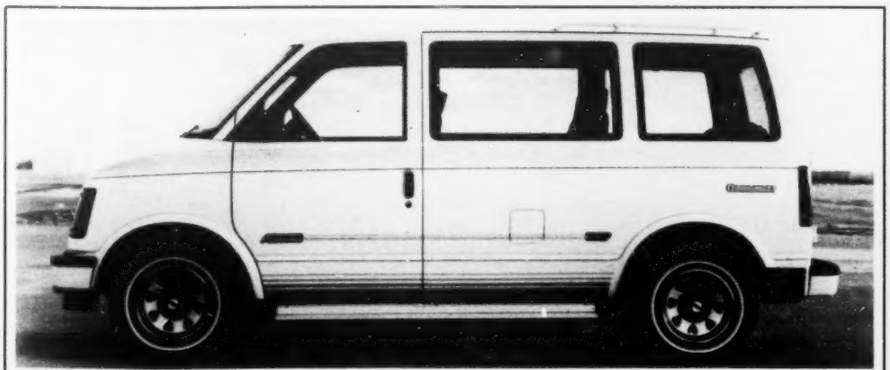
Approximately 6,000 net square feet of space is still available to manufacturers.

All exhibit space assignments were made through a lottery system established by RVIA.

Drawing first assignments among suppliers were: Fleming Sales Co., Elkhart, Ind., in the 11-plus booth category; Thetford Corp., Ann Arbor, Mich., in the 6-10 booth category; and Pull-Rite Towing Systems/Pulliam Enterprises Inc., Mishawaka, Ind., in the 1-5-booth category.

Drawing first assignment in the manufacturing category was Chateau Recreational Vehicles, Christiana, Pa.

The 1988 National RV Show, which will be held at the Kentucky Fair and Exposition Center in Louisville, is the RV industry's largest trade show. The show is expected to draw more than 12,000 RV dealers and industry officials. It is not open to the public.



Compliment introduces compact conversion
Compliment Vans, Camanche, Iowa, introduced this CS-7 M-van conversion for Chevrolet Astro and GMC Safari vans. Compliment said it seats seven people and stores a good deal of cargo, while offering a luxurious, comfortable ride. Compact van conversion shipments have been increasing, particularly with the general shortage of full-sized van chassis in the industry.

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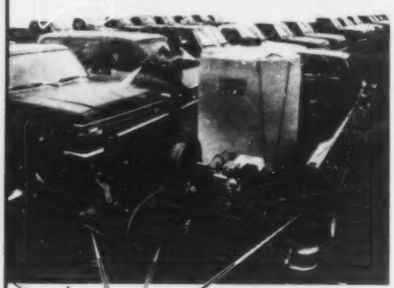

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SALES

Car sales climb 16% in mid-July

All 7 domestic makers report gains as total reaches 217,941

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

With weaker incentives in force and a healthy short-term economic outlook, all seven domestic carmakers reported strong mid-July car sales. July 11-20 deliveries rose 16.29 percent over the corresponding year-ago period.

U.S. carmakers reported sales of 217,941 cars in the mid-month period compared with 187,410 last year. Two years ago, 177,679 cars were sold in mid-July. However, there was one less selling day in the 1987 and 1986 periods.

This year's mid-July daily selling rate averaged 24,216 units, which was 790 more than last year's 23,426. There were nine selling days this year and eight in 1987.

Mid-month domestic deliveries recovered from the July 1-10 period when the daily selling rate averaged 20,301 based on sales of 142,110 cars.

Each of the U.S. Big 3 automakers sold 10 to 24 percent more domestic cars in the mid-month period than they did last year when incentive bonanzas abounded.

Ford Motor Co. sold 13,352 or 23.97 percent more domestic cars in the second 10 days of July than it did last year. Ford Division delivered 3,050 more Taurus models and 2,781 more Tempos in the period.

With the aid of cut-rate car loans, Chrysler Motors delivered nearly 6,000 more cars in mid-July this year for a sales gain of 19.76 percent. Inducements and a greater supply of cars helped Chrysler sell nearly four times as many Omni/Horizon models as it did last year.

DOMESTIC SALES

	July 11-20, 1988	July 11-20, 1987
Eagle	1,209	675
Chrysler	7,214	8,370
Plymouth	8,745	6,477
Dodge	12,788	8,515
Chrysler Motors	29,956	24,037
Ford	48,758	38,553
Mercury	15,342	13,246
Lincoln	4,939	3,895
Ford Motor Co.	69,039	55,696
Buick	14,539	14,370
Cadillac	8,164	5,759
Chevrolet	45,190	39,414
Oldsmobile	21,851	19,871
Pontiac	17,047	17,332
General Motors	106,791	96,746
Volkswagen		1,614
Honda	3,344	2,469
Nissan	3,376	2,984
Toyota	1,745	874
Mazda	690	—
U.S. Industry Total	217,941	187,410

General Motors sold 10.38 percent or 10,045 more cars in the July 11-20 period this year than it did a year ago. The recent infusion of dealer rebates at Cadillac helped increase deliveries by 41.76 percent. Eldorado sales rose 77 percent. Allante deliveries were up 111 percent to 173 units vs. 82 last year.

"The sales momentum this month has been sparked by Eldorado and our top-of the line Allante," Cadillac General Manager John O. Grettenberger, said. "The Allante has shown an upward sales trend for the third consecutive month."

Although his Eldorado and Allante sales are about even with year-ago deliveries, Ron Miller, owner of Miller Pontiac-Cadillac Corp., Rahway, N.J., said: "Generally, our sales are up. Our Sedan DeVille continues to be the best seller. It's about even with Fleetwood and Brougham."

Transplants Honda and Toyota had about the same numerical gain in U.S.-built car sales, but the percentages of increase were vastly different. Honda sold 875 more cars this year, up 16 percent. Toyota sold 871 more cars for a gain of 99.66 percent over last year.

New customer rebates that began July 6 helped Nissan's deliveries, which improved 13.14 percent or 392 units over the equivalent period in 1987. It was Nissan's first year-to-year increase since the May 1-10 period.

Mazda sold 690 units built at its Flat Rock, Mich., plant, up from 281 in the first 10 days of this month. At this time last year, Mazda was not producing cars in the United States.

Volkswagen, which permanently shut down its Westmoreland, Pa., plant July 21, stopped reporting sales of U.S.-built cars June 30. In 1987, the German company reported selling 1,614 U.S.-built cars in the July 11-20 period.

June car sales dip 9% in Canada

By Bill Vance
SPECIAL CORRESPONDENT

TORONTO — Following a record-breaking May, Canadian car sales of 102,159 in June were down 8.9 percent from last year's 112,178.

Truck sales, while up 17 percent for the first half, were virtually unchanged for the month compared to June's results a year earlier.

General Motors and Ford posted almost identical June domestic-car sales losses with drops of 14.6 and 14.8 percent, respectively, while Chrysler managed a gain of 4.3 percent.

Importers suffered some significant sales losses when compared to the same period a year earlier. Jaguar had the largest decrease with sales down 45.8 percent from a year ago. Hyundai was next, down 36.7 percent. Others posting significant drops were Mazda, down 32.7 percent; Saab, down 22.2 percent; and Volkswagen, down 16.8 percent.

Suzuki led the import gainers with a 204.1 percent increase in sales over June 1987. Subaru was up 25.2 percent.

It is interesting to note that General Motors, thanks to its offshore partners, principally Suzuki, ranked third in import-car sales in June behind Toyota and Honda.

Volvo's sales of combined Canadian-built and imported cars dipped from 768 a year ago to 631 this June, a loss of 17.8 percent. That loss, however, was less than Volvo's six-month drop in sales of 27.8 percent, suggesting a possible turnaround in the company's fortunes.

In domestic truck sales, Chrysler was the big winner in June with a 32.0 percent gain, paced by its minivans.

Imported-truck sales softened significantly, with Toyota down 23.4 percent, Mazda down 22.9 percent and Nissan down 18.4 percent from a year ago. As in imported cars, however, Suzuki was up sharply. It gained 88.8 percent on a sales increase from 268 to 506.

CANADIAN CAR AND TRUCK SALES

	June 1988	June 1987	6 mos., 1988	6 mos., 1987
Domestic Cars				
General Motors	34,430	40,347	192,255	194,232
Ford	19,235	22,584	108,724	105,921
Chrysler	13,679	13,117	82,425	77,193
Honda	1,492	1,163	5,570	4,078
Volvo	294	219	1,158	1,192
Domestic car total	**69,139**	**77,410**	**390,132**	**382,616**
Import cars				
Toyota	7,674	7,884	35,725	33,805
Honda	5,943	5,554	32,294	33,953
General Motors	3,595	2,711	14,613	9,404
Volkswagen	3,428	4,120	19,373	28,057
Nissan	3,094	2,793	16,092	18,661
Hyundai	2,609	4,120	16,469	28,057
Mazda	1,743	2,592	15,505	13,355
Chrysler	952	707	4,386	5,481
Suzuki	815	268	3,947	1,211
Subaru	701	560	3,613	3,391
Ford	603	1,248	2,341	4,851
Mercedes-Benz	475	431	2,128	2,360
BMW	451	456	2,588	2,452
Volvo	337	549	1,868	3,026
Jaguar	173	319	1,185	1,275
Saab	130	167	736	901
Lada	94	75	563	446
Skoda	13	54	217	343
Import car total	**33,036**	**34,888**	**173,663**	**191,629**
TOTAL — ALL CARS	**102,159**	**112,178**	**563,795**	**573,645**
Domestic trucks (including vans)				
GM	15,458	17,452	91,135	83,227
Ford	15,377	15,537	79,358	74,280
Chrysler	11,140	8,438	61,600	39,630
Domestic truck total	**41,975**	**41,427**	**232,093**	**197,197**
Import trucks (including vans)				
Toyota	1,513	1,975	8,132	7,194
Nissan	1,144	1,402	7,228	8,751
Mazda	1,024	1,329	5,757	6,046
Suzuki	506	268	3,119	1,478
Chrysler	208	335	1,668	1,560
GM	152	13	875	241
Volkswagen	114	154	511	734
Lada	9	2	70	65
Import truck total	**4,767**	**5,478**	**27,368**	**26,069**
TOTAL — ALL TRUCKS	**46,682**	**46,905**	**259,453**	**223,258**
TOTAL — CARS, TRUCKS	**148,841**	**159,083**	**823,248**	**796,901**

AUCTION DATES

Chrysler Motors

Aug. 2 — Florida Auto Auction of Orlando, Ocoee, Fla.; Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Nashville Auto Auction, Nashville, Tenn.; Denver Auto Auction, Aurora, Colo.; Golden Gate Auto Auction, Fremont, Calif.; and South Seattle Auto Auction, Kent, Wash.

Aug. 3 — Butler Auto Auction, Gibsonia, Pa., and Minneapolis Auto Auction, Plymouth, Minn.

Aug. 4 — Big Sky Auto Auction Inc., Billings, Mont.; Aptco Auto Auction, Taylor, Mich.; Northway Exchange, Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Ark-La-Tex Auto Auction, Shreveport, La.

Aug. 5 — Manheim Auto Auction, Manheim, Pa., and Salt Lake Auto Auction, Salt Lake City

Ford Motor Co.

Aug. 3 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.; and Newburgh Auto Auction Inc., Newburgh, N.Y.

Aug. 4 — Interstate Auto Auction, Mercer, Pa., and Nashville Auto Auction, Nashville

Aug. 9 — South Seattle Auto Auction, Kent, Wash.

Aug. 10 — Atlanta Auto Auction, Red Oak, Ga., and Wednesday Auto Auction, Obetz, Ohio

Aug. 11 — Dallas Auto Auction, Grand Prairie, Texas, and Minneapolis Auto Auction, Plymouth, Minn.

Aug. 16 — Harrisonburg Auto Auction, Harrisonburg, Va.

Aug. 17 — Concord Auto Auction, Acton, Mass.; Aptco Auto Auction, Taylor, Mich.; and Lakeland Auto Auction, Lakeland, Fla.

Aug. 18 — Baltimore-Washington Auto Exchange, Baltimore; Denver Auto Auction, Aurora, Colo.; Texas Hobby Auto Auction, Houston; Southwest Auto Auction, Chandler, Ariz.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

Aug. 25 — Greater Chicago Auto Auction, Chicago, and St. Louis Auto Auction, Bridgeton, Mo.

Aug. 30 — Bay Cities Auto Auction Inc., Hayward, Calif.

General Motors

Aug. 2 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas

Aug. 3 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fontana, Calif.; and Omaha Auto Auction, Omaha, Neb.

Aug. 4 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, St. Louis; and Utah Auto Auction, West Bountiful, Utah

Aug. 9 — Harrisonburg Auto Auction, Harrisonburg, Va.; Florida Auto Auction of Orlando, Ocoee, Fla.; A.D.E. of Birmingham, Moody, Ala.; and Manheim Auto Auction, Manheim, Pa.

Aug. 10 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Used Car Sales
Auction Averages

July 88	$5,956
Month ago	$6,045
Year ago	$6,030

Model Breakdown
Auction Averages

	JULY 1988	JUNE 1988	MAY 1988
1988	$11,437	$12,545	$12,495
1987	$8,271	$8,668	$8,661
1986	$6,792	$7,327	$7,400
1985	$5,796	$5,801	$5,711
1984	$4,380	$4,534	$4,525
1983	$3,749	$3,721	$3,776
1982	$2,458	$2,529	$2,475
1981	$1,935	$1,932	$1,983
Overall Average	$5,956	$5,855	$5,800

Connecticut auction joins Mercedes-Benz sales net

Mercedes-Benz Credit Corp. has picked Connecticut-based Southern Auto Auction as its regional merchandising center for the New England states and New York for disposal of its off-lease and repossessed vehicles.

Previously, the cars had been sold by the Manheim Auction in Pennsylvania, but Mercedes said that an accumulation of mature leases and repossessed vehicles created a need for a New England auction. Manheim continues to service Mercedes-Benz Credit Corp. for the Pennsylvania region.

"It is an additional auction to dispose of vehicles," said a Mercedes-Benz spokeswoman. "We have nine centers around the country that dispose of vehicles."

Auctions are scheduled whenever the company accumulates about 30 or more cars. The auctions are open only to Mercedes-Benz dealers.

Larry Tribble, owner of Southern Auto Auction, said he expects that number to climb to 50 cars a month.

Southern Auto auction has six lanes and parking for 3,000 vehicles on 40 acres.

Anglo names Barnes

Jim Barnes has been named to the newly created corporate position of chief auctioneer for Anglo American Auto Auctions.

AUCTION BRIEFS

CHARLES THOMAS

Barnes will work with the company's 20 vehicle auction facilities to assess auctioneering talent and direct training programs to enhance the company's auctioneering standards.

"The principal connection between the company and our clients is through our auctioneers, and it is logical that we should concentrate on that aspect of our business to ensure that we have the best available talent performing this vital function," said Michael J. Richardson, president and chief executive of Anglo American Auto Auctions.

Barnes has 15 years' auctioneering experience and has worked within the Anglo organization in sales and marketing as well as being a circuit auctioneer.

AUCTION DIRECTORY

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EARNINGS

FROM PAGE 3

"We knew we were sacrificing short-term profits, but we did it to gain market share in this fiercely competitive environment," said Chrysler Chairman Lee A. Iacocca.

"We're going after a bigger base of loyal customers because that's what it takes to succeed over the long haul."

Iacocca said the strategy worked, and that Chrysler increased its U.S. market share more than Ford or GM.

"That's paid off for us in higher market share," he said, "but we're caught in a classic case of margin squeeze and we can't rely on that strategy forever."

The company also blamed higher raw material costs plus higher labor costs resulting from its new agreement with the UAW. In addition, Chrysler said first-half profits were reduced $150 million by plans to close certain Acustar manufacturing plants.

For the first six months of the year, Chrysler reported net income of $504.1 million ($2.27 a share) on sales of $16.16 billion, down from first-half earnings of $693.5 million ($3.22 a share) on sales of $12.44 billion in 1987.

At June 30, Chrysler's balance sheet showed net working capital — current assets less current liabilities — of $134.1 million, with cash reported at $340.4 million and marketable securities at $2.79 billion.

Worldwide factory sales of Chrysler vehicles totaled 707,593 in the second quarter, up 9.58 percent from the 645,717 reported by both Chrysler and AMC in the second quarter last year. First-half factory sales were up 3.33 percent to 1,341,885 from the combined Chrysler-AMC 1987 first-half total of 1,298,658.

Meanwhile, Chrysler Financial Corp. reported record earnings of $61 million, topping the previous record of $56 million set in the second quarter last year. First-half earnings of $126 million also were a record. The old record of $117 million also was set last year.

Ford Motor Co.

Ford reported record net income of $1.66 billion ($3.43 a share) on sales of $22.39 billion in the second quarter. One year earlier, Ford earned $1.50 billion ($2.90 a share) on sales of $19.50 billion.

For the first half of 1988, Ford reported net income of $3.29 billion ($6.74 a share) on sales of $43.13 billion. In the first half of 1987, its net income of $2.99 billion ($5.77 a share) came on sales of $37.64 billion.

The company said it earned a record $760 million outside the United States in the second quarter, a year-to-year improvement of $244 million.

"Our second-quarter earnings are a credit to the Ford team throughout the world," Chairman Donald E. Petersen and Vice Chairman Harold A. Poling said.

"The geographic diversity of our operations, as well as our many product and business lines, provided a broad base for our earnings," they said.

They said the biggest international gain was in European operations, which benefited from improved operating margins, higher industry volume and favorable changes in currency.

The company said that net income in the United States in the second quarter was $903 million, off $79 million from the same period of 1987.

"Continued improvements in car market share, industry volumes and manufacturing cost efficiencies, together with a lower tax rate, were more than offset by the higher cost of sales incentive programs, material and labor cost increases and costs to develop and introduce new products," the company said.

Ford said its Financial Services Group, which includes Ford Credit, First Nationwide, U.S. Leasing plus overseas credit affiliates, contributed 45 cents per share to earnings in the second quarter.

Ford Credit reported net income of $171.3 million in the second quarter, down from $192 million in the same period last year.

First-half Ford Credit net income was $371 million, off from $388.4 million last year. The company blamed the earnings decline on lower net interest margins and higher credit losses.

INDUSTRY PROFITS RISE

Second Quarter

(Dollars in Millions)	1988	1987	1988	1987
	Net Income		Sales	
AMC	—	$ 30.2	—	$ 1,178.8
Chrysler	$ 320.4	424.1	$ 8,451.9	6,412.2
Ford	1,662.8	1,498.2	22,388.8	19,496.1
GM	1,506.7	980.3*	29,894.8	26,699.8*
TOTAL	3,489.9	2,932.8	60,735.5	53,786.9

First Half

(Dollars in Millions)	1988	1987	1988	1987
	Net Income		Sales	
AMC	—	$ 53.7	—	$ 2,280.5
Chrysler	$ 504.1	693.5	$ 16,160.5	12,441.5
Ford	3,286.0	2,989.8	43,130.5	37,638.7
GM	2,598.8	1,902.8*	56,337.3	52,796.7*
TOTAL	6,388.9	5,639.8	115,628.3	105,157.4

*As originally reported

AMC results included in Chrysler for 1988

Europe proposes four-year freeze on Japanese imports

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Sales of Japanese cars in the European Economic Community would be capped at just over 9.5 percent of the market until 1993 — in essence a four-year import freeze — under a draft proposal being considered by the European Commission.

If adopted, existing bilateral restraints in several European countries on Japanese imports would be halted immediately.

The draft ties the Japanese to current import levels and is part of a broad group of auto industry proposals being formulated in advance of the planned 1992 unification of Europe's internal market.

The package includes restrictions on government aid to automakers. But it does not address a growing concern within the EC — the level of local content needed by transplant manufacturers to classify their vehicles as European-built.

The proposals are being prepared by three commission members with direct responsibility: Competition Commissioner Peter Sutherland, Industry Commissioner Karl-Heinz Narjes, and External Trade Commissioner Willy De Clerq.

The so-called auto industry "white paper" is due for formal consideration by the commission this fall. However, some observers in Brussels think the issue may be delayed until next year since Sutherland, Narjes and De Clerq are each expected to be replaced by their sponsor countries in January.

Varying forms of restrictions are currently imposed on the Japanese by France, Italy, Spain, the United Kingdom and Portugal. An immediate removal of restrictions could have a significant impact on the market picture in Europe.

For example, elimination of tight restrictions in Italy, where only 3,000 Japanese cars can be imported, could cut into Fiat's 60-percent hold on the domestic market. Fiat ranked No. 1 in European sales in the first half of 1988.

Removal of restrictions in France, where the Japanese are held to less than 2 percent, could affect Peugeot S.A. and Renault, which together account for about 65 percent of French sales.

Martin Parsons, a board member at Swiss-based Emil Frey Group, Toyota's French importer, said recently that Toyota sales in Japan could quickly increase from today's 20,000 to 100,000 if restrictions came off. That would hike the Japanese company's French share from under 1 percent to nearly 5 percent.

Analysts see further vulnerability for Fiat, Renault and Peugeot since most of their export sales go to European countries with Japanese restrictions.

"A controlled expansion of Japanese car sales in the four most restricted car markets (France, Italy, Spain and Portugal) could cost those manufacturers 240,000 units of lost production," according to a study on 1992 reforms to be released this week by the economic forecasting firm DRI-Europe.

A Fiat spokesman last week said the company remains confident it can combat the Japanese and noted that the Japanese presence in the Italian market is already much greater than the 2,548 passenger cars officially imported last year.

Accounting for both off-road vehicles not included in the bilateral agreement and gray-market imports from other EC countries, Japanese sales in Italy last year came to about 40,000 units, he said.

If frozen at current levels throughout the 12-nation bloc, Japanese volume would be held at just over one million units. Japanese manufacturers would have to agree with an EC-wide import ceiling and are expected to point out that last year no major European auto group operated in the red for the first time since the early 1970s.

Japan's Ministry for International Trade and Industry (MITI) recently announced that Common Market exports would be limited to 1.21 million cars and commercial vehicles in 1988, an increase of 3.5 percent over last year but a smaller rate of growth than in previous years.

DRI-Europe's report says that 1992 unification regulations won't have an extraordinary impact on overall Japanese volume in Europe.

"The unspoken bilateral negotiations and Japanese self-restraint must and will continue, not just in the transition phase up to the year 1992, but also afterwards," according to the report. "The number of Japanese cars sold in the EC will not change much. The questions are where they will be sold, how high their value is and who they will compete with."

The other major component of the EC draft is a tightening of restrictions on state aid, such as the British government's write-off of Rover Group debts to pave the way for sale of the state-owned company to British Aerospace.

The EC's proposal includes advance clearance of aid packages of a specified level — expected to be equal to about $10 million to $15 million — and denial of any form of operating aid.

Competition Commissioner Sutherland has been a stalwart of strict enforcement of government assistance to carmakers. Last year, the EC enforced the reduction of a regional aid package for a Daimler-Benz car assembly plant in West Germany and demanded a reduction in the United Kingdom's debt write-off for Leyland Vehicles during its acquisition of Daf Truck of the Netherlands. It is also investigating the price paid by Fiat in 1986 for then-government owned Alfa Romeo.

The commission has so far ruled out restrictions on minimum local content for cars assembled in the EC by Japanese or conceivably Korean companies — reportedly fearing conflicts with provisions of the General Agreement on Tariffs and Trade.

That issue has come to a head recently with French government resistance to the export of British-built Nissan Bluebirds to the European continent.

Nissan has said it will begin shipping Bluebird sedans from its plant in England in October. It expects to export 10,000 to the continent by the end of the year and 100,000 annually by 1992.

The dispute has pitted the British and French governments against one another. France contends that English-built Nissans should have at least 80 percent EC content to qualify as European-built and avoid its Japanese quota. Nissan claims 60-65 percent European content for the UK Bluebirds.

At present, European Community rules require only that the "last substantial manufacturing operation" be within the EC to qualify. The matter is being reviewed in Brussels, though officials have so far indicated that the English Bluebirds qualify for circulation within the community.

Both Renault and Peugeot strongly favor counting Nissans from Britain against the country's Japan-built limit.

LEMON LAW: *Conference of states developing model law*

By Helen Kahn
SENIOR CORRESPONDENT

WASHINGTON — John Woodcock, Connecticut state representative and "father" of its lemon laws, will lead the effort of the National Conference of State Legislatures to develop a model state lemon law.

Woodcock will be joined on the subcommittee by California Rep. Sally Tanner.

The conference decided to form the subcommittee last week during a meeting in Reno, Nev., that was attended by auto industry representatives.

Although the Motor Vehicle Manufacturers Association and the Automobile Importers of America have developed their own model lemon law, which they contend is pro-consumer, a number of consumer groups and state legislators claim it would take away consumer protection already found in some state laws.

Woodcock plans an open meeting at which auto representatives — both manufacturers and dealers — may be heard.

During the legislators' meeting in Reno, the Automotive Trade Association Executives gave Woodcock a letter stating their opposition to any federal pre-emption of state lemon laws and promising their help and cooperation to develop a model lemon law for states to adopt.

The trade association leaders also said they will file similar objections with the Federal Trade Commission over an industry petition asking for federal approval of arbitration programs that would pre-empt state lemon laws.

That petition was filed by MVMA (without General Motors' participation) and the Automobile Importers of America.

GM, also in a letter given to Woodcock, repeated its opposition to that petition, but also offered assistance to the National Conference of State Legislatures' draft of a model lemon law. The letter from David Collins of the GM general counsel's office asked that the private sector — not only car companies but state dealer associations — be allowed input.

He concluded that "it may be more realistic to create an exemplary procedure for generating a model change, than it is to expect a model bill to be produced under current time pressures."

PRODUCTION

Car output climbs over 4 million

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

U.S. automakers built their four-millionth car of the year last Monday, 15 days behind 1987.

So far this year, 4,074,110 cars have been assembled, 5.77 percent below the 4,323,556 completed last year at this point.

Last week's scheduled car output of 76,751 dipped 12.84 percent from the prior week's 88,055 but rose 6.24 percent over the year-ago week's 72,245.

Ford Motor Co. out-built General Motors last week as several GM plants were idle for model changeover. Last week's targeted output was split this way: Ford, 50.33 percent; GM, 16.87 percent; Chrysler Motors, 10.42 percent; Honda of America Manufacturing Inc., 10.01 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 4.40 percent; New United Motor Manufacturing Inc., 4.23 percent; and Nissan Motor Manufacturing Co. U.S.A., 3.74 percent.

Truck production was scheduled at 67,000 units last week, 3.31 percent below the prior week's 69,291 and 6.08 percent below the year-ago week's 71,335.

Year-to-date, 2,403,453 trucks have been built, 8.11 percent more than the 2,223,177 assembled last year at this time.

The following GM plants remain idle for model changeover: Lansing, Mich.; Doraville, Ga.; Fairfax, Kan.; Orion Township, Mich.; Van Nuys, Calif.; Bowling Green, Ky.; and Framingham, Mass.

These GM facilities resumed output today: Janesville, Wis.; Linden, N.J.; Tarrytown, N.Y.; and Willow Run, Mich.

GM's Flint, Mich., and Wentzville, Mo., plants will resume output tomorrow.

Chrysler' Toledo, Ohio; Kenosha, Wis.; and Newark, Del., plants remain idle for model changeover.

Chrysler's Sterling Heights, Mich., and Belvidere, Ill., plants resumed production today after being closed for vacation and changeover.

Plants reopen; Canada rises

With several plants returning to work, last week's scheduled Canadian car and truck production increased over the total for the prior and year-ago weeks.

Output of 11,564 trucks was more than double the previous week's 5,118 and was 26.44 percent more than last year's 9,146.

Year-to-date, 532,150 units have been assembled, 10.58 percent more than the 481,230 completed last year at this time.

Automakers slated output of 9,155 cars last week, 68.17 percent more than the prior week's 5,444 and 18.14 percent more than the year-ago week's 7,749.

General Motors' Ste. Therese, Quebec; Oshawa, Ontario; and Scarborough, Ontario, plants remain idle for model changeover.

Chrysler's plant in Brampton, Ontario, and its two plants in Windsor, Ontario, resumed output last week.

Ford Motor Co. plants reopened last week after vacation.

U.S. CAR	Week Ended July 30, 1988	Week Ended Aug. 1, 1987	Week Ended July 23, 1988	July Est.	Jan. 1 to July 30, 1988	Jan. 1 to Aug. 1, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	0	0	0	3,415	53,889	32,997
Sundance	0	284	2,720	8,472	62,595	56,294
Reliant	2,200	2,026	2,240	8,390	56,421	64,258
Caravelle	0	0	0	0	9,087	30,019
Gran Fury	0	473	0	662	15,047	3,140
Total Plymouth	2,200	2,783	4,960	21,139	197,039	186,708
LeBaron K	0	958	0	0	7,912	43,810
LeBaron J	2,000	0	0	6,091	46,576	70,194
LeBaron GTS	0	120	259	864	5,716	23,809
N. Yorker E-Class	0	0	0	0	0	48,893
N. Yorker C-Class	0	0	0	2,604	63,233	0
Fifth Avenue	0	2,106	0	564	15,794	28,496
Total Chrysler	2,000	3,184	259	10,123	139,231	215,202
Omni	0	0	0	3,072	52,602	28,363
Daytona	2,000	0	0	6,060	45,821	33,909
Shadow	0	304	2,343	7,250	61,656	57,629
Aries	1,800	1,805	2,020	7,531	54,725	61,067
Dodge 600	0	0	0	0	8,549	26,922
Dynasty	0	0	0	2,230	59,366	0
Lancer	0	93	172	529	5,628	15,008
Diplomat	0	585	0	735	12,368	6,327
Total Dodge	3,800	2,787	4,535	27,407	300,715	229,225
CHRYSLER MOTORS	8,000	8,754	9,754	58,670	636,985	647,129
Escort	9,892	8,035	9,919	21,694	221,049	220,562
Mustang	5,132	3,929	4,093	10,109	118,865	126,534
Tempo	3,958	0	3,796	8,532	110,520	99,830
Taurus	7,779	8,247	8,839	18,578	229,674	247,997
Thunderbird	2,860	3,376	3,160	6,673	90,265	98,185
Total Ford Div.	29,621	23,587	29,809	65,587	770,373	793,108
Lynx	0	206	0	0	0	21,358
Topaz	1,561	0	1,543	3,407	41,556	32,858
Cougar	2,759	2,257	3,160	6,568	69,694	67,632
Sable	2,300	2,722	2,789	5,699	78,715	79,298
Total Mercury	6,620	5,185	7,492	15,674	189,804	221,148
Continental	796	0	428	1,374	24,940	9,610
Mark VII	395	623	215	683	13,607	15,422
Lincoln	1,191	3,110	645	2,278	77,425	77,703
Total Lincoln	2,382	3,733	1,288	4,335	115,972	102,735
Total L-M Division	9,002	8,918	8,780	20,009	305,776	323,881
FORD MOTOR CO.	38,623	32,505	38,589	85,595	1,076,149	1,116,989
Skyhawk	0	0	1	251	9,951	16,451
Skylark/Somerset	0	0	0	2,351	28,172	37,072
Century	0	0	0	4,921	64,323	103,225
Regal (rwd)	0	1,112	0	0	0	29,201
Riviera	0	0	0	74	3,642	8,501
Electra	0	0	1,496	5,414	51,299	53,545
LeSabre (fwd)	2,600	0	2,580	10,312	75,142	80,693
LeSabre (rwd)	140	100	174	695	6,135	5,726
Reatta	230	0	176	769	5,488	0
Total Buick	2,970	1,212	4,427	24,786	244,152	334,414
Cimmaron	0	0	0	0	3,693	7,489
Eldorado	0	0	0	542	23,410	12,720
Seville	0	0	0	355	14,488	10,534
Brougham (rwd)	168	546	318	1,244	18,281	38,660
Deville (fwd)	0	0	0	4,699	97,287	90,573
Allante	0	183	0	0	1,135	2,779
Total Cadillac	168	729	318	6,841	158,294	162,755
Cavalier	3,466	0	7,434	25,653	211,490	204,851
Camaro	0	2,301	2,370	7,895	54,287	70,230
Celebrity	270	0	0	7,997	106,298	192,484
Corsica/Beretta	0	7,669	0	18,731	231,977	179,170
Monte Carlo	0	912	0	0	0	41,538
Caprice	3,030	2,552	4,048	16,871	121,538	115,285
Corvette	440	420	448	1,780	12,768	18,047
Total Chevrolet	7,206	13,854	14,300	78,928	738,358	821,605
Calais	0	0	0	4,420	65,250	69,547
Firenza	0	0	0	0	5,230	2,019
Cutlass Ciera	0	0	0	4,221	13,551	99,968
Cutlass Supreme	0	1,250	0	8,137	90,480	45,539
Toronado	0	0	0	210	10,209	10,127
88 (fwd)	0	0	344	6,597	90,024	107,448
88 (rwd)	108	0	105	477	7,146	10,656
Olds 98	0	0	101	2,536	45,125	37,869
Total Oldsmobile	108	1,250	550	26,597	327,015	391,767
Sunbird	1,772	0	1,873	7,321	63,018	60,295
Grand Am	0	0	0	9,874	138,332	149,576
Firebird	0	958	1,071	3,766	37,613	48,902
Grand Prix	0	0	0	6,281	71,916	0
Pontiac 6000	159	0	0	2,360	42,861	48,689
Bonneville	0	0	0	5,056	64,003	81,002
Safari/Parisienne	80	157	99	342	4,879	5,966
Fiero	488	0	499	1,578	12,097	20,689
Total Pontiac	2,499	1,115	3,542	36,577	434,719	415,119
GENERAL MOTORS	12,951	18,160	23,137	173,729	1,902,538	2,125,660
HONDA	7,680	6,194	7,316	23,625	211,518	196,506
Civic	2,337	1,966	2,339	7,477	58,767	65,174
Accord	5,343	4,228	4,977	16,148	152,751	131,332
MAZDA†	3,377	0	3,380	13,323	60,592	0
NISSAN	2,870	2,593	3,564	5,967	59,005	77,404
NUMMI	3,250	4,039	3,315	10,322	91,728	116,739
Corolla	1,200	909	1,183	3,747	33,633	24,349
Nova	2,050	3,130	2,132	6,575	58,095	92,390
VOLKSWAGEN	0	0	0	3,510	35,595	43,129
Golf/GTI	0	0	0	3,510	30,042	34,775
Jetta	0	0	0	0	5,553	8,354
Total Cars, U.S.	76,751	72,245	88,055	374,742	4,074,110	4,323,556
Total Cars, Canada	9,155	7,749	5,444	39,857	652,412	470,721
U.S., Canada Cars	85,906	79,994	93,499	414,599	4,726,522	4,794,277
U.S., Canada Cars and Trucks	164,470	160,475	167,908	687,750	7,662,125	7,498,684

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended July 30, 1988	Week Ended Aug. 1, 1987	Week Ended July 23, 1988	July Est.	Jan. 1 to July 30, 1988	Jan. 1 to Aug. 1, 1987
Eagle	0	—	0	0	0	—
Premier	0	—	0	3,457	38,984	—
CHRYSLER MOTORS	0	98	0	3,457	38,984	3,205
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	3,670	—	0	4,198	105,687	—
Topaz	1,226	—	0	1,488	37,676	—
Crown Victoria	1,254	—	2,011	3,722	75,205	—
Grand Marquis	1,606	—	2,200	4,271	75,670	—
FORD MOTOR CO.	7,756	5,456	4,211	13,679	294,236	289,361
Celebrity	0	—	0	1,344	12,971	—
Cutlass Ciera	0	—	0	8,608	155,154	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	928	29,675	—
Regal	0	—	0	7,774	94,638	—
GENERAL MOTORS	0	1,552	0	18,654	292,438	164,068
Civic	1,200	—	1,053	3,315	20,536	—
Accord	0	—	0	0	1,828	—
HONDA	1,200	418	1,053	3,315	22,364	7,670
VOLVO	199	225	180	753	4,388	6,417
Total Cars, Canada	9,155	7,749	5,444	39,857	652,412	470,721

U.S. TRUCK☆	Week Ended July 30, 1988	Week Ended Aug. 1, 1987	Week Ended July 23, 1988	July Est.	Jan. 1 to July 30, 1988	Jan. 1 to Aug. 1, 1987
Caravan	0	—	549	2,145	53,179	—
Dakota	0	—	0	2,044	61,653	—
Mini-Ram Van	0	—	93	334	8,589	—
Pickups	0	—	0	2,002	40,119	—
Total Dodge	0	4,089	642	6,525	163,540	141,731
Cherokee	0	—	3,065	11,267	105,621	—
Commanche	0	—	797	2,761	27,001	—
Grand Wagoneer	0	—	0	354	3,215	—
Pickups	0	—	0	0	0	—
Wagoneer	0	—	42	42	6,232	—
Total Jeep	0	4,761	3,904	14,424	147,069	127,626
Voyager	0	—	518	2,201	49,119	—
Total Plymouth	0	—	518	2,201	49,872	—
CHRYSLER MOTORS	0	8,850	5,064	23,150	367,745	269,357
Aerostar	3,216	—	1,540	4,756	113,889	—
Bronco	1,003	—	1,251	2,499	34,644	—
Bronco II	2,484	—	1,108	4,103	73,473	—
Econoline	2,881	—	3,823	7,640	136,729	—
Heavy trucks	1,699	—	1,511	3,210	38,270	—
Light trucks	10,188	—	10,227	22,491	287,198	—
Ranger	7,764	—	5,033	14,368	204,230	—
Total Ford Div.	29,235	28,294	24,493	59,067	888,433	867,502
FORD MOTOR CO.	29,235	28,294	24,493	59,067	888,433	867,502
Astro	3,298	—	4,155	14,855	103,512	—
Blazer	518	—	530	2,220	16,696	—
Mediums/Heavies	440	—	356	1,423	10,725	—
P-Model	938	—	994	3,847	24,294	—
Pickups	6,606	—	7,083	27,162	201,028	—
S-10	5,796	—	6,599	25,023	175,848	—
S-10 Blazer	3,335	—	3,114	13,362	99,886	—
Sportsvan/Van	2,276	—	2,305	8,828	54,347	—
Suburban	1,489	—	1,715	6,266	44,756	—
Total Chevrolet	24,696	19,138	26,851	102,987	731,092	690,403
Jimmy	148	—	191	525	4,743	—
Mediums/Heavies	660	—	695	2,917	23,387	—
P-Model	66	—	19	189	3,245	—
Pickups	2,138	—	2,254	8,642	62,411	—
S-15	1,177	—	1,279	4,974	39,689	—
S-15 Jimmy	865	—	823	3,534	25,913	—
Safari	824	—	991	3,717	26,345	—
Suburban	507	—	452	1,970	19,595	—
Vandura/Rally Vans	687	—	629	2,654	21,250	—
Total GMC	7,072	8,587	7,333	29,122	226,578	229,564
GENERAL MOTORS	31,768	27,725	34,184	132,109	957,670	919,967
NAVISTAR	1,857	1,643	1,630	3,786	49,136	41,684
NISSAN	1,390	2,073	1,170	2,813	58,519	47,957
AM GENERAL*	450	450	450	1,890	13,410	8,010
MISCELLANEOUS*	2,300	2,300	2,300	9,660	68,540	68,700
Total Trucks, U.S.	67,000	71,335	69,291	232,474	2,403,453	2,223,177

CANADIAN TRUCK	Week Ended July 30, 1988	Week Ended Aug. 1, 1987	Week Ended July 23, 1988	July Est.	Jan. 1 to July 30, 1988	Jan. 1 to Aug. 1, 1987
Caravan	263	—	29	3,631	79,743	—
Mini-Ram Van	19	—	3	319	7,872	—
Ram Wagon	443	—	3	890	13,847	—
Ram Van	1,252	—	6	3,138	36,496	—
Total Dodge	1,977	1,430	41	7,978	137,958	239,258
Voyager	262	—	13	3,305	72,595	—
Total Plymouth	262	—	13	3,305	72,595	—
Wrangler	759	—	13	1,759	27,660	—
Total Jeep	759	785	13	1,759	27,660	18,856
CHRYSLER MOTORS	2,998	2,215	67	13,041	238,213	258,114
FORD MTR. (lt. trks.)	3,496	3,171	0	4,105	95,005	87,075
Light trucks	3,330	—	3,600	13,303	91,999	—
Vans	0	—	0	2,606	35,105	—
Total Chevrolet	3,330	—	3,600	15,908	127,104	—
Light trucks	1,470	—	1,189	5,592	46,856	—
Vans	0	—	0	1,456	18,604	—
Total GMC	1,470	—	1,189	7,049	65,460	—
GENERAL MOTORS	4,800	3,540	4,789	22,957	192,564	130,721
NAVISTAR	270	220	262	573	6,368	5,320
Total Trks., Canada	11,564	9,146	5,118	40,677	532,150	481,230
U.S., Canada Trks.	78,564	80,481	74,409	273,151	2,935,603	2,704,407

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

8/10/88 C2700-1

Automotive News®

August 8, 1988

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Rail dispute has warning for autos

Just-in-time adds supply problems

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

As the nation's railroads downsize to become more competitive, an already downsized automotive industry could pay the price along its supply tracks.

That prospect came to light last week after a Chicago & North Western strike was triggered by the firing of almost half the railroad's brakemen. Congress and the president put out the brushfire — temporarily — but it brought into focus the vulnerability of downsized automakers now more dependent than ever on railroads and trucks for just-in-time component supplies.

And, if more of the nation's railroads try to match the Chicago & North Western's crew cutbacks, this could prove the first blow in a lengthy — and possibly harmful — labor-management conflict with the automotive industry suffering potentially strong reverberations.

With the automakers closely monitoring the situation, Congress put out last week's small brushfire by extending until Sept. 9 a cooling-off period and ending the brief Chicago & North Western walkout. President Reagan signed the legislation last Thursday.

The strike began when Chicago & North Western fired approximately 1,100 of its 2,600 brakemen. The move was part of the railroad's plan to cut freight crews to two, which would set an industry standard that most likely would be adopted by other railroads.

see RAILROAD, page 60

AUTOMOTIVE NEWS/JOE WILKENS

Stempel: GM warranties widen; suppliers must keep prices in check

GM tightens suppliers rein

Auto giant checks closely before granting price hike

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

TRAVERSE CITY, Mich. — General Motors' suppliers aren't being allowed to raise prices without their operations first going under powerful new GM microscopes.

It will only be after the supplier and GM squeeze the supplier's cost structure as tight as they can that prices will be allowed to move higher, said GM President Robert C. Stempel.

Stempel's remarks came at a University of Michigan seminar on automotive management here, and most in the audience were with supplier firms.

Stempel used an anecdote about one company that met a 30 percent higher material cost with a bottom-line effect of about 10 percent. The vendor told GM it needed to boost prices as a result.

"Working together, we found that one of the things driving the costs was transportation of the material and how it was being prepared," Stempel said. "Working together, we got at the root of the problem. It wasn't just the material in that case, it was some of the additional value-added work. We then agreed on a fair price."

Stempel said some commodity prices have been rising — copper, aluminum, steel and even steel scrap. He said GM's move to fewer suppliers has created higher volumes that offset higher prices.

"We've been making a market and, for many suppliers, that has provided a volume base. We think part of what we've been doing is coming off our bottom line. Part of what has been coming off our bottom line to keep that volume going needs to be shared with the supplier community," Stempel said.

He said many suppliers recognize the costs involved for the vehicle makers in keeping retail sales volume high.

Suppliers here said GM has not permitted materials cost pass-throughs in four years.

GM dealers hail change in warranty

By Edward Lapham and Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTERS

General Motors dealers praised the automaker's change in 1989 warranty coverage, saying it is a statement of the company's confidence in the quality of its products.

GM announced last week that its "Bumper to Bumper Plus" warranty program will cover everything but routine maintenance and tires for three years or 50,000 miles on most 1989 cars and trucks.

Exceptions are Cadillac models, which keep their four-year/50,000-mile coverage, and the Cadillac Allante with its seven-year/100,000-mile coverage.

Under the new program, GM will pay all warranty costs for the first year or first 12,000 miles, after which it will pay everything but a $100 deductible charged to the customer for each warranty claim.

The new warranty is broader in coverage but is for a shorter period of time than previous coverage. GM's previous six-year/60,000-mile coverage on the powertrain is eliminated for the 1989 model year.

Although most GM dealers contacted by Automotive News were enthusiastic about the new coverage, some expressed concern that competitors, particularly Chrysler Motors with its seven-year/70,000-mile coverage, will be perceived by the public as having a better offering

Chrysler sources said the company has discussed shorter but more comprehensive warranty coverage as part of its routine monitoring of developing market trends. The discussions were prompted by Chrysler market research indicating that customers increasingly prefer bumper-to-bumper coverage, sources said.

Nevertheless, GM's announcement seemed to take the competition by surprise. Also addressing the Traverse City, Mich., auto conference at which GM President Robert Stempel announced the new warranty were Bennett E. Bidwell, Chrysler Motors president of product and marketing, and Harold A. Poling, Ford Motor Co. vice chairman, both of whom said they were studying the move.

A Ford source said there were no immediate plans

see WARRANTY, page 63

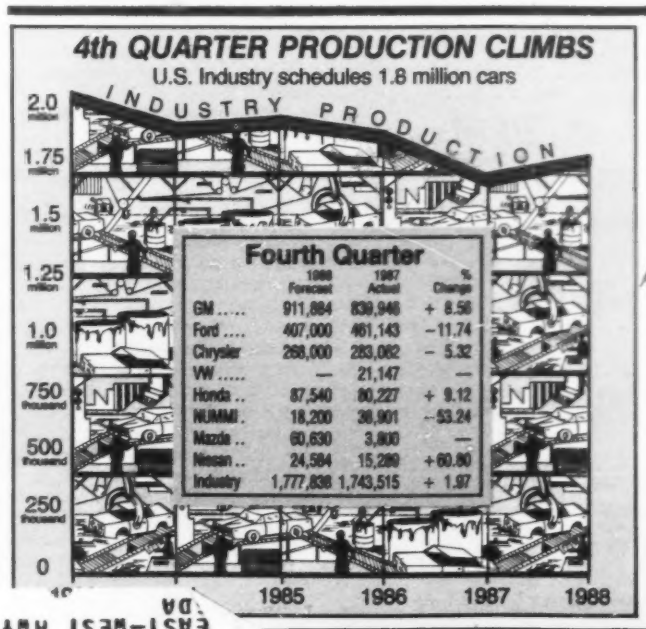
Big 3 petition for joint study of composites

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

General Motors, Ford Motor Co. and Chrysler Motors are asking the federal government to sanction a joint study of polymer-based composites for automotive uses without the threat of violating antitrust laws.

"There is not really a unified data base on composites," said Carl Johnson, principal research engineer for Ford. "We need to know what happens to composites in the environment. We have to crash them — there is just not enough known about them."

Industry sources have said for weeks that the Big 3 were planning their first jo



GM schedules output hike in fight for market share

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

General Motors plans an aggressive fourth-quarter production schedule, apparently in an effort to gain market share from its two domestic competitors, whose fourth-quarter schedules fall short of last year's because of extensive model changeovers.

According to the companies' forecasts, 1,777,838 cars are projected to be built in the United States during the fourth quarter, 1.97 percent more than the 1,743,515 built in the comparable period of 1987.

If carmakers stick to their latest production schedules for both the third and fourth quarters, the 1988 calendar year total should end up around 7,013,000 — slightly below last year's final count of 7,094,992 cars.

GM expects to build 911,884 cars in the fourth quarter, 8.56 percent more than the 839,946 assembled in last year's fourth quarter.

Auto analyst Mike Luckey of Luckey Consulting Group Inc., Cresskill, N.J., said he is just a bit concerned that sales may taper off a little in October and early November due to the anticipated industrywide 3- to 4-percent price increases, and that companies may try to launch their new models with very modest incentive support. Consumers may balk at the

see FORECAST, page 60

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IN... woes kill first car Page 2

TV strike won't dampen '89 intro Page 3

GM plans to combine advanced engineering Page 4

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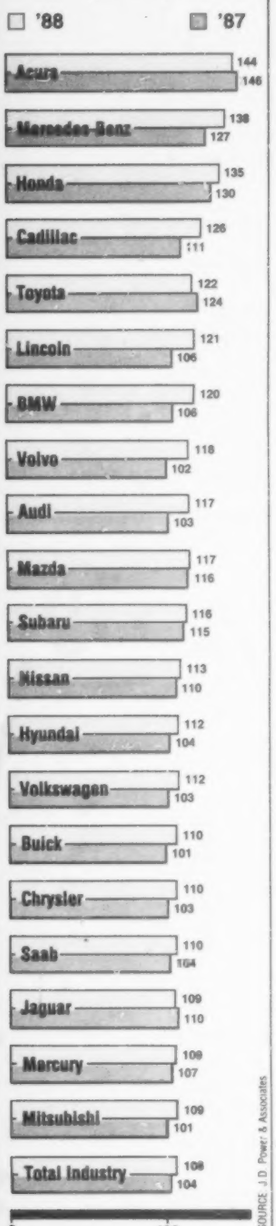

COMPLETE DETAILS — PAGE 58

TV strike won't hurt '89 intros

Bigger emphasis on sports shows

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

Programming changes on the nation's television networks this fall, caused by striking television and film writers, are not expected to dampen new-model launches.

Advertising sources say heavy purchases of sports programming by the nation's domestic automakers will give those advertisers a good audience share. General Motors, for instance, has purchased all of the automotive spots during telecasts of the Summer Olympic Games in September.

GM, Ford Motor Co. and Chrysler Motors have made other sports purchases including the World Series and ABC Monday Night Football. Traditionally, automakers have used major fall television programs to introduce their advertising campaigns for the new model year.

GM will try a single national roll out for the 1989 model year instead of a staggered introductions, as it did last year. Ford is planning to introduce several of its models at different dates during the fall and early winter.

All GM divisions are planning to launch their models Sept 29. Last year, Chevrolet introduced its vehicles Sept. 24 and the other GM divisions followed on Oct. 1.

Several midyear introductions are planned at GM, as well. Chevrolet will introduce its Geo Prizm (formerly Chevrolet Nova) in the first quarter of 1989. The Corvette ZR1 will be launched in late winter to early spring, depending on production schedules.

The Chevrolet GM10 sedan, called Lumina, will arrive in late spring as a 1990 model. Dealer sources say Chevrolet's short-box, extended-cab C/K pickup will be available in spring.

New models available on Sept. 29 for Chevrolet include a slightly restyled Suburban, Corsica hatchback and the Corsica LTZ.

Buick will introduce a more luxurious version of its Park Avenue, called the Ultra, in the first quarter of 1989. Buick models available Sept. 29 include the reskinned Riviera and Century.

Pontiac will unveil the restyled 6000 and a new front-end treatment for the Grand Am on that date. Midyear introductions include a turbocharged version of the Grand Prix and a 20th anniversary edition Firebird Trans Am. Exact introduction dates are unavailable.

Cadillac, meanwhile, will offer restyled DeVille and Fleetwood models on Sept. 29, and Oldsmobile will have a restyled Cutlass Ciera.

Ford Motor Co. is planning an Oct. 6 launch for most of its carryover vehicles. The 1989 Aerostar bowed Aug. 1 and the 1989 Ranger and Bronco II will debut Nov. 25. Ford plans to introduce its redesigned Thunderbird and Cougar models Dec. 26, the same lucky date that launched the hot-selling Lincoln Continental in 1987 and Taurus/Sable in 1986.

Lincoln-Mercury will introduce its 1989 Scorpio, XR4Ti and Continental models Dec. 1. A spokesman said the later introduction for the two West German-built Merkur models is due to transportation considerations.

Chrysler said it has not finalized its fall launch date, although Oct. 10 has been discussed as a possible date. The Mitsubishi-built Eagle Summit will be introduced at Jeep-Eagle dealerships in late September or early October, though models have been arriving at dealerships this month.

Chrysler's TC by Maserati, which has been delayed several times, is slated to debut in November.

Each GM division is expected to receive a portion of GM's advertising time during the Summer Olympic Games. Though Buick is the official car of the 1988 Olympic Games and Oldsmobile is the official car of the U.S. Olympic Track and Field Team, Chevrolet will receive the most advertising time.

One informed network source said upfront purchases of prime television time by domestic automakers have risen for the fall season.

AUTOMOTIVE NEWS/JOE WILSSENS

Classic car craftsmanship
The Meadow Brook Concours d'Elegance last weekend gathered 250 significant examples of design, craftsmanship and quality for automobile enthusiasts at Oakland University, Rochester, Mich. Featured vehicles were Auburn and Porsche. Joyce Wartinbee is pictured with a 1953 Buick Skylark, a 1933 Auburn Sedan Salon, a 1938 Morgan 4x4, a 1937 Jaguar and a 1964 Cobra.

MVMA shift: sport-utility is a truck

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Domestic vehicle manufacturers have reversed themselves and now want imported sport-utility vehicles classified as trucks only, apparently because they believe Japan's quotas on car exports will end next year.

The Motor Vehicle Manufacturers Association is about to file comments with the U.S. Customs Service saying the regulations should be changed so sport-utility vehicles cannot be imported as cars and as a result must be subject to a 25 percent tariff.

Under pressure from the Big 3 and Rep. John Dingell, D-Mich., chairman of the House Energy and Commerce Committee, Customs is reconsidering vehicle classification regulations to designate the vehicles as either cars or trucks. Currently, they can be imported under either category.

Until now, MVMA and Dingell have said sport-utility vehicles should be classified as cars, subject to the Japanese car-export quota.

A Washington lobbyist for a domestic automaker said U.S. companies now believe the Japanese will fail to meet their sales quotas under this year's restrictions.

"Classifying sport-utility vehicles as cars would be meaningless in that context," he said. "We believe Japan's export curbs could go away next March 31. If that happens, we want the sport-utilities subject to the 25 percent truck tariff."

Trade lawyers for the import industry want current Customs Service regulations to remain in effect and are somewhat surprised by MVMA's new position.

An association letter to lawmakers also confirms the change. It says, "Based on all conventional definitions used by industry and government, these vehicles are trucks and should be consistently classified as such by the U.S. Customs Service. The loopholes in existing regulations, which allow importers to switch classification of the vehicle at will from a truck to passenger car simply by inserting a rear seat, should be stopped."

Customs' comment period on the changes closes this week.

INDEX

Around the world	36-38
Auction dates	47
Classifieds	48-58
Coming events	43
Dealing with dealers	20
Engineering	22
Legal briefs	28
News briefs	8
Obituaries	59
Opinion	10
Personnel	40-41
Production	65
Sales, car	64
Truck industry	14

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AUTOMOTIVE NEWS/JOE WILSSENS

Roberts formerly served as GM's vice president in charge of personnel administration and development

Navistar lures GM VP

Roberts will direct truck operations

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — The General Motors' executive who oversaw the elimination of 40,000 salaried jobs and the establishment of performance-based pay for white-collar workers takes control of truck operations at Navistar International Transportation Corp. today.

Roy S. Roberts, formerly GM vice president in charge of personnel administration and development, was named last week to the newly created position of vice president and general manager of truck operations at Chicago-based Navistar. He assumes responsibility for the engineering, manufacturing and marketing of International medium- and heavy-duty trucks.

Navistar Chairman Neil A. Springer said Roberts brings to the newly created job extensive experience in the industry, particularly in manufacturing management, quality assurance and human resources.

Roberts' appointment comes at a time when Navistar is negotiating with the UAW for a concessionary contract at its Indianapolis engine plant.

Workers recently rejected the contract, which they say cuts pay and benefits by three dollars an hour. However, negotiators quickly returned to the bargaining table when Navistar said it would not invest $150 million in the plant and would move diesel engine assembly elsewhere, jeopardizing 2,000 jobs.

Navistar had planned to make capital improvements in the plant

see ROBERTS, page 60

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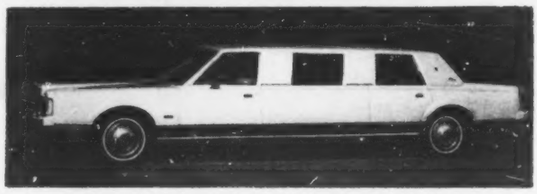

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Audi settlement returns to court

By Helen Kahn
SENIOR CORRESPONDENT

Cook County (Chicago) Circuit Judge Thomas Rakowski will hear objections from consumer and safety groups when he rules on Audi's proposed settlement of a class action suit over loss of resale value stemming from unintended-acceleration allegations.

A hearing is scheduled for Thursday.

Audi has offered rebates ranging from $300 to $2,000 to 345,000 persons who bought Audi 5000 models between 1978 and 1986. The rebates must be used toward the purchase of another Audi.

Rakowski is new to the case. Cook County Circuit Judge Harold A. Siegan, who initially accepted the settlement, withdrew July 19. Rakowski presided over a July 26 hearing on the matter.

When Siegan started the approval process last June, he cited personal ties to a partner in one of the plaintiffs' law firms and said he would have to remove himself from the case if he had to make any "judicial determination."

Siegan evidently did not expect the settlement to be challenged and when objections were raised by the Audi Victims Network, the Center for Auto Safety and the New York Public Interest Research Group, he stepped down and offered to vacate his initial approval.

However, the three law firms representing the class — Holstein, Mack & Dupree; Lawrence Walner & Associates; and Lisco & Field — as well as Audi's law firm, persuaded Rakowski to let the initial determination stand until the Aug. 11 hearing, since part of that ruling was the certification of the class.

At Thursday's hearing, lawyers for the consumer and safety groups will urge that the settlement be rejected and will charge the four law firms with collusion in reaching it.

Jerold S. Solovy of Audi's firm, Jenner & Block, said the company has spent more than $200,000 to notify the owners, while to date, 800 have objected to the settlement and 1,500 have opted out of the agreement. Noting that only 1,500 have declined the settlement, an Audi spokesman said, "Clearly, when 99.5 percent of the Audi owners approve, we have to conclude the settlement is fair."

Another point that might be clarified Thursday is language about the rights of those who have claims under warranty or under state lemon laws.

During the July 26 hearing, attorneys for the Audi Victims Network contended that any claims before May 5, 1988, are eliminated. Solovy said that was never the company's intention and if that is indeed in the proposal, then the language may have to be changed.

Washington attorneys Mark Steinbach and Stephen Nassau, representing the Audi Victims Network, contend their clients never should have been put in the position of objecting or opting out of the settlement since the terms of the agreement apply only to those who purchase another Audi. The proposed settlement, they say, is "collusive, unfair, inadequate and unreasonable" and should be rejected.

Class members accepting the settlement would give up litigation rights except for personal injury claims. The Audi spokesman said that if approved, the settlement will put an end to this type of litigation and, as a result, protect the resale value of the car.

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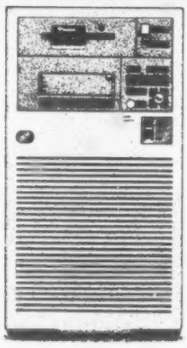

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Munich, Germany	2.16
Athens, Greece	1.98
Nassau, Bahamas	1.48
Istanbul, Turkey	1.44
Mexico City	0.82
Cairo, Egypt	0.58
Caracas, Venezuela	0.16
New York**	1.11
Atlanta	1.16

All prices are for full-serve regular expressed in U.S. dollars per gallon, and are based on June 1988 foreign exchange rates.

*Price based on self-service super-leaded (full-service regular unavailable).

**U.S. prices based on full-service unleaded (full-service regular unavailable).

GASOLINE

In Venezuela, it's just 16¢ a gallon

ROCHESTER, Wis. — It's not uncommon for drivers to go a bit out of their way to save a few pennies on gasoline. They might even go to another town or another state.

But to be fully frugal about fuel, one would have to head to Caracas, Venezuela, where gas is only 16 cents a gallon.

That is the lowest price to be found anywhere for regular full-service gasoline, according to Runzheimer International, a management consulting firm that collects gasoline prices worldwide.

The most expensive gas is found in Abidjan, Cote d'Ivoire (Ivory Coast), at $4.24 a gallon. A gasoline-buying spree in Tokyo, the most overall expensive city in the world, will also be costly — $4.13 a gallon.

Those attending the Summer Olympics in Seoul, South Korea, will be paying $2.67 a gallon. And, in the Soviet Union, Moscow averages $2.95 a gallon, but only self-serve super-leaded can be found.

Ford houses gorillas

ATLANTA — Ford Motor Co. has donated more than $1 million to the Ford African Rain Forest at Zoo Atlanta. The exhibit will house several gorilla families in a natural setting.

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AUCTION DATES

Chrysler Motors

Aug. 9 — Dallas Auto Auction, Grand Prairie, Texas; Greensboro Auto Auction, Greensboro, N.C.; Riverside Auto Auction, Riverside, Calif.; Portland Auto Auction, Portland, Ore.; and Arena Auto Auction, Chicago

Aug. 10 — Columbus Fair Auto Auction, Obetz, Ohio; A.D.E. of Birmingham, Birmingham, Ala.; Hatfield Auto Auction, Hatfield, Pa.; and Southern Auto Auction, Warehouse Point, Conn.

Aug. 11 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Southwest Auto Auction, Phoenix, Ariz.

Aug. 12 — St. Louis Auto Auction, Bridgeton, Mo.

Aug. 16 — Florida Auto Auction of Orlando, Ocoee, Fla.; Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Nashville Auto Auction, Nashville, Tenn.; Denver Auto Auction, Aurora, Colo.; Golden Gate Auto Auction, Fremont, Calif.; and South Seattle Auto Auction, Kent, Wash.

Aug. 17 — Butler Auto Auction, Gibsonia, Pa., and Minneapolis Auto Auction, Plymouth, Minn.

Aug. 18 — Manheim Auto Auction, Manheim, Pa.; Aptco Auto Auction, Taylor, Mich.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Clanton's Auto Auction, Darlington, S.C.; Ark-La-Tex Auto Auction, Shreveport, La.; Salt Lake Auto Auction, Salt Lake City; and Northway Exchange, Clifton Park, N.Y.

Aug. 23 — Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Greensboro Auto Auction, Greensboro, N.C.; Riverside Auto Auction, Riverside, Calif ; and Arena Auto Auction, Chicago

Aug. 24 — Columbus Fair Auto Auction, Obetz, Ohio; A.D.E. of Birmingham, Birmingham, Ala.; and Southern Auto Auction, Warehouse Point, Conn.

Aug. 25 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Southwest Auto Auction, Phoenix, Ariz.; and Omaha Auto Auction, Omaha, Neb.

Aug. 26 — St. Louis Auto Auction, Bridgeton, Mo.

Aug. 30 — Florida Auto Auction of Orlando, Ocoee, Fla.; Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Nashville Auto Auction, Nashville, Tenn.; Denver Auto Auction, Aurora, Colo.; Golden Gate Auto Auction, Fremont, Calif.; and South Seattle Auto Auction, Kent, Wash.

Aug. 31 — Butler Auto Auction, Gibsonia, Pa., and Minneapolis Auto Auction, Plymouth, Minn.

Ford Motor Co.

Aug. 9 — South Seattle Auto Auction, Kent, Wash.

Aug. 10 — Atlanta Auto Auction, Red Oak, Ga., and Wednesday Auto Auction, Obetz, Ohio

Aug. 11 — Dallas Auto Auction, Grand Prairie, Texas, and Minneapolis Auto Auction, Plymouth, Minn.

Aug. 16 — Harrisonburg Auto Auction, Harrisonburg, Va.

Aug. 17 — Concord Auto Auction, Acton, Mass., Aptco Auto Auction, Taylor, Mich.; and Lakeland Auto Auction, Lakeland, Fla.

Aug. 18 — Baltimore-Washington Auto Exchange, Baltimore; Denver Auto Auction, Aurora, Colo.; Texas Hobby Auto Auction, Houston; Southwest Auto Auction, Chandler, Ariz.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

Aug. 24 — Northway Auto Auction, Clifton Park, N.Y.; Albuquerque Auto Auction, Albuquerque, N.M.; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; and Southern California Auto Auction, Fontana, Calif.

Aug. 25 — Greater Chicago Auto Auction, Chicago, and St. Louis Auto Auction, Bridgeton, Mo.

Aug. 30 — Bay Cities Auto Auction Inc., Hayward, Calif.

Aug. 31 — Metro Auto Auction of Kansas City, Lee's Summit, Mo., and Lakeland Auto Auction, Lakeland, Fla.

General Motors

Aug. 9 — Harrisonburg Auto Auction, Harrisonburg, Va.; Florida Auto Auction of Orlando, Ocoee, Fla.; A.D.E. of Birmingham, Moody, Ala.; and Manheim Auto Auction, Manheim, Pa.

Aug. 10 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Aug. 11 — Butler Auto Auction, Gibsonia, Pa.; Denver Auto Auction, Aurora, Colo.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; Southwest Auto Auction, Phoenix, Ariz.; and Big H Auto Auction, Houston

Aug. 16 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

Aug. 17 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Omaha Auto Auction, Omaha, Neb.; and Riverside Auto Auction, Riverside, Calif.

Aug. 18 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; and St. Louis Auto Auction, Bridgeton, Mo.

Aug. 23 — A.D.E. of Birmingham, Moody, Ala.; Florida Auto Auction of Orlando, Ocoee, Fla.; and National Auto Dealer Exchange, Bordentown, N.J.

Used Car Sales
Auction Averages

July 88	$5,994
*Month ago	$6,147
Year ago	$6,045

*Revised.

Model Breakdown
Auction Averages

	JULY 1988	JUNE 1988	MAY 1988
1988	$11,408	$12,545	$12,495
1987	$8,487	$8,668	$8,661
1986	$6,830	$7,327	$7,400
1985	$5,881	$5,801	$5,711
1984	$4,378	$4,534	$4,525
1983	$3,718	$3,721	$3,776
1982	$2,464	$2,529	$2,475
1981	$1,952	$1,932	$1,983
Overall Average	$5,994	$5,855	$5,800

Florida auction tops $49 million at 16th anniversary sale

Florida Auto Auction of Orlando's July anniversary sale — No. 16 for the auction — broke last year's sales record for a one-day sale by consigning 7,523 units and selling 4,864, or 65 percent.

Placed bumper to bumper, the consigned vehicles would stretch 17.1 miles, said Joe Greco, manager of the auction. Last year's sale had 6,026 units consigned and 4,095 sold.

This year's gross sales topped $49 million, about $8 million more than in 1987.

Greco said 785 dealers from 37 states attended the sale to purchase vehicles and 481 dealers consigned vehicles. Of them, 112 franchised new-car dealers and 141 used-car dealers were registered for the first time during the 12-hour sale.

Chrysler and General Motors participated in closed sales during the day and sold all 684 vehicles offered. Total gross sales volume for the two manufacturers' sales exceeded $14 million.

More than 2,500 vehicles were reconditioned during the 16 days prior to the sale, and about 3,100 titles were processed. Florida Auto Auction is one of 21 auctions owned by Atlanta-based Manheim Auctions.

AUCTION BRIEFS

CHARLES THOMAS

NAAA sights peak throng

Record attendance is expected at the National Auto Auction Association's annual convention, which will be held Oct. 6-9 at the Atlanta Marriott Marquis in Atlanta.

"This is the 50th anniversary of the auto auction industry and we are expecting a record crowd," said Bernard Hart, executive secretary of the association.

Speakers include Douglas Edwards, CBS newscaster, and Atlanta Mayor Andrew Young, who will deliver the keynote address on Oct. 7.

Southern States expands

Southern States Vehicle Auction, Newnan, Ga., is clearing land on the north and south ends of its 64-acre site in preparation for a $1.3 million reconditioning and paint facility that is scheduled for completion in late September.

Carl Miskotten, vice president of truck services for Anglo American Truck Auctions, said the facility will improve business with customers like General Motors Acceptance Corp., Ford Motor Credit and Chrysler Credit.

"We have an on-premises vehicle reconditioning center and will add a paint and body shop," he said.

Southern States Vehicle Auction, a subsidiary of Anglo American Truck Auctions, sells heavy commercial trucks consigned to it by manufacturers, leasing companies and commercial fleets. Buyers include dealers, wholesalers and end-users.

Sellers pay the auction a fee to enter trucks for sale and another fee when the truck is sold. The buyers pay a fee to the auction for each truck purchased.

Southern States also offers fee-based services such as transporting vehicles to and from auctions and reconditioning. The auction's clients include Freightliner, Gelco, Mercedes-Benz Credit, U-Haul, PH&H and Hertz-Penske.

Stationary truck auctions are new to the industry. Prior to the stationary auction, sellers of used heavy trucks relied on traveling auction companies, manufacturer and leasing-company used-truck centers, and direct contact with end-users, wholesalers and dealers.

Operations like Southern States schedule sales on a weekly basis in the same facility.

Miskotten, founder of Southern States, developed the idea of opening a truck auction about five years ago. "At that time, there were plenty of auto auctions, but no stationary truck auctions where buyers and sellers could get together and trade trucks," he said.

So, with partner Chuck Frauhiger, he opened Fort Wayne Vehicle Auction Inc. in Indiana in April 1984 and Southern States in October 1986. Both auctions were purchased by Anglo American in July 1987.

Southern States has a staff of 15 supported by 20 mechanical and reconditioning specialists. Each month, about 400 heavy trucks and 2,000 cars move through the auction's four selling lanes. The sale attracts an average of 300 dealers.

ServNet adds 2 auctions

Two independent auto auctions — Auto Dealers Exchange of Indianapolis and Auto Dealers Exchange of Birmingham, Ala. — have joined ServNet, the recently formed independent auction network.

The addition of the two auctions brings ServNet's membership to 10. There are more than 120 independent auctions in the country, but not all of them are eligible for membership in ServNet and that has caused ill feelings within the National Auto Auction Association.

Bernard Hart, executive secretary of NAAA, has described ServNet as a tinderbox because it is an "invitational thing that has caused unrest and is like forming a separate association just for the independents."

Yet the independent auction owners, threatened by the economies of scale offered by the chains, defend it. About 60 auctions are owned by the chains, which include Anglo American Auto Auctions, GE Capital Auto Auctions and Manheim Auctions.

"ServNet was formed as a cooperative marketing network of independent auctions, the idea being that a group of independents banding together might advertise on a level competitive with the large corporate chains," said Larry F. Brasher, ServNet president.

He said some independent auctions are excluded from joining ServNet "because of legal restrictions as well as the practicalities of operating such a network."

Brasher said ServNet was formed with a maximum membership potential of 20 to 30 auctions.

"While we feel that ServNet auctions must share certain quality standards and full-service capabilities in order to preserve the integrity of our promotional efforts, we do not in any way mean to imply than an independent auction not in ServNet is unable to meet our criteria," he said. "There are many high-caliber independent auctions that have chosen not to join."

He added that some independent operations might be excluded because an existing ServNet auction already serves the same area.

Alexis Jacob, ServNet vice president, said the organization's aim is to promote the concept of independent ownership and operation.

"We want to increase visibility of the independent auctions and stress the advantages of personal service," she said.

For a franchise fee, members can display the ServNet trademark. Auction prospects are judged on their commitment to quality service, orientation to fleet business, geographical location, full-service capabilities and National Auto Auction Association membership.

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Acura retains first-place ranking in Power's CSI; industry score up

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

For the second time in its two years in the U.S. market, Honda of America's Acura Division has received J.D. Power and Associates' highest consumer satisfaction index rating of any high-volume car make.

Mercedes-Benz was second in this year's survey, up from a third-place finish in 1987.

J.D. Power and Associates, an Agoura Hills, Calif., research firm, said Acura captured first place again because of strong technical improvements in its cars. However, Acura's higher volume in 1988 caused more strain on dealer resources, and its scores for customer handling by the dealers declined slightly.

The product quality, or vehicle repair and reliability, score and the dealer servicing, or customer handling, score were averaged to give the overall CSI score. In the 1988 survey, 25,230 owners of 1987 cars returned mail survey forms in April and May 1988.

The most significant finding in this year's survey was the rise in the average CSI score for all nameplates, from 104 points in 1987 to 108 points. Power said the rise indicates that consumers are generally more satisfied with the vehicles they purchased in the 1987 model year and that traditionally low performers are improving.

"As this trend continues, worldwide parity in product quality among all automakers is expected to emerge," the study said.

As a group, European manufacturers showed the biggest gains in their average scores. They compiled an average score of 110, up from 102 in 1987. The average score for the Europeans was 106 in 1986.

Volvo made the biggest gain in its ranking between 1987 and 1988 as it moved from 19th to eighth place among all manufacturers. Power attributed Volvo's position change to an increase in product quality.

Audi also made a significant move, from 16th to a ninth-place tie.

Domestic makers also showed large gains in the average CSI group score. The domestics' average score is 102 in 1988, up from 98 in 1987 and 94 in 1986.

Chrysler Motors, including its Dodge and Chrysler-Plymouth divisions, received the highest CSI index score of any of the Big 3 domestic makers. Its overall index score was 106; it received 106 for customer handling and 105 for vehicle repair and reliability.

Jeep-Eagle was not included in the Chrysler Motors numbers since Chrysler Corp. bought American Motors late in the 1987 model year.

General Motors, including all five of its car divisions, was second among the Big 3 with an overall CSI score of 103. It received a score of 110 for customer handling and a score of 101 for vehicle repair and reliability.

Ford Motor Co. was third with an overall score of 96. It scored 96 for customer handling and 99 for vehicle repair and reliability.

Lincoln moved from 12th place last year to sixth in the 1988 survey due to technical improvements in its vehicles. Both the Town Car and the Continental received substantially higher index scores in 1988.

Buick also made big strides, moving from 20th position to 15th. Power said Buick's improved ranking was largely due to "extremely favorable dealer service evaluations." However, product quality showed only moderate gains.

"If Buick could bring product reliability in line with its commendable service evaluations, it certainly would have an opportunity to move farther up the index," said the Power study.

Cadillac moved from seventh place to fourth. Cadillac's customer handling score of 137 was the third highest in the industry and was largely due to high ratings for dealer service.

The Japanese carmakers, which had the highest CSI scores as a group, also showed gains. They compiled an average score of 122 in the 1988 survey, up from 119 in both 1987 and 1986.

Honda, Acura's sister car division, slipped from second place in the 1987 survey to third place this year survey because of substantial improvements by Mercedes-Benz.

Said Power: "Again, Honda didn't get worse. Mercedes-Benz got better." Honda saw improvements in its vehicle repair and reliability score (132 vs. 127) but a decrease in its customer-handling score (125 vs. 132).

Toyota slipped from fourth place to fifth. Power attributed that to a decline in its technical reliability score (121 vs. 139) and only moderate improvement in customer handling (115 vs. 108).

Mazda and Subaru also declined, mainly because of customer handling (service) problems at the dealerships, Power said.

Visual checks cut catalyst altering

By Helen Kahn
SENIOR CORRESPONDENT

WASHINGTON — The EPA's newly released vehicle tampering survey reveals that states and localities that include visual checks with their inspection programs reduce the incidences of catalytic-converter tampering and fuel switching.

Some state and local agencies use inspection/maintenance programs that include a check of tailpipe emissions at idle. Other agencies use anti-tampering programs that require a visual inspection of both the fuel and catalytic converter. Some agencies use a combination of both programs.

The EPA survey found that tampering occurred in approximately 32 percent of the vehicles surveyed in areas with no programs. That compared with 20 percent in geographic areas that had inspection/maintenance programs; 18 percent in areas where there was an anti-tampering program; and 16 percent in locales that had both programs.

EPA Chief Lee M. Thomas labeled the results important, especially in areas failing to meet ozone and carbon monoxide air-quality levels. He also said the results were encouraging, proving that anti-tampering programs work.

At present, there are 42 anti-tampering programs operating in 22 states, covering about 25 percent of the nation's light-duty-vehicle fleet. Those programs range widely from random pullovers on highways (covering only 1 percent of the fleet) to annual inspections covering entire fleets in a geographic area.

Since the 1987 survey was meant to test effectiveness of local programs, it was not a true sample of the nation's fleet, EPA pointed out.

For example, 91 percent of the sample came from 14 of the 15 areas having inspection/maintenance and/or anti-tampering programs; however, only 40 percent of the nation's vehicles are subject to those programs. EPA said that even that heavily weighted sample still showed a 19 percent tampering rate.

EPA also found that 14 percent of the vehicles in the survey that are required to use unleaded fuel were using leaded fuel.

The EPA said that while leaded gasoline may cost less at the pump, its use in vehicles with catalytic converters causes higher emissions and more frequent repairs and tuneups. It also accelerates engine deterioration.

In addition to known health problems created and aggravated by higher emissions, misfueling or tampering with the emission system dramatically increases the amount of dirty air.

Normally, vehicle emissions account for nearly 60 percent of the total carbon monoxide and 40 percent of airborne lead. But tampering with the converter or using leaded fuel can increase hydrocarbon emissions by some 500 percent and carbon monoxide by about 400 percent, the agency said. Tampering with the air pump can raise hydrocarbon emissions up to 200 percent and carbon monoxide up to 800 percent.

EPA enforcement teams inspect car dealerships, auto repair facilities, muffler shops and other businesses to determine if they tamper with emission systems. A maximum fine of $10,000 per vehicle can be levied against manufacturers and dealerships, while commercial repair shops and fleet operators are subject to a maximum penalty of $2,500.

After the 1987 survey, the EPA proposed $475,000 in fines against muffler shops, car dealerships and independent repair shops. Of the 43 businesses and almost 400 violations cited, four were new-car dealers, receiving fines ranging from $5,000 to $25,000.

GM unites advanced engineering

New center will place Project Trilby ideas into future models

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

General Motors is moving toward combining all of its advanced vehicle engineering into one activity, beginning with the establishment of a new systems engineering center.

The consolidated operation will include all the advanced technology of the corporation, combining the car divisions, the two car groups, advanced engineering and research, said GM President Robert Stempel.

The systems engineering center is charged with putting to use ideas developed by Project Trilby in the design of new vehicles and coordinating advanced engineering for all of GM's various operations.

Arvin F. Mueller, GM vice president recently appointed as group director of engineering for the Chevrolet-Pontiac-Canada Group, will oversee the center. Mueller reports to Robert Schultz, GM vice president and group executive for C-P-C.

GM's Project Trilby looks at the traditional definition and design of vehicles. It will continue as a separate project. However, ideas developed by Trilby will now move from research into engineering centers, where cars for the near future are being developed. Those ideas will help reduce vehicle development time, improve quality and reduce costs, GM said.

Some of the ideas have already been used in advanced engineering. The establishment of the center formalizes the way the ideas are put to work.

The new systems engineering organization will consist of the systems engineering center, based within C-P-C advanced engineering operations, and five satellite operations at sites not yet made public. The center will oversee the satellite locations that will be established at Buick-Oldsmobile-Cadillac Group's Flint automotive division and Lansing automotive division, Cadillac, the truck and bus group and C-P-C vehicle engineering.

"You know, the suppliers are right: They have about eight different groups to contact (within GM)."

— STEMPEL

Staffing will come from those organizations and Trilby. The center will employ 150 people, with the satellites being staffed with another 200 people. The center will also be supported by a team of systems engineers from Hughes Aircraft.

Lauren L. Bowler, currently chief engineering for the Corsica/Beretta platform, has been named center director.

Speaking of the advanced engineering change, Stempel said: "The combined function will include Hughes activities and is an outgrowth of the reorganization."

Stempel called the reorganization "dynamic" and said it is still being tweaked as more people become involved in its fulfillment.

"At first, only 40 or 50 people were really involved, but now as the entire corporation gets into it, we are tweaking it, fine tuning it," he said.

"You know, the suppliers are right: They have about eight different groups to contact (within GM)," Stempel said. "Why shouldn't we organize that centrally, so that when a Bosch comes in to see us they know they've seen General Motors, period."

Automotive News Staff Reporters Michelle Krebs and Edward Lapham contributed to this report.

NHTSA beefs up odometer rules

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — NHTSA's regulations implementing new mileage disclosure requirements for used vehicles are expected to cause minor headaches for fleet administrators, leasing companies, auto auctions, car dealerships and state motor vehicle departments.

But the National Automobile Dealers Association said the rules look good for the industry overall.

The dealer group and a coalition of auto industry groups have been monitoring NHTSA's work on the odometer rules for more than a year. Last week, NHTSA issued its final rules.

"Based on discussions I've had with NHTSA officials, the rules appear to address most of industry's concerns," said Douglas Greenhaus, NADA senior attorney for regulatory affairs. "The rules appear to allow the flexibility buyers and sellers need, while remaining strict enough to accomplish the purposes of the act."

Announcing the new mileage disclosure rules last week, NHTSA Administrator Diane Steed said the regulations are intended to "protect consumers by providing an official paper trail of odometer readings that may be checked by car owners and law enforcement officials to determine whether the odometer has been turned back." She estimates that odometer fraud costs consumers more than $3 billion annually.

Key parts of the regulations:

- Motor-vehicle titles issued by state governments after April 29, 1989, must be printed by a secure process that will permit the easy detection of counterfeiting and alterations.
- Titles must include mileage readings and a space for the buyer to disclose the mileage when the car is resold.
- Sellers must disclose the odometer reading when transferring the title. If the title does not have a space for disclosure, the information must be included on a separate odometer statement that is secure and supplied by the state. Eventually, separate odometer statements will be issued only when a new car is sold or if a car was not titled before.
- Dealers, distributors, leasing companies and auto auctions must keep detailed records of titles and the odometer reading at the time of the sale for at least five years after a vehicle is sold.
- Persons leasing vehicles must disclose mileage to the leasing company at the end of the lease period. Leasing companies are required to advise customers of that responsibility.

"Because the titling and disclosure provisions will result in changes in many state motor-vehicle titling laws and forms, we are adopting a flexible position on implementing this rule," Steed said. "The rule will not take effect until April 1989, and we have provided for state-by-state extensions if they are needed."

Greenhaus said the auto industry has supported tougher rules against odometer fraud, but many groups have been concerned about administrative and liability issues associated with the law. He said that from a paperwork point-of-view, the rules are fairly close to current law. Vehicle sellers are currently required to keep odometer records for four years, he said.

Auto auctions and leasing companies may object to the record-keeping requirements, but "the more sophisticated operations probably keep these records anyway," Greenhaus said.

John Fitch, Washington representative for the American Automotive Leasing Association, said his group was concerned that NHTSA would require vehicle titles to be present at the time of the sale. That would have caused real problems for used fleet vehicle sales, he said, adding, "NHTSA obviously listened to our concerns and made substantive changes in the proposed regulations."

Greenhaus also supported NHTSA's decision not to require titles at the sale location, but said NADA still has at least one concern.

Based on preliminary information from NHTSA, Greenhaus said the vehicle seller must still physically write the odometer reading on the title. That could present a problem for car dealers, who often take trade-ins from owners who do not possess the title, Greenhaus said, since those documents are held by a bank or finance company pending final payment on a car loan.

Greenhaus said that situation would mean a seller would have to return to the dealership several days after the sale to make an odometer disclosure.

"I am not sure what we will do about it, although we could ask NHTSA to take a second look at it," he said.

OBITUARIES

George B. Morris Jr.

DETROIT — George B. Morris Jr., 71, a retired General Motors vice president, died Aug. 2. As head of the industrial relations staff, he directed GM's national bargaining group in union negotiations.

Mr. Morris served in GM labor relations posts for 39 years. He joined the then Fisher Body Division in 1941 and moved to the corporate staff in 1948. He was named manager of the labor relations staff in 1966 and became director of that staff in 1968. He was elected industrial relations vice president in 1971 and retired in 1980.

Nathan Simon

EDWARDSVILLE, Pa. — Nathan Simon, former owner of Simon's Motor Sales (Chrysler-Plymouth), Mocanaqua, Pa., died July 17. He opened a Maxwell dealership in 1923 and became a Chrysler dealer in 1924. He retired in 1972.

DOMESTIC DAYS' SUPPLIES

	Aug. 1, 1988	July 1, 1988	Aug. 1, 1987
Alliance	161	73	147
Eagle	—	—	151
Premier	116	107	—
Total Eagle	118	105	148
Horizon	73	107	28
Sundance	53	47	51
Turismo	—	—	111
Reliant	79	59	64
Caravelle	131	79	80
Gran Fury	23	29	39
Total Plymouth	65	64	59
LeBaron K	78	100	63
LeBaron J	50	56	125
LeBaron GTS	105	114	107
Fifth Avenue	95	86	93
New Yorker C	79	73	—
New Yorker E	136	255	160
Total Chrysler	70	72	106
Omni	75	106	29
Shadow	56	48	48
Charger	—	—	101
Daytona	47	52	89
Aries	78	58	65
Lancer	133	148	95
Diplomat	68	61	70
Dynasty	46	42	—
Dodge 600	133	81	79
Total Dodge	64	61	68
CHRYSLER MTRS.	68	67	80
Escort	59	62	71
Mustang	52	48	40
Tempo	53	62	56
Taurus	43	46	68
Thunderbird	97	103	69
Probe	31	32	—
Crown Victoria	47	46	38
Total Ford Div.	54	57	61
Lynx/Tracer	106	110	74
Topaz	49	60	69
Sable	49	50	93
Cougar	71	82	86
Grand Marquis	31	41	45
Total Mercury	57	63	68
Continental	26	18	56
Lincoln	65	64	46
Mark VII	72	75	44
Total Lincoln	60	55	46
Total L-M Division	57	61	63
FORD MOTOR CO.	55	58	62
Skyhawk	98	92	99
Somerset/Skylark	53	64	95
Century	68	77	123
Regal	115	92	57
LeSabre	72	50	77
Reatta	160	98	—
Electra	85	83	94
Riviera	61	58	71
Total Buick	81	74	91
Cimarron	81	128	100
Allante	66	104	185
Seville	66	109	71
DeVille	66	110	104
Brougham	74	122	88
Eldorado	80	141	62
Total Cadillac	70	117	95
Chevette	252	310	81
Nova	116	95	40
Cavalier	46	51	88
Camaro	81	68	69
Celebrity	67	68	91
Corsica/Beretta	33	41	62
Monte Carlo	73	74	120
Caprice	64	58	77
Corvette	70	54	117
Total Chevrolet	54	56	74
Firenza	120	142	125
Calais	60	69	62
Cutlass Ciera	64	76	93
Cutlass Supreme	126	118	56
Olds 88	69	44	67
Olds 98	56	87	80
Toronado	71	64	58
Total Oldsmobile	73	74	75
Fiero	96	77	89
Pontiac 1000	—	—	83
Sunbird	49	40	80
Firebird	70	56	58
Grand Am	45	35	43
Pontiac 6000	61	42	107
Grand Prix	62	76	138
Bonneville H	70	36	—
Paris./Safari	99	87	118
Total Pontiac	58	45	76
GENERAL MTRS.	64	63	78
HONDA	11	16	13
MAZDA	34	16	—
NISSAN	46	48	51
TOYOTA	17	35	68
VOLKSWAGEN	—	140	75
DOM. TOTAL	58	60	71
Subcompact	45	52	—
Compact	47	49	—
Intermediate	63	64	—
Standard	63	60	—
Specialty	67	71	—

Inventories decline for U.S. autos

August stockpile is 7-month low

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

The Aug. 1 stockpile of U.S.-built cars was the leanest in seven months. In spite of slightly lower sales in July, a stronger daily selling rate whittled down domestic inventories.

Last August's domestic inventory was also a seven-month low. This summer, lower stocks can be attributed to plant closings for model changeovers, vacation time and lower calendar-year production numbers.

Inventories of unsold domestic cars totaled 1,406,740 on Aug. 1, representing a 58-day supply. That was 15.42 percent below the previous month's stockpile of 1,663,109 cars, equivalent to a 60-day supply.

Stocks were also 15.15 percent or 251,234 units slimmer than on Aug. 1, 1987 when there were 1,657,974 unsold cars on hand, representing a much heavier 71-day supply.

Four of the seven domestic manufacturers started August with lower days-supply numbers than on July 1.

They shared the Aug. 1 domestic inventory this way: General Motors, 52.38 percent; Ford Motor Co., 28.42 percent; Chrysler Motors, 16.31 percent; Nissan, 1.33 percent; Honda, 0.95 percent; Toyota, 0.31 percent; and Mazda, 0.30 percent.

On July 1, the split was: GM, 51.24 percent; Ford, 29.05 percent; Chrysler, 15.33 percent; Volkswagen, 1.39 percent; Nissan, 1.32 percent; Honda, 1.13 percent; Toyota, 0.44 percent; Mazda, 0.10 percent.

GM's stocks on Aug. 1 dropped 13.53 percent from its July 1 inventory but represented a 64-day supply, up from 63 days on July 1. Chevrolet continued to lack Corsica/Beretta models, and Cadillac reduced its stocks and equivalent days' supply to 70 days versus 117 days a month earlier. However, Buick's Reatta inventory grew and was equivalent to a 160-day supply.

Ford's inventory was 17.24 percent slimmer than on July 1 and was equivalent to a 55-day supply versus 58 days on July 1. In terms of days' supply, Ford's leanest inventories belonged to Lincoln Continental and Ford Probe. Taurus stocks also were down.

Chrysler's stocks were 9.99 percent lower than a month earlier but represented a 68-day supply of cars compared with a 67-day supply a month earlier.

Transplants' inventories were lower. Honda had 28.68 percent fewer U.S.-made cars in stock than it did on July 1, representing 11 days' worth of cars, and Nissan's stocks were reduced by 14.95 percent and were equivalent to a 46-day supply.

Toyota's inventory of U.S.-made cars was 40.01 percent below the previous month's total and was equal to 17-days' worth. Mazda boosted its stocks of MX-6 models by 136.66 percent to a 34-day supply compared with 16 days' worth last month.

ROBERTS

FROM PAGE 3

to build a new 7.3-liter diesel engine for Ford Motor Co. Navistar has a contract to build the engines for Ford through the year 2000.

In addition, Navistar established a holding company structure more than a year ago to pave the way for its diversification away from truck manufacturing and into less cyclical markets, such as the service sector. To date, Navistar has not diversified. However, Roberts' appointment to head truck operations will allow top Navistar executives to pursue diversification opportunities.

Navistar also has been rumored to be examining possible joint ventures in heavy trucks or divestiture of the 7.3-liter diesel engine operations. Reports that Navistar was exploring both options with Ford surfaced in April at the American Truck Dealers convention, yet no deals have been announced.

Roberts' departure leaves GM without a black vice president. Roberts was GM's second black vice president; Otis Smith was the first and served as legal counsel until his retirement in the early 1980s.

Roberts' departure also comes just over a month after his close associate, Elmer W. Johnson, resigned as GM executive vice president.

Johnson had spotted Roberts and asked plant employees about him while on a tour of GM's North Tarrytown, N.Y., plant. Shortly after the tour, in April 1987, Roberts was promoted to vice president, skipping several traditional rungs of the corporate ladder.

In December 1985, Roberts was named plant manager of the Chevrolet-Pontiac-Canada Group's assembly plant in North Tarrytown N.Y., about 20 miles north of New York City. He sent each of the plant's 5,000 employees a Christmas card and attempted to shake hands with every employee.

He is credited with turning around union-management relations at the plant and keeping the plant open by landing the job of manufacturing GM's plastic-bodied all-purpose van, which will be sold through Chevrolet and Pontiac in the 1990 model year.

Roberts and Johnson shared similar philosophies, including compensation based on performance. Both also believe salaried employees should be promoted to jobs for which they are suited, regardless of the traditional corporate ladder.

Roberts, a former GM vice president, joins Navistar today.

Johnson, reportedly frustrated with GM's bureaucracy, returned in June to his Chicago law firm, Kirkland & Ellis, where he had earned a reputation as a legal counselor to companies in crisis. Among the companies Johnson advised was International Harvester Co., which became Navistar when the financially ailing company sold off its agricultural operations in 1984.

Born in Magnolia, Ark., Roberts was one of 10 children. His mother died when he was two years old and his father held down two jobs.

After high school, Roberts got an assembly-line job at Lear Siegler Inc.'s guidance systems plant in Grand Rapids, Mich. He was a member of the UAW.

While he worked at the plant, he commuted 120 miles, three days a week to earn his undergraduate business degree at Western Michigan University in Kalamazoo, Mich.

He joined GM in 1977 as a salaried employee-in-training at the former Diesel Equipment Division in Grand Rapids, where he worked his way up to plant manager. He was transferred to Rochester, N.Y., as Rochester Products' Eastern operations manager and was later named manufacturing manager for aftermarket, diesel, emission and valve train products at Rochester Products.

In addition to his undergraduate degree, Roberts completed the program for management development at Harvard University. He also attended the international advanced general management program in Vevey, Switzerland, in 1985.

In a statement, GM Chairman Roger B. Smith said: "Roy Roberts has been a valued executive and an outstanding contributor in every assignment throughout his GM career. We wish him the best in the new position at Navistar."

No replacement for Roberts has been announced by GM.

Navistar officials said Roberts had been wooed since April with the help of an executive search firm. They declined to reveal his salary but said it is in line with other Navistar executives who, according to proxy statements, earn $300,000 to $400,000 a year in salary. In addition, Roberts will receive a bonus of not more than $400,000 for those benefits he forfeited by leaving GM.

FORECAST

FROM PAGE 1

resulting increases in transaction prices, he said.

However, the way sales are currently running, Luckey doesn't think the production schedules will be adjusted too much during the next couple of months.

GM is getting a little more realistic in its forecasting, he said. In recent years, production forecasts by the auto giant have been blatantly optimistic but have been trimmed back as each quarter progressed.

Ronald Glantz, analyst with Montgomery Securities, San Francisco, said he does not see any significant sales declines on the domestic front, and he estimated that the calendar year car-sales total will be about 10.7 million.

Considering the current production schedules, GM will end the year with about a 70-day supply when 68 is considered to be the norm for year-end, he said.

Ford Motor Co. will be shy of product, Glantz predicted.

Ford's fourth-quarter output forecast of 407,000 U.S.-made cars is 11.74 percent below the 461,143 built in the same period of 1987.

Ford attributes its decrease to the loss of Cougar and Thunderbird production at its Lorain, Ohio, plant, which will not be up to full line speeds in the fourth quarter. Output will be halted this month at Lorain until early October for changeover to all-new models.

Production of Thunderbird and Cougar accounted for almost 73,000 units during last year's fourth quarter.

Chrysler Motors has scheduled fourth-quarter auto output at 268,000, 5.32 percent below the 283,062 built in the same three months last year.

A contributing factor to Chrysler's decrease: The Newark, Del., plant — a previously high-volume plant producing K-cars — will be be on a slow acceleration curve starting in October for the new Plymouth Acclaim and Dodge Spirit.

Honda of America Manufacturing Inc. projects fourth-quarter production at 87,540, 9.12 percent more than the 80,227 built during the same time last year.

MARKET SHARES, JULY 1988

	Total Sales	Pct. of Total
SUBCOMPACT	87,598	10.19
COMPACT	165,512	19.24
INTERMEDIATE	245,150	28.50
STANDARD	99,902	11.62
SPECIALITY	4,384	0.51
IMPORT	257,509	29.94
TOTAL	860,055	100.00

New United Motor Manufacturing Inc. is expected to assemble about 18,200 units during the fourth quarter, down 53.21 percent from the 38,901 built in the comparable period of 1987.

NUMMI's decrease, like Chrysler's and Ford's, is due to model changeover and slow startup. Its Fremont, Calif., plant is slated to close for a couple of weeks in September.

Nissan Motor Manufacturing Co. U.S.A. expects to build 24,584 cars in the fourth quarter, 60.80 percent more than the 15,289 completed during last year's fourth quarter when it was slowly accelerating production after changeover at the Smyrna, Tenn., plant.

Mazda Motor Manufacturing (U.S.A.) Corp. scheduled 60,630 cars to be produced during the fourth quarter compared with 3,800 in 1987. Mazda didn't begin building cars in the United States until last September.

Because of a strong third-quarter production schedule, GM dealers will have more new models in their showrooms for the Sept. 29 launch of the 1989 model year than on any introduction day in recent years.

Automakers revised their third-quarter forecasts slightly. Scheduled output of 1,501,612 U.S. cars is 12.07 percent above the 1,339,859 built in the third quarter of 1987.

GM added about 10,000 units to what it originally projected; Ford added 6,000, and Chrysler cut 5,000 from its forecast.

Pontiac has told dealers that they will have more 1989 models in their hands by launch than at any time since 1979. Buick also has warned dealers to clear out 1988 inventory because 1989 models will be arriving in large numbers as early as mid-August.

Some GM dealers said last week that they were beginning to take delivery on 1989 models, though GM has yet to announce prices on them. GM has told dealers they will receive prices by Aug. 15. Dealers and analysts speculate that GM prices will be about 3 percent higher than 1988 prices.

Automotive News Staff Reporter Michelle Krebs contributed to this report.

RAILROAD

FROM PAGE 1

Automakers, whose just-in-time delivery schedules could be shattered by a widespread rail walkout, are hoping the fires won't be rekindled in the months ahead if the Chicago & North Western wins the manpower cuts it wants and other railroads predictably go for the same prize.

According to an industry source, that may provoke the strikes and threats of strikes that plagued the industry in the late 1950s and 1960s, when railroads began to demand cuts in crew sizes.

Legislation forcing a compromise in the Chicago & North Western dispute could be enacted at the end of the current cooling-off period. Chicago & North Western has, in fact, already agreed to a compromise recommended by a presidential emergency board that would cut crews from four to three workers.

But further legislation in the thorny matter of crew sizes might prove merely a stopgap measure.

A Chicago and North Western spokesman said that current demands for cuts in crew sizes are increasingly warranted because of new technology.

He said the line's demands are "the leading edge" in the industry's thrust to cut manpower.

The signing of the bill last week came a few hours after brakemen walked off the job.

Sources said GM and other manufacturers had contacted the office of House Energy and Commerce Chairman John Dingell, D-Mich., expressing concern about the effects of the threatened walkout.

Most earlier railroad strikes were not prolonged and caused only delays in production, industry spokesmen say.

But in October 1978, just before the resolution of a two-month walkout against Norfork & Western Railway Co., which spread nationwide, Ford Motor Vice Chairman Philip Caldwell told the U.S. secretary of transportation that "decisions have been made to reduce production at 10 assembly plants," which would have resulted in a layoff of 100,000 workers.

GM said at that time that if the strike continued, it would have to shut down most of its assembly plants within several days.

And that was before just-in-time was instituted. Industry sources say that the effect of railroad strikes today — however brief — is uncertain.

Charles Hopkins, chairman of the National Railway Labor Conference, said there have never been any "seriously prolonged railroad strikes" since World War II because the government has always intervened.

A veteran Chrysler Motors spokesman said, "I can't remember the auto industry ever being crippled by a railroad strike."

But Hopkins added, "With just-in-time (inventory), it's a little different world. But I think a railroad would manage a strike situation or work with a shipper in advance."

During the brief Chicago & North Western strike last Thursday, managers manned the trains and service was not disrupted, according to the company spokesman. The walkout began and ended Thursday morning. The fired brakemen were reinstated.

A GM spokesman said that though just-in-time is "highly dependent on the trucking industry," delays caused by railroad strikes could be more serious with the new inventory system.

Ironically, the truckers — who would provide backup during a railroad strike — are also engaged in a cooling-off period, having decided last week to go back to the negotiating table rather than strike. The Teamster car haulers rejected their new contract with national trucking firms.

A spokesman for the Association of American Railroads said, "The just-in-time process has reduced some inbound parts traffic to assembly plants, but a substantial amount of parts is still moved by boxcar."

He said that railroads transport a little over half of finished autos to distribution points, where truckers pick them up and haul them to dealers.

A Ford Motor Co. spokeswoman said that Chicago & North Western transports vehicles from three Ford plants: Chicago (Taurus-Sable); St. Louis (Aerostar); and Kansas City (Tempo, Topaz and light trucks).

In the event of a strike, she said, they would be rerouted to another railroad.

Chicago & North Western also transports parts to GM's Janesville, Wis., plant and carries Chevrolet Cavaliers and Chevrolet and GMC light trucks from the plant. It also carries components part of the way to the Van Nuys, Calif., plant.

The Chicago-based railroad also carries vehicles from Chrysler Motors' Kenosha, Wis., plant (Fifth Avenue, Diplomat, Gran Fury, Omni, Horizon) and Belvidere, Ill., plant (New Yorker, Dynasty).

A Chrysler spokeswoman said the company had made contingency plans in the event of a strike.

Mich. motorsports park shoots for 1989 opening

ASH TOWNSHIP, Mich. — A 300-acre motorsports park could be open for business by the end of 1989 if local approval is given. Plans call for the $11 million facility to be home to a 1.8-mile road course and a dragstrip with seating for 40,000 spectators.

The facility, called Michigan Motorplex, is 26 miles south of Detroit. The dragstrip will be available for sanctioned racing events; the road course is being built only for testing purposes.

The track will be owned by Billy Meyer, president of both Meyer Motorsports and the International Hot Rod Association, who also owns the Texas Motorplex in Ennis, Texas.

SALES

DOMESTIC CAR SALES

	July 21 to July 31, 1988	Same Period, 1987	July 1988	Same Month, 1987	Jan. 1 to July 31, 1988	Same Period, 1987
Alliance	40	996	111	2,196	3,807	16,367
Eagle	0	130	0	280	1,392	2,508
Premier	1,524	0	3,805	0	22,293	0
Total Eagle	1,564	1,126	3,916	2,476	27,492	18,875
Horizon	3,406	813	7,137	2,361	34,943	37,036
Sundance	3,419	3,066	9,047	7,107	52,226	48,019
Turismo	0	458	0	1,169	1,115	13,104
Reliant	2,453	1,848	6,429	5,406	72,126	59,368
Caravelle	191	1,240	542	3,221	10,829	22,851
Gran Fury	672	322	1,454	909	9,038	4,578
Total Plymouth	10,141	7,747	24,609	20,173	180,277	184,956
Laser	0	184	0	679	0	4,308
LeBaron K	649	2,182	1,626	5,551	15,964	35,555
LeBaron J	3,216	4,373	8,470	9,290	65,401	37,460
LeBaron GTS	515	1,145	1,344	2,914	10,140	20,631
Fifth Avenue	485	2,450	1,359	5,424	27,757	26,079
New Yorker C	2,204	0	6,806	0	41,330	0
New Yorker E	20	1,318	95	3,595	14,265	34,329
Total Chrysler	7,089	11,652	19,700	27,453	174,857	158,382
Omni	3,261	608	6,999	1,766	33,898	29,900
Shadow	2,955	2,871	8,090	7,229	55,913	45,831
Charger	0	424	0	1,162	1,022	16,964
Daytona	2,588	1,847	6,877	4,262	47,765	20,791
Aries	1,979	1,941	5,918	5,499	64,211	56,170
Lancer	352	932	888	2,382	6,643	15,805
Diplomat	490	511	1,369	1,278	13,596	6,859
Dynasty	1,868	0	5,255	0	43,152	0
Dodge 600	211	1,206	533	3,327	9,937	21,822
Total Dodge	13,704	10,340	35,929	26,905	276,137	214,142
CHRYSLER MOTORS	32,498	30,865	84,154	77,007	658,763	576,355
Escort	13,107	13,743	33,817	33,438	225,888	225,030
Mustang	4,440	5,424	11,941	14,265	111,371	110,538
Tempo	9,963	8,444	23,780	19,172	170,868	145,277
Taurus	10,323	12,115	30,016	30,475	240,989	205,455
Thunderbird	4,316	5,480	10,575	13,481	79,007	74,404
Probe	3,266	0	7,447	0	26,284	0
Crown Victoria	3,281	4,049	8,596	10,601	72,700	74,918
Total Ford Div.	48,696	49,255	126,172	121,432	927,107	835,622
Lynx/Tracer	2,089	2,546	4,859	6,419	35,915	38,587
Topaz	3,217	2,199	8,314	5,859	52,971	42,130
Sable	4,279	4,470	10,097	9,449	76,990	56,673
Cougar	4,253	4,929	10,076	11,544	69,864	64,386
Marquis	0	0	0	0	0	2,510
Grand Marquis	3,759	4,316	9,383	10,724	70,403	67,580
Total Mercury	17,597	18,460	42,729	43,995	306,143	271,866
Continental	644	488	1,986	1,259	23,550	8,527
Lincoln	3,322	3,443	8,923	9,588	73,311	69,919
Mark VII	598	797	1,520	2,110	12,795	15,559
Total Lincoln	4,564	4,728	12,431	12,957	109,656	94,005
Total L-M Division	22,161	23,188	55,160	56,952	415,799	365,871
FORD MOTOR CO.	70,857	72,443	181,332	178,384	1,342,906	1,201,493
Skyhawk	552	1,370	1,344	3,233	16,918	22,139
Somerset/Skylark	2,573	2,365	5,858	6,104	37,888	42,562
Century	4,258	4,789	9,550	10,938	68,723	85,353
Regal	3,807	2,806	8,686	6,017	71,813	31,725
LeSabre	3,980	6,525	8,521	14,013	87,752	79,926
Reatta	140	0	323	0	1,957	0
Electra	3,033	2,902	6,670	6,796	48,506	43,041
Riviera	167	419	488	997	5,675	12,066
Total Buick	18,510	21,176	41,440	48,098	339,232	316,812
Cimarron	159	454	569	1,128	4,266	7,885
Allante	125	100	371	227	2,163	1,320
Seville	838	466	2,178	1,391	12,789	13,798
DeVille	5,373	4,566	12,696	10,254	90,048	81,418
Brougham	1,743	1,780	3,723	4,138	24,108	29,494
Eldorado	1,505	801	3,210	1,900	17,558	12,265
Total Cadillac	9,743	8,167	22,747	19,038	150,932	146,180
Chevette	6	158	14	427	205	15,982
Nova	2,641	7,334	6,398	19,259	68,404	94,836
Cavalier	10,287	9,296	27,621	22,738	184,476	189,603
Camaro	3,091	4,205	8,041	10,432	61,096	78,571
Celebrity	7,024	7,883	18,126	18,532	156,630	196,684
Corsica/Beretta	12,936	11,517	37,787	27,452	260,301	104,358
Monte Carlo	819	2,349	2,152	5,910	23,715	37,855
Caprice	5,368	6,020	15,163	15,217	105,061	104,335
Corvette	692	888	1,784	2,023	15,328	15,225
Total Chevrolet	42,864	49,650	117,086	121,990	875,216	837,449
Firenza	185	615	434	1,425	7,080	9,795
Calais	3,908	4,243	9,880	9,754	64,712	63,990
Cutlass Ciera	9,117	8,519	21,741	19,163	141,600	147,738
Cutlass Supreme	3,249	3,293	8,811	10,173	63,131	66,433
Olds 88	3,408	7,058	9,545	15,167	104,364	104,463
Olds 98	2,716	2,707	6,524	5,733	44,575	39,987
Toronado	435	630	1,251	1,287	10,149	11,428
Total Oldsmobile	23,018	27,065	58,186	62,702	435,611	443,834
Fiero	777	1,504	1,906	3,689	17,595	30,085
Pontiac 1000	0	77	0	205	154	4,328
Sunbird	2,583	2,774	5,804	6,541	50,904	52,218
Firebird	1,950	2,918	4,388	6,828	38,020	49,326
Grand Am	6,537	9,153	15,461	20,534	143,221	132,196
Pontiac 6000	2,507	3,730	6,227	8,894	61,616	73,110
Grand Prix	3,863	357	9,096	841	53,627	9,900
Bonneville H	2,254	0	5,524	0	70,335	0
Paris./Safari	183	4,125	452	9,068	4,256	61,345
Total Pontiac	20,654	24,638	48,858	56,600	439,728	412,507
GENERAL MOTORS	114,789	130,696	288,317	308,428	2,240,719	2,156,782
HONDA	13,066	11,417	29,125	26,287	214,001	181,098
Civic	5,409	3,795	11,668	9,312	60,013	59,113
Accord	7,657	7,622	17,457	16,975	153,988	121,985
MAZDA	2,052	0	3,023	0	17,028	0
NISSAN	5,373	6,314	10,161	10,957	60,118	75,747
TOYOTA	3,860	1,750	6,434	3,289	34,005	21,571
*VOLKSWAGEN	0	4,170	0	6,683	24,939	40,514
DOMESTIC TOTAL	242,495	257,655	602,546	611,035	4,592,479	4,253,560
IMPORT TOTAL			257,509	304,463	1,816,681	1,781,699
INDUSTRY TOTAL			860,055	915,498	6,409,160	6,035,259

*—U.S.-built Volkswagen models sold after June 30, 1988, are included in import totals.

July new-car deliveries down 6%

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Sweltering heat and reduced manufacturers' incentives took the edge off July's new-car sales.

July deliveries dropped 6.06 percent, although the daily selling rate was stronger than last year's. The selling rate averaged 24,102 units a day this year compared with 23,501 in July 1987 when there was one less selling day.

Combined sales of U.S.-built and imported cars in July were 860,055 compared with last July's 915,498.

Although four of the seven domestic automakers reported gains in July, domestic-car sales dipped 1.39 percent, or 8,489 units, to 602,546 from 611,035 in 1987. However, last July was bolstered by plenty of factory incentives.

Import-car sales last month dropped 15.42 percent to 257,509 from 304,463 a year ago. Big losers included Audi, BMW, Saab, Hyundai and Yugo.

The Big 3 U.S.-based automakers increased their share of the U.S. car market in July. With their captives, they took 67.98 percent of total car sales compared with 65.61 percent in July 1987.

General Motors' share including captives dipped to 35.18 percent this year from 35.67 percent last July. Ford Motor Co. boosted its share to 21.99 percent from 19.96 percent. Chrysler Motors' share with captives rose to 10.81 percent vs. 9.98 percent in 1987.

Foreign carmakers took 32.09 percent compared to 34.39 percent in July 1987. Japanese carmakers held 24.50 percent of the market last month vs. 23.19 percent in July 1987. The Europeans' share dropped to 5.41 percent from 7.87 percent, and the Korean share declined to 2.11 percent from 3.33.

Transplants Honda and Toyota, along with Ford Motor Co. and Chrysler Motors, reported gains for the month in domestic-car sales.

Ford's domestic sales stepped up 1.65 percent in July. Chrysler sold 9.28 percent more domestic cars than it did a year ago.

GM's domestic-car sales fell 6.52 percent from last year.

Honda's sales of U.S.-built cars rose 10.80 percent over July 1987, and Toyota's U.S.-built-car sales were nearly twice as high. In spite of increased incentives, Nissan's sales of U.S.-built cars were off 7.26 percent. Mazda, which was not producing cars here last year, sold 3,023 MX-6 models built at its Flat Rock, Mich., plant.

Volkswagen stopped reporting sales of domestic cars last month when it closed its U.S. plant.

Toyota and Honda fared the best with their imports. Toyota was up 11.73 percent and Honda Acura deliveries rose 14.45 percent.

The European car companies were the hardest hit in year-to-year sales comparisons. Audi's sales slid 63.88 percent. Saab sales fell 26.04 percent, but Volvo's were down only 1.55 percent for the month compared to last July.

Hyundai sold 40.40 percent fewer Excels in July this year.

Domestic-car sales for July 21-30 dropped 5.88 percent.

IMPORTED CAR SALES

	July 1988	July 1987	7 Mos., 1988	7 Mos., 1987
Acura	11,064	9,667	72,367	59,838
Alfa Romeo	339	630	3,047	4,052
Audi	1,648	4,562	13,381	29,449
BMW	5,913	7,871	40,699	50,858
Chevrolet	10,493	12,326	74,840	72,488
Chrysler	1,001	1,036	6,680	7,323
Daihatsu	1,120	0	6,393	0
Dodge	3,889	6,237	32,821	34,815
Ford	5,854	2,412	41,123	5,357
Eagle	459	1,368	9,027	6,938
Honda	23,978	27,342	145,240	159,399
Hyundai	18,160	30,472	166,653	157,528
Isuzu	2,590	5,154	14,185	21,305
Jaguar	1,539	2,040	11,436	12,064
Maserati	50	70	560	588
Mazda	19,078	20,036	135,224	109,609
Mercedes-Benz	6,880	7,109	50,946	52,520
Mercury	1,978	1,922	8,382	7,055
Mitsubishi	5,840	6,984	40,882	41,131
Nissan	27,246	34,847	215,682	246,131
Peugeot	534	853	4,016	5,293
Plymouth	3,451	5,673	29,663	31,447
Pontiac	3,727	5,849	36,161	9,303
Porsche	1,336	2,052	10,143	14,875
Saab	3,516	4,754	22,857	26,841
Sterling	705	1,510	5,652	7,891
Subaru	11,471	14,436	87,195	91,950
Toyota	59,602	53,345	343,080	296,062
*Volkswagen	11,831	20,961	109,964	117,647
Volvo	8,769	8,907	58,390	70,871
Yugo	3,448	4,038	19,992	31,071
TOTAL	257,509	304,463	1,816,681	1,781,699

*—Volkswagen totals include U.S.-built models sold after June 30, 1988.

Sales charts compiled by Karen Detkowski

U.S. CAR SALES BY MARKETING UNITS

	July 1988	Percent Share	July 1987	Percent Share	7 Mos., 1988	Percent Share	7 Mos., 1987	Percent Share
Alfa Romeo	339	0.04	630	0.07	3,047	0.05	4,052	0.07
American Honda	64,167	7.46	63,296	6.91	431,608	6.73	400,335	6.63
BMW	5,913	0.69	7,871	0.86	40,699	0.64	50,858	0.84
Buick	41,440	4.82	48,098	5.25	339,232	5.29	316,812	5.25
Cadillac	22,747	2.64	19,038	2.08	150,932	2.35	146,180	2.42
Chevrolet	127,579	14.83	134,316	14.67	950,056	14.82	909,937	15.08
Chrysler	20,701	2.41	28,489	3.11	181,537	2.83	165,705	2.75
Daihatsu	1,120	0.13	0	0.00	6,393	0.10	0	0.00
Dodge	39,818	4.63	33,142	3.62	308,958	4.82	248,957	4.13
Eagle	4,375	0.51	3,844	0.42	36,819	0.57	25,813	0.43
Ford	132,026	15.35	123,844	13.53	968,230	15.11	840,979	13.93
Hyundai	18,160	2.11	30,472	3.33	166,653	2.60	157,528	2.61
Isuzu	2,590	0.30	5,154	0.56	14,185	0.22	21,305	0.35
Jaguar	1,539	0.18	2,040	0.22	11,436	0.18	12,064	0.20
Lincoln	12,431	1.45	12,957	1.42	109,656	1.71	94,005	1.56
Maserati	50	0.01	70	0.01	560	0.01	588	0.01
Mazda	22,101	2.57	20,036	2.19	152,252	2.38	109,609	1.82
Mercedes	6,880	0.80	7,109	0.78	50,946	0.79	52,520	0.87
Mercury	44,707	5.20	45,917	5.02	314,525	4.91	278,921	4.62
Mitsubishi	5,840	0.68	6,984	0.76	40,882	0.64	41,131	0.68
Nissan	37,407	4.35	45,804	5.00	275,800	4.30	321,878	5.33
Oldsmobile	58,186	6.77	62,702	6.85	435,611	6.80	443,834	7.35
Peugeot	534	0.06	853	0.09	4,016	0.06	5,293	0.09
Plymouth	28,060	3.26	25,846	2.82	209,940	3.28	216,403	3.59
Pontiac	52,585	6.11	62,449	6.82	475,889	7.43	421,810	6.99
Porsche	1,336	0.16	2,052	0.22	10,143	0.16	14,875	0.25
Saab	3,516	0.41	4,754	0.52	22,857	0.36	26,841	0.44
Sterling	705	0.08	1,510	0.16	5,652	0.09	7,891	0.13
Subaru	11,471	1.33	14,436	1.58	87,195	1.36	91,950	1.52
Toyota	66,036	7.68	56,634	6.19	377,085	5.88	317,633	5.26
Volvo	8,769	1.02	8,907	0.97	58,390	0.91	70,871	1.17
VWoA	13,479	1.57	32,206	3.52	148,284	2.31	187,610	3.11
Yugo	3,448	0.40	4,038	0.44	19,992	0.31	31,071	0.51
TOTAL	860,055	100.00	915,498	100.00	6,409,160	100.00	6,035,259	100.00
TOTAL GM	302,537	35.18	326,603	35.67	2,351,720	36.68	2,238,573	37.10
TOTAL FORD	189,164	21.99	182,718	19.96	1,392,411	21.73	1,213,905	20.11
TOTAL CHRYSLER	92,954	10.81	91,321	9.98	736,954	11.50	656,878	10.88
TOTAL JAPANESE	210,732	24.50	212,344	23.19	1,385,400	21.62	1,303,841	21.60
TOTAL EUROPEAN	46,508	5.41	72,040	7.87	376,022	5.87	464,534	7.70
TOTAL KOREAN	18,160	2.11	30,472	3.33	166,653	2.60	157,528	2.61

Big 3 totals include their captive imports.
Percent share may contain error of one or two points due to rounding.

PRODUCTION

July output dives during changeover

By Kathy Barbaglia
AUTOMOTIVE NEWS STAFF REPORTER

U.S. production of cars and trucks for July dipped considerably from June's output due to downtime at several plants for model changeover and vacation.

July's auto production of 367,431 was 49.66 percent below the preceding month's 729,941 but 3.50 percent more than the year-ago month's 355,015, which was also affected by plant closings for changeover and vacation.

Last week's targeted car output totaled 77,900, 7.39 percent more than the previous week's 72,541 and 11.19 percent more than the year-ago week's 70,060.

Companies split last week's estimated output as follows: Ford Motor Co., 36.97 percent; General Motors, 32.16 percent; Honda of America Manufacturing Inc., 9.86 percent; Chrysler Motors, 7.57 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 5.59 percent; New United Motor Manufacturing Inc., 4.17 percent; and Nissan Motor Manufacturing Co. U.S.A., 3.68 percent.

Truck output for July totaled 239,863 units, 36.06 percent below June's 375,164 and 12.98 percent below last year's 275,655.

The following GM plants remain idle for changeover: Orion Township, Mich.; Detroit-Hamtramck; Doraville, Ga.; Van Nuys, Calif.; Bowling Green, Ky.; and Framingham, Mass.

These GM plants resumed output today after being closed for model changeover: Lordstown, Ohio; Lansing, Mich., (Reatta Craft Center); and Fairfax, Kan.

GM's Flint, Mich., truck plant remains closed until Aug. 15 for changeover. Ford's Lorain, Ohio, car plant shut down today for model changeover. It will be down until early October.

Chrysler's Sterling Heights, Mich., plant closed today for model changeover. It will reopen the week of Aug. 15.

Canada feels the pinch, too

July's car production in Canada totaled 35,923, down 68.38 percent from June's 113,621, due to the large number of plants closed for model changeover and vacation. Last month's car output dipped slightly (0.67 percent) from the year-ago month's 36,165.

Last week's scheduled car output of 9,148 dipped 4.48 percent from the prior week's 9,577 but was far above the year-ago week's 1,387, which was also affected by changeover and vacation.

Truck production for July of 34,647 fell 60.67 percent from June's 88,082 and 4.79 percent from the year-ago month's 36,389.

Estimated truck output of 11,141 units last week was 29.95 percent more than the previous week's 8,573 but was slightly below (0.34 percent) the year-ago week's 11,179.

General Motors' Scarborough, Ontario, and Ste. Therese, Quebec, plants remain idle for changeover.

Volvo's plant in Halifax, Nova Scotia, shut down last week for vacation. It will reopen Aug. 22.

U.S. CAR	Week Ended Aug. 6, 1988	Week Ended Aug. 8, 1987	Week Ended July 30, 1988	July Total	Jan. 1 to Aug. 6, 1988	Jan. 1 to Aug. 8, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	0	0	0	3,431	53,869	32,997
Sundance	2,300	985	0	8,482	64,895	57,378
Reliant	0	2,917	2,039	8,427	56,260	66,864
Caravelle	0	573	0	94	9,087	30,519
Gran Fury	0	495	0	672	16,047	3,913
Total Plymouth	2,300	4,970	2,039	21,106	199,178	191,691
LeBaron K	0	1,017	0	0	7,912	44,868
LeBaron J	0	0	1,127	5,222	45,703	70,194
LeBaron GTS	200	480	0	853	5,916	24,229
N. Yorker E-Class	0	1,550	0	0	0	48,093
N. Yorker C-Class	500	0	0	2,639	63,733	0
Fifth Avenue	0	1,436	0	552	15,794	32,502
Total Chrysler	700	4,483	1,127	9,266	139,058	219,886
Omni	0	0	0	3,060	52,602	28,363
Daytona	0	0	1,143	5,199	44,964	33,909
Shadow	2,000	1,064	0	7,255	63,656	58,833
Aries	0	2,526	1,645	7,380	54,570	63,472
Dodge 600	0	510	0	0	8,549	27,322
Dynasty	800	0	0	2,267	60,166	0
Lancer	100	277	0	532	5,728	15,301
Diplomat	0	342	0	722	12,368	6,812
Total Dodge	2,900	4,721	2,788	26,415	302,603	234,012
CHRYSLER MOTORS	5,900	14,174	5,954	56,787	640,839	661,583
Escort	8,897	7,075	9,598	21,288	229,652	227,769
Mustang	3,301	2,470	4,910	9,889	121,944	129,069
Tempo	3,606	0	3,931	8,421	114,099	99,830
Taurus	6,373	7,515	7,682	18,457	235,950	255,544
Thunderbird	0	0	2,841	6,691	90,246	98,167
Total Ford Div.	22,177	17,060	28,962	64,746	791,891	810,379
Lynx	0	2	0	0	0	21,352
Topaz	1,516	0	1,625	3,513	42,975	32,858
Cougar	0	0	2,751	6,557	69,686	87,655
Sable	2,041	2,369	2,348	5,743	80,804	81,673
Total Mercury	3,557	2,371	6,724	15,813	193,465	223,538
Continental	1,022	0	795	1,312	25,961	9,610
Mark VII	516	613	395	656	14,123	16,045
Lincoln	1,524	3,065	1,192	2,082	78,950	80,818
Total Lincoln	3,062	3,678	2,382	4,050	119,034	106,473
Total L-M Division	6,619	6,049	9,106	19,863	312,499	330,011
FORD MOTOR CO.	28,796	23,109	38,068	84,609	1,104,390	1,140,390
Skyhawk	4	0	0	248	9,955	16,451
Skylark/Somerset	0	0	0	2,403	28,172	37,072
Century	0	1,694	0	4,892	64,323	103,225
Regal (rwd)	0	0	0	0	0	29,200
Riviera	0	0	0	65	3,642	8,501
Electra	745	943	0	5,396	52,044	53,545
LeSabre (fwd)	1,452	0	2,557	10,269	76,551	80,693
LeSabre (rwd)	145	130	129	677	6,269	5,831
Reatta	0	0	197	746	5,455	0
Total Buick	2,346	2,767	2,883	24,696	246,411	334,518
Cimmaron	0	0	0	0	3,693	7,496
Eldorado	0	0	0	525	23,410	12,720
Seville	0	0	0	347	14,488	10,534
Brougham (rwd)	405	1,221	210	1,339	18,728	40,586
Deville (fwd)	0	0	0	4,697	97,287	90,573
Allante	0	146	0	0	1,135	2,962
Total Cadillac	405	1,367	210	6,908	158,741	164,871
Cavalier	1,896	0	3,708	24,731	213,628	204,851
Camaro	0	2,308	0	7,907	54,287	72,598
Celebrity	1,125	0	409	8,107	107,562	192,484
Corsica/Beretta	8,660	7,827	0	18,618	240,637	166,839
Monte Carlo	0	0	0	0	0	42,027
Caprice	4,340	2,603	2,640	16,436	125,488	118,609
Corvette	360	0	418	1,761	13,106	18,083
Total Chevrolet	16,381	12,738	7,175	77,560	754,708	835,491
Calais	0	0	0	4,526	65,250	69,547
Firenza	0	0	0	0	5,230	2,258
Cutlass Ciera	0	0	0	4,171	13,551	99,968
Cutlass Supreme	0	0	0	8,225	90,480	45,538
Toronado	0	0	0	204	10,209	10,127
88 (fwd)	2,250	1,001	0	6,551	92,274	109,014
88 (rwd)	255	0	132	501	7,425	10,656
Olds 98	656	364	0	2,256	45,761	38,476
Total Oldsmobile	3,161	1,365	132	26,434	330,200	394,178
Sunbird	0	0	1,578	6,944	62,824	60,295
Grand Am	840	0	0	9,837	139,172	149,576
Firebird	0	962	0	3,756	37,613	49,860
Grand Prix	0	0	0	5,666	71,916	0
Pontiac 6000	670	0	236	2,427	43,608	48,689
Bonneville	656	0	0	5,001	64,659	79,948
Safari/Parisienne	105	174	0	320	4,904	6,130
Fiero	488	0	492	1,487	12,589	20,689
Total Pontiac	2,759	1,136	2,306	35,438	437,285	415,185
GENERAL MOTORS	25,052	19,373	12,706	171,036	1,927,345	2,144,243
HONDA	7,680	6,838	7,290	23,227	218,808	202,810
Civic	2,683	2,217	2,424	7,520	61,537	66,960
Accord	4,997	4,619	4,866	15,707	157,271	135,850
MAZDA†	4,352	0	2,480	12,826	64,047	0
NISSAN	2,870	2,551	2,858	5,697	61,863	79,997
NUMMI	3,250	4,017	3,185	9,737	94,913	120,778
Corolla	1,200	884	1,143	3,498	34,776	25,258
Nova	2,050	3,133	2,042	6,239	60,137	95,520
VOLKSWAGEN	0	0	0	3,512	35,595	43,129
Golf/GTI	0	0	0	3,512	30,042	34,775
Jetta	0	0	0	0	5,553	8,354
Total Cars, U.S.	77,900	70,060	72,541	367,431	4,147,800	4,392,930
Total Cars, Canada	9,148	1,387	9,577	35,923	661,982	470,628
U.S., Canada Cars	87,048	71,447	82,118	403,354	4,809,782	4,863,558
U.S., Canada Cars and Trucks	164,509	152,557	162,925	677,864	7,825,089	7,647,266

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended Aug. 6, 1988	Week Ended Aug. 8, 1987	Week Ended July 30, 1988	July Total	Jan. 1 to Aug. 6, 1988	Jan. 1 to Aug. 8, 1987
Eagle	0	—	0	0	0	—
Premier	0	—	0	3,135	38,984	—
CHRYSLER MOTORS	0	107	0	3,135	38,984	3,303
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	2,608	—	3,607	3,618	108,232	—
Topaz	1,304	—	1,272	1,278	39,026	—
Crown Victoria	1,883	—	1,666	3,660	77,500	—
Grand Marquis	1,977	—	1,703	3,864	77,744	—
FORD MOTOR CO.	7,772	877	8,248	12,420	302,502	290,056
Celebrity	60	—	0	1,234	13,031	—
Cutlass Ciera	296	—	0	7,450	155,390	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	797	29,675	—
Regal	0	—	1	7,148	94,639	—
GENERAL MOTORS	296	51	1	16,539	292,735	164,020
Civic	1,080	—	1,129	3,076	21,545	—
Accord	0	—	0	0	1,828	—
HONDA	1,080	352	1,129	3,076	23,373	6,832
VOLVO	0	0	199	753	4,388	6,417
Total Cars, Canada	9,148	1,387	9,577	35,923	661,982	470,628

U.S. TRUCK☆	Week Ended Aug. 6, 1988	Week Ended Aug. 8, 1987	Week Ended July 30, 1988	July Total	Jan. 1 to Aug. 6, 1988	Jan. 1 to Aug. 3, 1987
Caravan	1,500	—	1,594	4,476	56,273	—
Dakota	1,000	—	581	2,693	63,234	—
Mini-Ram Van	100	—	150	613	8,839	—
Pickups	1,000	—	597	2,662	41,716	—
Total Dodge	3,600	6,493	2,922	10,444	170,062	149,320
Cherokee	0	—	0	11,187	105,621	—
Commanche	0	—	0	2,755	27,001	—
Grand Wagoneer	0	—	0	355	8,215	—
Pickups	0	—	0	0	0	—
Wagoneer	0	—	0	172	6,232	—
Total Jeep	0	4,300	0	14,469	147,069	132,387
Voyager	1,500	—	1,625	4,662	52,244	—
Total Plymouth	1,500	—	1,625	4,662	52,997	—
CHRYSLER MOTORS	5,100	10,793	4,547	29,575	377,392	281,707
Aerostar	4,030	—	3,216	4,756	117,919	—
Bronco	175	—	1,013	2,502	34,829	—
Bronco II	2,909	—	2,523	4,150	76,421	—
Econoline	4,360	—	2,780	7,574	140,988	—
Heavy trucks	1,466	—	1,694	4,574	39,731	—
Light trucks	8,296	—	10,379	22,652	295,685	—
Ranger	7,214	—	7,735	14,329	211,415	—
Total Ford Div.	28,450	27,320	29,340	60,537	916,988	894,955
FORD MOTOR CO.	28,450	27,320	29,340	60,537	916,988	894,955
Astro	3,059	—	3,373	14,943	106,646	—
Blazer	0	—	415	2,114	16,593	—
Mediums/Heavies	395	—	287	1,256	10,967	—
P-Model	0	—	905	3,825	24,261	—
Pickups	6,869	—	6,839	27,173	208,130	—
S-10	5,375	—	5,461	24,629	180,888	—
S-10 Blazer	3,289	—	3,219	13,291	103,059	—
Sportsvan/Van	1,855	—	2,444	8,925	56,370	—
Suburban	0	—	1,302	6,071	44,569	—
Total Chevrolet	20,842	18,626	24,245	102,227	751,483	705,049
Jimmy	0	—	227	604	4,822	—
Mediums/Heavies	705	—	889	3,171	24,321	—
P-Model	0	—	130	236	3,309	—
Pickups	2,011	—	2,388	8,825	64,672	—
S-15	1,067	—	1,530	5,294	41,109	—
S-15 Jimmy	865	—	992	3,559	26,905	—
Safari	765	—	828	3,727	27,114	—
Suburban	0	—	601	2,067	19,689	—
Vandura/Rally Vans	525	—	589	2,381	21,677	—
Total GMC	5,938	6,736	8,174	29,864	233,618	238,175
GENERAL MOTORS	26,780	25,362	32,419	132,091	985,101	943,224
NAVISTAR	1,850	1,643	1,835	3,465	50,964	43,358
NISSAN	1,390	2,063	1,343	2,645	59,862	50,030
AM GENERAL*	450	450	450	1,890	13,860	8,460
MISCELLANEOUS*	2,300	2,300	2,300	9,660	70,840	71,000
Total Trucks, U.S.	66,320	69,931	72,234	239,863	2,475,007	2,292,734

CANADIAN TRUCK	Week Ended Aug. 6, 1988	Week Ended Aug. 8, 1987	Week Ended July 30, 1988	July Total	Jan. 1 to Aug. 6, 1988	Jan. 1 to Aug. 8, 1987
Caravan	2,845	—	1,344	4,273	83,669	—
Mini-Ram Van	170	—	69	323	8,092	—
Ram Wagon	530	—	342	699	14,276	—
Ram Van	1,465	—	1,465	3,110	38,174	—
Total Dodge	5,010	5,816	3,220	8,405	144,211	244,248
Voyager	2,105	—	1,050	3,759	75,488	—
Total Plymouth	2,105	—	1,050	3,759	75,488	—
Wrangler	927	—	789	1,630	28,617	—
Total Jeep	927	776	789	1,630	28,617	19,616
CHRYSLER MOTORS	8,042	6,592	5,059	13,794	248,316	263,864
FORD MTR. (lt. trks.)	2,888	2,732	3,292	3,283	97,688	89,638
Light trucks	0	—	0	9,406	88,669	—
Vans	0	—	0	2,401	35,105	—
Total Chevrolet	0	—	0	11,807	123,774	—
Light trucks	0	—	0	3,939	45,386	—
Vans	0	—	0	1,340	18,604	—
Total GMC	0	—	0	5,279	63,990	—
GENERAL MOTORS	0	1,675	0	17,086	187,764	131,974
NAVISTAR	211	180	222	484	6,531	5,498
Total Trks., Canada	11,141	11,179	8,573	34,647	540,300	490,974
U.S., Canada Trks.	77,461	81,110	80,807	274,510	3,015,307	2,783,708

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News

August 15, 1988

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Ethylene a study in pricing

Cost up 120%; suppliers periled

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

Skyrocketing raw material prices and auto industry procrastination on passing through increased costs have many suppliers caught in a vise that's squeezing the life out of their businesses.

The situation is particularly severe among suppliers of ethylene, a petroleum-based chemical building block, now in short supply, used for seat foam, headliners and other interior trim items.

Facing a 120 percent cost increase, many smaller ethylene suppliers are risking their businesses by supplying an industry whose purchasing practices often delay pass-along price increases up to a year.

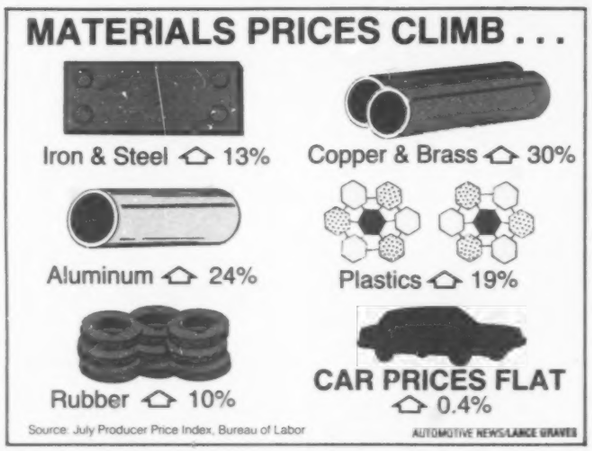
"The system doesn't allow for price increases that quickly. The margin is so low on the product, as with all products in the auto business, that no one can afford the increases," said one supplier source.

These suppliers say their own supplies of raw materials are jeopardized when they are unable to pay for continuous shipments.

But not only has ethylene's cost more than doubled, there is no shortage of customers. If the auto industry doesn't pass on the increased costs in a timely manner — that is, soon after prices are hiked — the suppliers of ethylene-based raw materials say the industry's ethylene supply will be diverted to non-automotive customers who can pay on time.

"We don't sell directly to the auto companies . . . but I have heard that the auto companies are reluctant to accept pass-through

see ETHYLENE, page 55


MATERIALS PRICES CLIMB . . .
Iron & Steel ⌃ 13%
Copper & Brass ⌃ 30%
Aluminum ⌃ 24%
Plastics ⌃ 19%
Rubber ⌃ 10%
CAR PRICES FLAT ⌃ 0.4%
Source: July Producer Price Index, Bureau of Labor
AUTOMOTIVE NEWS/LANCE GRAVES

Inflation fever on rise

Materials costs plague makers, suppliers

By Michelle Krebs
AUTOMOTIVE NEW STAFF REPORTER

DETROIT — Inflation, after five years of dormancy, is rearing its ugly head, causing auto manufacturers and suppliers great consternation.

Sharply higher prices for raw materials used in making vehicles and components are part of the reason for higher prices on 1989-model vehicles. But already taking a beating on the front line are the supplier companies that have been unable to pass along raw materials costs to the Big 3.

Big 3 sticker prices for 1989 are expected to increase about 3 percent, although new-car transaction prices recorded by the U.S. Bureau of Labor show car prices have stayed flat through the last 12 months.

Automotive executives will cite higher materials costs, along with increased labor costs and government-mandated safety features, to justify their car price increases to federal government officials, who are intensely concerned with a resurgence of inflation. Federal officials occasionally meet with auto executives to discuss car prices.

The Federal Reserve Board became so concerned with inflation that last week it unexpectedly raised its discount rate — the rate at which it loans money to financial institutions — to 6.5 percent, from 6.0 percent, in an effort to head inflation off at the pass. The higher discount rate will force up bank lending rates and will slow economic growth that fuels inflation, the board hopes.

Despite the model-year price increases, carmakers say they cannot raise prices enough to fully recover higher materials costs because of intense competition.

Chrysler Motors and General Motors have told auto analysts that they will be able to recover only 50 percent of the increase in costs, some analysts doubt they can recover even that much and predict the actual figure may be closer to 40 percent.

Analysts say the same pressure exists for the Japanese companies with plants in North America. However, they continue to produce cars at lower cost than the Big 3.

see INFLATION, page 55

Chrysler plant in Detroit may build 'Liberty'

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER
Copyright, 1988, Automotive News

HIGHLAND PARK, Mich. — Chrysler Motors is considering building at its new Jefferson Avenue assembly plant in Detroit a series of large cars for the 1990s designed by the company's closely guarded Liberty Project.

Chrysler has not given final approval to the plan, but Chrysler sources said the company is considering building the vehicles, code-named LH, at the planned $1 billion plant under construction in Detroit.

Chrysler has characterized the Liberty Project as a think-tank to develop new concepts in design, manufacturing and technology — but no particular car model.

Liberty has, however, been instrumental in generating the LH series — the first car family Chrysler has developed from a platform other than the K since 1980. It will include a sedan, coupe and luxury version. As Liberty passes along the LH project to development engineers, it will take on other future products.

"The cars are closer in size to the C-bodies (Chrysler New Yorker/Dodge Dynasty) than the A-bodies (Dodge Spirit/Plymouth Acclaim)," said a company source about the LH series. "Think of them as a better H-body (Chrysler LeBaron GTS/Dodge Lancer).

"They are more than a family sedan and less than a Euro sedan," said the source.

However, the source added that it is possible the European influence may be strengthened by Chrysler Motors' new president of operations, Robert A. Lutz, who served with BMW and Ford in Europe before coming to Chrysler.

The schedule calls for the sedan to debut in the 1993 model year, the coupe in 1994 and the luxury version in 1995. However, a company source said efforts are under way to move the timetable for each up one year.

Chrysler in December said that construction of the new Jefferson Avenue assembly plant was being delayed. Production is now scheduled to begin in 1991, a year later than initially anticipated.

Chrysler throughout the 1980s has relied on K-car platform derivatives for its car lineup. The strategy helped carry the company away from the brink of bankruptcy but it has also given rise to criticism, particularly in the motoring press, because of the platform's old design.

Lutz said in March that hybrid variations of the K-platform will continue well into the 1990s. At that time, he described the new platform under development as "a net additional, much larger, much more substantial platform."

By the time the new series debuts, Chrysler will have available its own 3.3-liter V-6 engine, which goes into production in Trenton, Mich., in 1989 for the 1990 model year. A company source said a 3.8-liter V-6 will be added for the 1991 model year.

Chrysler will also have available by the 1991 model year a turbocharged version of the V-6 engine that is imported from Mitsubishi, a

see LIBERTY, page 58

AL HOLBERT

Racer-dealer hunts new winning formula on track and for VW, Porsche, Audi

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WARRINGTON, Pa. — Al Holbert is used to winning.

With 49 victories, he is the winningest driver in the U.S. IMSA series.

He's competed in the grueling 24 Hours of LeMans and won three times.

Cars prepared under his direction as head of the Porsche factory's North American racing effort have dominated their classes.

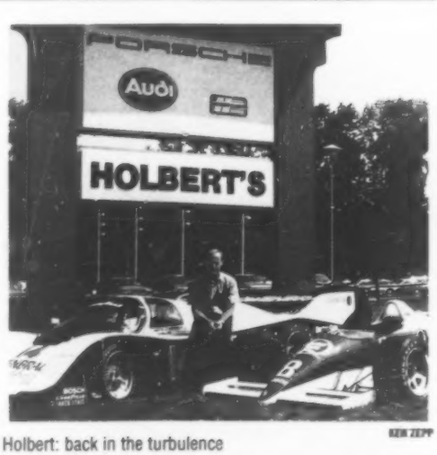
As dealer, he holds franchises for what have been some of the hottest import makes around — Porsche, Audi and Volkswagen.

But times have changed.

In racing parlance, he is back in the turbulence, while others are breezing to victory.

He is grappling with the sliding retail fortunes of Porsche, Audi and VW while new makes like Hyundai and Acura have taken away both entry-level and prestige

see HOLBERT, page 56



KEN ZEPP
Holbert: back in the turbulence

GM hike of 2.9% tops Chrysler's 2.3

By Michelle Krebs and Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTERS

DETROIT — General Motors said Friday that prices of its 1989 cars will increase an average of 2.9 percent over prices of comparably equipped 1988 models.

Automotive News estimates the 2.9 percent increase amounts to about $450 a car.

The announcement came one week after Chrysler Motors tentatively raised 1989 car prices 2.3 percent on a comparably equipped basis and 3.9 percent on a base-to-base basis.

GM, however, did not provide an average increase comparing base price to base price. Such comparisons generally are significantly higher than on a comparably equipped basis.

GM President Robert C. Stempel said in a state-

see PRICES, page 58

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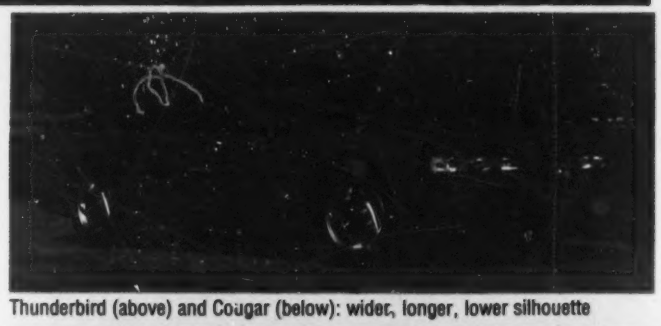
e rejects effort tle Audi suit Page 2
Mexico begins output of Golfs for U.S. Page 4
UAW postpones controversial vote Page 6

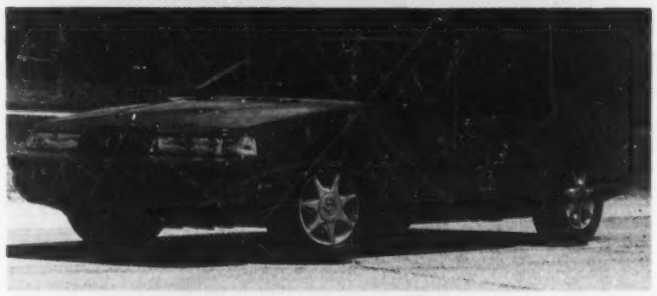
BEST COPY AVAILABLE

Thunderbird, Cougar get full redesign

Aero look carried bit farther for '89



Thunderbird (above) and Cougar (below): wider, longer, lower silhouette



THUNDERBIRD/COUGAR FOR 1989

	Wheelbase (inches)	Length (inches)	Width (inches)	Height (inches)	Curb Weight (Pounds)
Thunderbird	113.0	198.7	72.7	52.7	3,542
Cougar	113.0	198.7	72.7	52.7	3,553

The 1989 Ford Thunderbird and Mercury Cougar are new from the ground up.

Ford's and Mercury's luxury sport coupes carry sleek new aerodynamic lines, giving both cars a considerably wider, longer and lower silhouette. But the stylists' lines play tricks with the eye: Though the wheelbase on both models is boosted nearly three-quarters of a foot, to 113.0 inches, Thunderbird's overall length is shaved 3.2 inches, and Cougar's nearly 2. And the cars' roofline is merely an inch closer to the road.

The hot news for performance buffs is the long-awaited supercharged, intercooled V-6. The 3.8-liter engine is standard on Cougar's XR-7 and a new T-bird model, the Super Coupe.

Under the skin, all 1989 Thunderbirds and Cougars share a new rear-wheel-drive platform incorporating advances in chassis dynamics, the automaker says. The changes include separate front and rear subframes, a new short- and long-arm front suspension and a new independent rear suspension.

The new exterior design allows for greater interior space: Rear hip room, for example, is 7.1 inches wider than the 1988 Thunderbird coupe, and rear shoulder space is up nearly 4 inches.

Both cars are scheduled to bow after Christmas.

THUNDERBIRD: T-bird's sleek new styling is even more aerodynamic than its 1983 design, which laid the groundwork for Ford's well accepted "aero look." Wind-cheating features include a faster windshield angle, a lower nose and lower profile aero headlamps.

Compared with the 1988 coupe, front/rear overhang was sliced more than a foot while length was clipped 3.4 inches. Front and rear tread width have grown 3.3 inches and 1.7 inches, respectively.

T-bird's Super Coupe replaces last year's Turbo Coupe. The car's new supercharged, intercooled 3.8-liter V-6 produces 210 horsepower at 4,000 rpms and 315 pounds-feet of torque at 2,600 rpm. Ford says the V-6 design provides smoother performance and that the belt-driven supercharger eliminates turbo lag.

The Super Coupe has four-wheel disc brakes, anti-lock brake system, a suspension directed by computer for automatic ride control, electronic speed-sensitive power steering, and P225/60VR performance tires on 16x7-inch aluminum wheels.

The 1989 Thunderbird also is offered in standard and LX versions. The standard model's equipment list has been lengthened: Reclining bucket seats, new analog instrumentation, full-length console, power windows and larger 15-inch wheels are on each model.

Air conditioning remains standard on all models, and, for the first time, anti-lock brakes are offered across the line. Ford's 3.8-liter V-6 is standard on the LX and standard model.

COUGAR: Cougar continues to be available in two series — LS and XR-7. The models share some new features such as electronic variable-assist power steering, motorized front-seat shoulder belts, rear-seat heat ducts and rear-seat shoulder/lap belts.

The Cougar LS is equipped with a 3.8-liter V-6 engine and four-speed automatic transmission with overdrive. The engine on both the Cougar and T-bird is upgraded to include roller tappets and the addition of a sequential feature to the multiport electronic fuel injection system. The engine puts out 140 hp at 3,800 rpm; torque is rated at 215 pounds-feet at 2,400 rpm.

The Cougar LS interior includes individual reclining bucket seats and a full console with floor shift, as well as a redesigned electronic instrument cluster with fuel/distance computer.

The Cougar XR-7 features the same powerful 3.8-liter supercharged V-6 that sits in the Thunderbird Super Coupe, teamed to a choice of a five-speed manual or four-speed automatic. Also standard are four-wheel disc brakes with anti-lock system, an automatic suspension system and 16-inch aluminum wheels. Anti-lock braking is optional on the LS.

GM challenges U.S. on 2 pacts it lost

WASHINGTON — General Motors, pursuing a strategy of increased defense and government contracts, is playing hardball with the bid process in challenging awards to two rivals.

So far, the stance has met with some success.

Last week, the U.S. Postal Service told a U.S. Senate subcommittee it is revising its contract with Ross Perot's new company in order to open a larger portion of it to competitive bidding.

And a challenge by GM's Hughes Aircraft Co. unit has temporarily halted the award of a $3.6 billion Federal Aviation Administration contract to International Business Machines Corp. The multi-billion dollar contract with the FAA is for a new air traffic control system.

Postmaster General Anthony Frank told a Senate subcommittee last week that awarding the contract to Perot Systems Corp. without competitive bidding was a mistake "that I hope is not too late to rectify."

Perot Systems Corp. in June was given a $500,000 contract to make the Postal Service more efficient. A second phase of the contract would have involved implementing suggestions with profits based on any savings realized by the service.

The contract came under fire from several senators after Electronic Data Systems Corp., the company Perot founded and sold to GM, filed a complaint against the Postal Service with the General Services Administration's Board of Contract Appeals.

The complaint charges that the contract was awarded on a no-bid basis. The board agreed, ruling the contract was awarded illegally and therefore void.

The board said that Perot Systems and the Postal Service knew or should have known the award of the contract without competitive bidding was in violation of the law and Postal Service procurement regulations.

Meanwhile, Hughes has appealed to the same board, charging that IBM was given unfair advantages in bidding for the new air traffic control system.

The GM unit charges that IBM was allowed to undercut Hughes' bid in part because the government let IBM specify used computers, while Hughes had to agree to use new models.

Transportation Secretary James Burnely told a group of reporters last week that he was "perplexed" by the Hughes decision, since he says GM Chairman Roger B. Smith had called him to say the company wouldn't contest the award.

However, Burnely added that he wasn't "surprised" by the move because "it is their right to appeal."

A Hughes spokesman said the firm initially decided against an appeal, but switched positions after learning more details of the IBM award.

In its challenge, Hughes also accused IBM, which supplies computer hardware to Hughes, of inflating its subcontract prices by millions of dollars over the prices it quoted FAA for the same equipment. The contract to IBM was automatically suspended when Hughes' protest was filed.

At a hearing last week, an administrative law judge said the suspension should continue and Hughes' arguments should be heard. The board has 45 days to rule on the case.

The contract for the Advanced Automation System would be the largest award in IBM's history and the largest given by the FAA. Hughes had estimated that the contract could be worth up to $10 billion over a 20-year period.

In the Perot contract matter, the Postal Service had taken the matter to the U.S. Court of Appeals, arguing that the GSA board has no jurisdiction over the service's procurement. A ruling is expected Thursday.

If the court sides with the Postal Service, Frank said he will still negotiate changes in the contract, although Perot Systems would be allowed to complete the first phase of the contract.

However, the second phase, if approved by the Postal Service, would be put out for bid, and Perot Systems would not be allowed to bid.

INDEX

Around the world	29-30
Auction dates	41
Books of interest	18
Classifieds	42-50
Coming events	34
Dealing with dealers	22
Inventories	58
Legal briefs	32
Marketing and media	54
News briefs	8
Obituaries	55
Opinion	10
Personnel	36-38
Production	59
Sales, import car	20
Sales, truck	14
Truck industry	14

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GM cuts design time to 3 years

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

SAN FRANCISCO — General Motors says it has found a new way of developing products in as little as three years instead of the usual five years from first design rendering to Job One.

Gary W. Dickinson, vice president in charge of the technical staffs group, told an SAE meeting here that GM's Four-Phase Process is "a disciplined, systematic approach to determining what a customer really wants, then translating it into a product that meets those requirements quickly and more cost-effectively than in the past."

He said the four-phase product development process is part of a company-wide technology planning and integration program aimed at bringing the marketing divisions together with engineering and research staffs to make sure resources are used effectively.

"The objective is to set up as series of decision checkpoints to ensure that all units' activities are in tune with customer requirements. The first phase of the process involves the least amount of money but sets the parameters for everything to follow," he said.

"We establish what the product's specifications should be and what it should look like. If there is disagreement, or if the mission of the product itself is vague, we can go back to the drawing board without having expended a lot of resources.

"The second phase involves all the detailed design and engineering work and the production of running prototypes. Again, we have the option of canceling or making modifications without having committed huge amounts of time and money to the project," he said.

"If the project is still a 'go' after this phase, we proceed to tooling up the manufacturing network in the third phase and to volume production in the fourth phase. This kind of rigorous methodology is necessary in the auto industry today because technology and the product itself continue to grow more sophisticated and complex," he told SAE members.

GM's Four-Phase Process was developed with the help of Hughes Aircraft Corp. and has been in play at GM for several years.

The meeting was devoted to technical sessions and panel presentations on future transportation technology. Many in the audience were representing the supply community, and Dickinson said suppliers will play important roles in the trimming of concept-to-production time. That role will include development of new componentry with participation in product planning early in a project.

"Just as important as the new technology and systems are the people who have to use them," he said. He urged his audience to encourage young people to become scientists and engineers.

Dickinson described several programs with that goal in which his company is a participant.

The University of Michigan and Purdue University are participating in an unusual program to enable engineers to pursue degrees without having to leave the GM Technical Center in Warren, Mich.

Powerless dealer rings up sales

On the night of Aug. 1, the power went out at City Chevrolet in Charlotte, N.C., after the main power line was inexplicably burned in half.

The next morning, the dealership staff arrived to find no lights, no power for the hoists in the service bays and — perhaps most important — no telephones, a situation in which conducting business would be next to impossible.

But a solution was found. Ten portable phones were located, along with nine cars with cellular phones. Salesman just stood in line to contact customers, using the phones.

The service department was closed. But customers were notified by the portable phones — and not a temper flared.

One salesman even managed to sell three cars that day, much better than average, causing him to comment, "If the power comes back on, I might just go cut that wire again."

— Wes Raynal

BELTS

Injury claims high despite state laws

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The insurance industry's Highway Loss Data Institute has reported that mandatory seat-belt-use laws adopted by many states do not appear to be lowering the frequency of injury claims reported to insurers.

The Highway Loss Data Institute is part of the Insurance Institute for Highway Safety.

After studying injury claims from eight states with mandatory belt-use laws, the Highway Loss Data Institute said, "Although there is evidence from several studies that state seat-belt laws have reduced the frequency of serious and fatal injuries by about 5 to 10 percent, the present study found no clear-cut evidence of comparable reductions in personal injury protection coverage claims in recent model cars tested."

The study explained, "There are several possible explanations for this apparently ambiguous result: Belts are much less effective in preventing relatively minor injuries than serious and fatal injuries, and most insurance claims are for relatively minor, but expensive, injuries."

Only relatively simple before-and-after comparisons were used, and normal year-to-year fluctuations could easily mask the relatively small reductions expected from the observed increases in belt use following the belt laws, the report said.

The study also reported that "belt use in relatively new cars is known to be higher than in older cars so that the actual increases in usage due to the laws in new cars may be much smaller than in the overall population of vehicles."

Lower injury claims were recorded in Michigan, Connecticut and New Jersey following enactment of mandatory belt-use laws, but injury claims either remained constant or increased in New York, Texas, Florida, Kansas and Maryland, the institute said.

In a related report, the Highway Loss Data Institute said the average-loss payment per vehicle accident claim increased 4 percent for 1988 over 1987 models and the claim frequency increased 1 percent. The figures represent an increase of approximately $9 in the average-loss payment per insured vehicle year.

Vehicles heading the list for lowest average-loss payments, using the institute's classifications, were the Toyota Tercel for small two-door models; Ford Escort, small four-door models; Mercury Cougar, mid-sized two-door models; Chevrolet Celebrity, mid-sized four-door models; Ford Taurus, mid-sized wagons; Lincoln Mark VII, mid-sized sport models; Chevrolet Caprice, large models; Chevrolet Astro, large wagons; and Cadillac DeVille, luxury models.

COLLISION COVERAGE INSURANCE LOSSES

	Relative average loss payment per insured vehicle year
SMALL 2-DOORS	
Toyota Tercel	$100
Honda Civic	111
Ford Festiva	118
Nissan Sentra	118
Ford Escort	128
SMALL 4-DOORS	
Ford Escort	81
Mercury Tracer	84
Mazda 323	93
Honda Civic	99
Toyota Corolla	112
MID-SIZE 2-DOORS	
Mercury Cougar	96
Pontiac Grand Am	97
Buick Regal	104
Honda Prelude	108
Oldsmobile Calais	108
MID-SIZE 4-DOORS	
Chevrolet Celebrity	53
Ford Taurus	61
Oldsmobile Cutlass Ciera	64
Toyota Camry	70
Dodge Aries	72
LARGE 4-DOORS	
Chevrolet Caprice	44
Mercury Grand Marquis	44
Pontiac Bonneville	48
Oldsmobile 98	53
Buick LeSabre	68
STATION WAGONS/PASSENGER VANS	
Chevrolet Astro Van	31
Plymouth Grand Voyager	37
Dodge Caravan	40
Plymouth Voyager	45
Dodge Grand Caravan	53

SOURCE: Highway Loss Data Institute

U.S. court knocks out challenge to EPA gray-market regulation

By Helen Kahn
SENIOR CORRESPONDENT

WASHINGTON — A challenge to EPA's gray-market-car regulation by Anderson Shipping Co. and 10 other custom brokers and modifiers has been thrown out by the U.S. Court of Appeals for the District of Columbia.

Anderson Shipping argued that EPA's creation of an independent commercial importer to import and certify gray-market cars was illegal because it conflicts with the Treasury Department's regulations designating customs brokers.

The court held that Treasury created its broker as an importer of record for tariff laws whereas EPA created its independent commercial importer to maintain clean-air standards. Besides, said the court, a customs broker could always also become an independent commercial importer. But in any case, the court maintained that EPA broke no law.

Ben Jackson, counsel for the Automobile Importers Compliance Association, labeled the suit "frivolous and ill-advised" and told the association's members not to join the suit when it was filed in 1987.

Judge David Sentelle, in a sharply worded unanimous opinion, apparently agreed since he described the suit as a "shotgun" attack aimed "randomly" but whose "pellets" inflicted no mortal wound on the EPA final gray-market regulations published in September 1987.

The court also rejected Anderson Shipping's argument that import vehicles were discriminated against by EPA's gray-market rules and therefore violated the General Agreement on Tariffs and Trade.

The court said the issue was not properly raised before the court since it had not been disputed at EPA's administrative hearings. In addition, the court held that customs brokers had no standing to sue since only countries could raise questions before GATT.

UAW delays controversial vote

Last-minute postponement seen as ploy to pressure delegates

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

The UAW has won a last-minute postponement — time to put added pressure on delegates — in the rerun election for director of Region 5.

A federal judge ordered the rerun after finding the UAW illegally tried to influence a 1986 election. The new election, scheduled for Aug. 11, has been postponed until Sept. 2.

In one example of alleged union pressure, a delegate from Texas said he was offered a UAW job in Detroit so he wouldn't be around to cast one of his plant's votes in the controversial election.

Observers and participants in the two-year struggle for control of the eight-state, 80,000-member region say the delay will really heat up the battle for delegates.

About 160 delegates are involved. Some had already left for the convention site in Tulsa, Okla., when the election was postponed last Tuesday, and all are technically pledged to one side or the other.

But time will tell.

The delegates will cast their votes either for dissident Jerry Tucker or international union-backed incumbent Kenneth Worley. Tucker's platform calls for a more aggressive stance against management and a "new direction" for the union.

Tucker forces, which claimed 360 votes last Monday vs. 316 they counted in the Worley camp, say the delay will give the UAW more time to try to swing delegates to Worley. Each of the 160 delegates casts one or more votes, based on the number of UAW members in their plants.

Tucker forces see the postponement as a sign the UAW believes Tucker has enough pledged delegate support to win the election — and seriously undermine union policy.

The rescheduled Sept. 2 convention also will be held in Tulsa. Most delegates for the government-monitored vote were elected by their locals in June.

At the end of July, a Tucker delegate, Dave Perdue, former president of UAW Local 276 at the Chevrolet-Pontiac-Canada Group's plant in Arlington, Texas, said he was "offered a job on the public relations staff at (UAW's) Solidarity House in Detroit."

"The hitch was, I had to leave ASAP — within two weeks, which means I wouldn't have been able to go to the convention and cast my vote," he said.

Perdue said the offer came through an official of his local. "He was well schooled in what he was doing. He took me into a private room, with no witnesses. But he couldn't tell me how much the job paid or whom I could talk to in Detroit," Perdue said.

"My response was I had a job to do: I was elected to go to the convention and vote for Tucker.

"I doubt I'll hear about that job again," said Perdue, who has a journalism degree and has been editor of the local's paper and vice president of the UAW local press association.

"Funny," he said. "I've been involved with the press for a long time. Now they're suddenly interested in me."

Perdue said he thought that the official who approached him, who lacked prior officer experience, "was being used so as not to implicate them (the international union)."

Frank Joyce, UAW assistant director of public relations, said, "That sounds absurd. We know nothing about this."

The local official could not be reached for comment.

Suzie Cox, a Tucker delegate from the C-P-C Group's assembly plant in Oklahoma City, said the experience of being a delegate has been "flat-out nerve-wracking, beginning with Anaheim."

The 1986 election, which Tucker lost by a fraction of a vote, was held in Anaheim, Calif. Cox and three other members of her local were Tucker delegates there. She said that UAW international representatives "hauled us into a room and ran down a list of reasons why we should vote for Worley."

Cox said, "When the UAW tries to lean on you, they make real subtle threats about not servicing your local."

She said that in the recent rerun election, the nine delegates from her local ran as a solid pro-Tucker slate and thus were not approached by the UAW.

Cox said that with the extra time before the convention, she and other Tucker delegates might try to swing over two small locals in Oklahoma City that are "solidly for Worley. We had a meeting and decided we might handbill the plant or something."

The UAW said it requested the postponement of the convention in Tulsa to permit two locals to rerun their delegate elections. The locals had been advised by the Labor Department that their delegates had been disqualified because of election improprieties.

Bob McCoy, a Worley delegate from one of those locals — 710 in Kansas City — said he doesn't expect to be approached by Tucker forces "because I've been solidly pledged to Worley."

McCoy, president of Local 710, said he would try to win over Tucker delegates in his local "by sitting down and talking with them about the true facts, based on the record of service received through the incumbent director."

McCoy said that service from the UAW International's representatives is all-important at his amalgamated local, "which has no master agreement to protect us, like the big GM locals do." The local got that kind of servicing under Worley, he said.

But, McCoy said, "People are pretty well entrenched in their positions. I don't really know if the extra time will help."

Twelve of the 14 votes at the locals where the Labor Department found improprieties were held by Worley delegates.

According to a source in the Labor Department, the law allows both sides to try to swing delegates, providing there are no threats of reprisals or violence. That would mean the UAW may legally make promises to delegates of staff positions or other benefits, he said.

But the practice is controversial. Arthur Fox, an attorney with Ralph Nader's Public Citizen Litigation Group, said, "The law says no union funds may be used to promote a candidacy. A very credible argument can be made that offering a job as payment for support in an election is unlawful.

Herman Benson, president of the Association for Union Democracy, said the issue is "a shadow land," in that reprisals may be implicit in promises made to delegates.

"One thing is certain in this gray area," Benson said, "and that's the advantages all incur to the incumbent. He's got the plums to offer."

Though the delegates ran at their locals as pro-Tucker or pro-Worley delegates, they are not bound to either candidate when they cast their votes at the convention.

The hearing in which the UAW requested a postponement of the convention was announced at noon last Tuesday, only 2½ hours before it got under way in U.S. District Judge Lawrence P. Zatkoff's courtroom in Detroit.

Joseph Yablonski, Tucker's attorney, said he objected to the "inadequate notice" he was given about the hearing. Yablonski was vacationing with his family in South Carolina. As a result, he said, "Our side was not represented."

Union may put heat on GM Tech Center

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

This summer's heat may prove particularly uncomfortable at the General Motors Technical Center in Warren, Mich., as a walkout of maintenance workers looms.

About 350 workers in the facilities section of UAW Local 160 are set to strike at 10 a.m. Thursday if they have not reached agreement on a local contract. The workers maintain the heating and ventilation equipment at the Technical Center as well as the grounds.

Pete Kelly, president of Local 160, said that subcontracting issues have not been resolved. He said he had "no trouble" getting authorization from UAW Vice President Donald Ephlin to send the corporation a five-day strike notification letter.

Kelly said a walkout Thursday would present special problems because the ventilation system at the Tech Center has been "under great stress" this summer and has already caused problems for maintenance crews.

A GM spokesman said, "Negotiations are continuing, and we hope an agreement will be reached."

The facilities section struck for 12 days in 1986 over GM's subcontracting the unit's work, but the practice continues, Kelly said.

Two other units without local contracts joined in the 1986 strike, which eventually involved 650 workers. But that scenario will not be repeated since nine of Local 160's 11 units have already signed new local agreements. Another unit, Chevrolet-Pontiac-Canada engineering, is on the verge of an agreement, Kelly said.

Most local agreements at GM and Ford Motor Co. were reached after the national contracts were signed last fall.

Kelly said that subcontracting remains "an enormous problem" throughout the Tech Center.

Import dip cuts July sales total

Light domestics up 2% for month

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Light-duty truck sales in the United States during July fell off their record-setting pace because of the continuing decline in the import side of the market.

Overall, industry sales of 416,469 light-duty vehicles were down only 7,148 units, or 1.69 percent, from July 1987. However, sales in the import segment, totaling 63,187, were off 14,942 units, or 19.12 percent, from a year ago. Domestic sales were 353,282, up 7,794 units or 2.26 percent.

For the January-July period, sales of 2,943,853 light trucks led last year's 2,766,141, the previous record.

Overall, domestic manufacturers continued to increase both their sales and market share, though the effects of thinning inventories in some product lines took their toll on Ford Motor Co. and Chrysler Motors.

Ford's 121,289 retail deliveries last month were off 2.0 percent from like 1987. Year-to-date for the January-July period, Ford's sales of 888,215 light-duty vehicles were up 6.53 percent over 1987.

Similarly, Chrysler's sales of 66,872 for the month were off 2.10 percent from a year earlier. On a year-to-date basis, Chrysler's 484,110 sales were up 14.71 percent over last year.

Chevrolet, with sales up 2.97 percent for the month and 15.79 percent for the seven-month period, continued to make a strong comeback. Its July sales, totaling 112,499, were within 8,790 units of Ford, whereas a year ago it trailed Ford by 14,547 units.

Full-sized pickups have, of course, been the major driving force at both companies, and they were up again in July.

Ford and Chevy combined sold 660,573 full-sized pickups during the first seven months of this year, 104,452 more than last year.

GMC, with a strong 16.50 percent gain on sales of 32,159 trucks in July, has also been scoring big gains with its Sierra line. July sales of that model, up 29.13 percent over last year, helped GMC to a gain of nearly 20,000 units in the full-sized pickup segment for the seven-month period: 86,265 units vs. 66,499 a year earlier.

GMC's overall year-to-date sales of 213,301 light duties were up 18.47 percent from last year.

Jeep continued to tear up the market. Its July sales of 20,463 trucks were up 23.92 percent; its 144,567 sales for the seven months were up 22.48 percent.

LIGHT-DUTY TRUCK SALES

	July 1988	July 1987	7 Mos. 1988	7 Mos. 1987
Vans	14,695	15,906	113,589	109,128
Aerostar	17,978	16,815	113,294	97,623
Club Wagon	1,557	2,030	16,692	16,678
Ranger	28,707	29,942	183,989	198,401
Bronco	3,996	3,689	31,784	28,816
Bronco II	11,112	12,935	72,776	69,542
Pickups	43,244	42,489	356,091	313,548
Ford	**121,289**	**123,806**	**888,215**	**833,736**
Vans	11,436	10,742	80,584	64,447
Sportsvan	799	1,052	8,811	7,316
Astro	13,847	15,329	101,593	90,482
S-10	22,245	22,156	145,139	137,865
S-10 Blazer	15,803	14,492	86,725	86,777
El Camino	8	1,553	420	8,249
Blazer	1,883	2,499	16,526	17,148
Suburban	5,770	5,501	39,961	32,619
Pickups	40,708	35,935	304,462	242,573
Chevrolet	**112,499**	**109,259**	**786,241**	**687,676**
Vans	4,840	6,721	36,776	42,156
Ram Wagon	1,840	2,370	16,077	19,233
Voyager	18,279	16,402	123,398	80,493
Caravan	20,033	17,033	133,142	85,408
Mini Ram Van	1,885	1,346	12,617	8,235
Ram 50	3,936	6,289	36,101	41,185
Raider	483	1,427	2,968	10,919
Ramcharger	1,418	1,089	11,597	14,189
Dakota	7,886	8,111	57,800	61,995
Pickups	6,292	6,487	52,634	58,212
Chrysler	**66,872**	**68,306**	**484,110**	**422,026**
Vans	4,011	3,628	29,029	23,023
Safari	3,213	3,062	21,213	19,378
S-15	5,156	4,528	31,045	29,084
S-15 Jimmy	3,762	3,140	23,871	20,922
Jimmy	530	627	4,551	4,727
Caballero	0	191	60	1,048
Suburban	1,983	1,710	13,931	11,269
Pickups	13,059	10,113	86,265	66,499
P Model	315	458	2,476	3,248
W-4	130	148	860	844
GMC	**32,159**	**27,805**	**213,301**	**180,842**
Wrangler/CJ	3,463	2,551	25,171	17,634
Wagoneer	578	958	5,067	7,353
Cherokee	12,016	8,757	82,367	61,421
Grand Wagoneer	1,232	1,090	7,778	7,439
Comanche	3,174	3,049	24,023	23,213
J-10/J-20	0	108	221	977
Jeep	**20,463**	**16,513**	**144,567**	**118,037**
Toyota	25,702	30,873	147,011	185,628
Nissan	13,312	14,862	97,973	130,355
Mazda	6,870	11,433	56,905	71,956
Isuzu	7,566	7,756	46,762	53,362
Mitsubishi	3,134	4,478	27,269	29,966
Suzuki	6,327	8,365	37,548	31,277
Subaru	0	55	9	1,052
Range Rover	276	307	1,852	1,029
Imports	**63,187**	**78,129**	**417,419**	**524,626**
Industry Total	**416,469**	**423,617**	**2,943,853**	**2,766,141**

Compiled by Karen Dabkowski

Truck surge means gold for aftermarket

By Mary Klein
SPECIAL CORRESPONDENT

CHICAGO — Sales of light trucks will continue to grow into the 1990s, creating a booming market for accessories and parts.

That is the prediction of three experts who spoke at the Automotive Parts and Accessories Association show here.

Judith Broseker, managing director of market research for the association, said light trucks could account for nearly half of new-vehicle sales by the next decade, up from one-third currently.

That will fuel demand for light-truck accessories and equipment.

"A General Battery study indicates that 82 percent of light-truck owners plan to buy some accessory or equipment for their trucks within the year," she said.

The most popular items are heavy-duty shocks, off-road tires and wheels, driving/fog lights, heavy-duty springs, lift kits, roll bars, grille guards, exhaust headers and electric winches.

The average buyer of those trucks and accessories is a 36-year-old male with an income of $34,500 and some college education. He uses his truck as the primary household vehicle, Broseker said.

The average minivan owner fits the description of a typical station wagon owner — a married man with a median household income of $45,400 who uses the minivan to drive to and from work.

Those owners tend to buy functional accessories such as floor mats, fog lights, security devices and stereo equipment, Broseker said.

In contrast, owners of sport-utility vehicles have a profile similar to luxury-car owners. They are predominantly men with an average household income of $79,000 and they drive their vehicles for fun.

Sport-utility owners often purchase such items as pinstriping, extra lights, fancy seat covers and stereo sound systems.

While the demand for accessories and parts for new light trucks is growing, it is just the tip of the sales iceberg, said James Pedranti, senior vice president of Sparkomatic Corp., Milford, Pa.

As those light trucks age, "We are creating a used-truck market that doesn't really exist today," he said.

In the near future, young buyers who cannot afford a new light truck will find a wide variety of used models. Buyers of used light trucks constitute a prime aftermarket group, Broseker said.

"Research has shown that vehicles in the 3-to-10-year-old age group tend to receive more attention in terms of repairs, accessorizing and customizing than newer or older vehicles," she said.

In 1987, there were about 27 million light trucks in the 3-to 10-year-old age category, comprising 59 percent of the light-truck population.

Over the next few years, an average of 2.5 million light trucks will be added to that group each year, she predicted.

Pedranti said that, in the future, the pickup truck aftermarket might become larger than the car market and that truck accessories will be used on cars.

The light-truck market also is booming in Canada, said Al Smitko, merchandise manager for Canadian Tire Corp.

Canada now has 2.5 million trucks registered, comprising 22.4 percent of all registered vehicles. Between 1983 and 1986, truck registrations grew 43.3 percent, compared with 25 percent for cars.

The fastest-selling light-truck accessories in Canadian Tire stores are truck bed mats and liners, followed by truck boxes, tailgate protectors, running boards and custom wheels, Smitko said.

He urged accessory retailers to keep a full inventory of products because "our customers demand convenience and service and usually will not wait to receive merchandise." The temperament of those people favors the accessories and parts business.

The buyers have "a high degree of one-upmanship, to see who can keep up with the latest trends or products on the market," Smitko concluded.

Light-truck makers increase emphasis on 'work' models

Look for competition in the commercial end of the light-truck market to heat up this fall as manufacturers tout the work-related capabilities of their pickups and vans more strongly.

Chevrolet will make an unprecedented pitch for commercial business, beginning with its Sept. 13-16 national dealer convention where it will devote a significant portion of its show to that market.

"Our attempt to control a portion of the commercial market is something we haven't done before," said Bill Ames, Chevrolet manager of truck merchandising.

Chevrolet has some "very aggressive advertising/merchandising programs" planned for its commercial vehicles and also has been working with the National Truck Equipment Association to improve the adaptability of its trucks for special-purpose work bodies.

The other major players in the commercial end of the light truck market are GMC, Ford, Dodge, Toyota and Nissan.

All will introduce new or improved products for commercial use this fall, and all have varying aspirations for improving what already is a growing part of their sales.

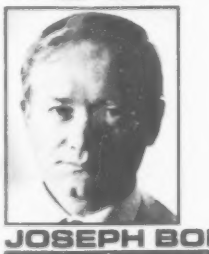
Each of the major manufacturers lays claim to some special forte in that market.

Ford, for example, has its strong lineup of multiport fuel-injected engines, including two of the industry's largest units, a 7.5-liter gas and a 7.3-liter diesel light-truck engine.

Chrysler will get a big boost from its new Cummins turbodiesel, being offered in three-quarter and one-ton pickups, and the fuel injection of its remaining V-8s. It also has some other new commercial truck models.

Toyota has a one-ton pickup and cab-chassis models, already sporting the largest gross vehicle weights on the import side, which will get more power this fall.

TRUCKING TRENDS



JOSEPH BOHN

Among importers, Toyota has the most complete line of commercial model trucks.

However, Nissan plans to build on the cost/price advantage it has in assembling its pickups in the United States. It will also offer expanded availability of its V-6 engine.

General Motors, of course, has the broadest range of light trucks and is fully competitive in that market. One of its unique claims is having the largest 4.3-liter V-6 in a compact pickup or van. Availability of that engine is being expanded this fall.

Taken in total, commercial trucks account for about one-quarter of the industry's light-truck sales. The fleet market accounts for about 15 percent of that market and non-fleet sales for roughly another 10 percent, according to Ames.

Full-sized vans and three-quarter-ton and one-ton pickups tend to be the most commercially oriented of the models in the light-truck field.

However, a lot of smaller pickups and minivans are being used for service businesses. Service businesses have, of course, been the fastest-growing segment of the U.S. economy.

There are indications that the important commercial segment is also drawing the attention of additional importers that haven't been very active in it. There are at least a couple of other new models from other importers due this fall that will appeal to this market.

Generally, importers have been hampered by the 25 percent duty on their light pickup trucks.

On the van side, their products have sold well enough as passenger models that they really haven't had to draw too strong a bead on the commercial market.

That will change, though, as more new small vans are launched and extra production capacity is added in the industry to create more competition in what has essentially been a seller's market.

The industry hasn't been able to determine the upper limits of small-van demand, but it is apt to do so in the 1989 model year.

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IMPORT SALES BY MODEL

	July 1988	July 1987	7 Mos. 1988	7 Mos. 1987
ACURA	11,064	9,867	72,357	38,538
Integra	5,521	4,788	33,580	33,140
Legend	5,543	4,889	38,717	28,668
ALFA ROMEO	339	630	3,047	4,052
Milano	147	291	1,769	1,633
Spider	192	339	1,278	2,419
AUDI	1,846	4,582	13,381	29,449
4000S	10	2,891	187	6,279
4000CS Quattro	2	575	65	1,035
5000S	640	474	4,257	15,366
5000CS Turbo	63	132	757	2,887
5000CS Turbo Quattro	72	142	910	2,219
80	401	0	3,489	0
90	334	0	3,401	0
100/200	71	0	71	0
100/200 Quattro	23	0	23	0
Coupe GT	12	347	230	1,003
BMW	5,913	7,871	40,668	50,859
318i	0	0	8	15
524 TD	0	1	3	27
325	2,838	4,941	21,872	33,545
325e	1,230	832	5,928	5,729
535i/535iS	401	654	3,228	4,273
5-Series	182	150	1,209	1,149
7-Series	1,338	1,016	7,473	5,236
M3	125	187	1,094	951
M5	49	29	234	174
M6	49	61	319	405
CHEVROLET	10,484	12,409	74,840	72,488
Spectrum	5,135	7,924	48,852	44,204
Sprint	4,359	4,485	25,988	28,284
CHRYSLER/MITSUBISHI	8,341	12,946	69,164	79,522
Colt	5,709	9,613	50,918	47,455
Conquest	1,001	1,038	5,980	7,404
Vista	1,631	2,295	12,266	24,663
DAIHATSU	1,151	2,388	8,208	0
RENAULT/RENAULT	431	1,396	5,027	4,623
Alliance	401	1,396	5,027	4,623
Encore	30	0	0	0
FIAT	2,102	2,167	11,167	20,274
Fiat Strada	0	0	0	0
FORD	20,077	17,511	145,340	141,661
Escort/EXP	12,164	11,166	89,888	91,357
Festiva	4,450	4,345	27,452	26,304
Probe	3,463	2,000	28,000	23,000
Tempo/Topaz	0	0	0	0
GEO	30,423	28,172	199,553	181,367
Prizm	5,036	5,161	37,682	37,911
Spectrum	1,387	1,475	11,871	10,444
Storm	1,021	473	7,348	3,456
HONDA	1,538	1,946	11,482	12,564
Accord	1,208	1,311	8,080	8,423
Civic	330	635	3,402	4,141
ISUZU	99	70	485	1,111
JAGUAR	0	0	0	0
MAZDA	19,078	20,696	135,225	109,889
323	7,827	7,783	54,331	38,000
626	6,168	8,766	49,603	47,889
MX-6	359	0	6,294	0
929	2,383	0	15,550	0
RX-7	2,326	3,483	16,477	22,504
MERCEDES BENZ	6,880	7,109	50,946	52,520
190	1,854	1,458	10,556	10,904
260E	467	500	4,329	3,301
300	2,103	1,869	15,261	13,822
300CE/CE Turbo	1	586	88	4,206
300SEL	240	0	3,603	0
420SEL	512	1,169	5,212	8,043
560SEL	411	428	3,149	3,606
500SL	993	875	7,087	6,880
560SEC	116	124	943	1,040
Tourist	161	101	438	709
MERKUR	1,978	1,922	8,362	7,056
XR4Ti	470	817	3,037	1,825
Scorpio	1,508	1,105	5,345	2,230
MITSUBISHI	5,940	6,984	40,880	41,131
Starion	171	488	1,066	3,482
Cordia	339	320	3,634	2,428
Tredia	19	655	434	3,178
Mirage	1,298	1,388	7,075	9,857
Galant	2,132	748	11,033	6,666
Precis	1,404	2,668	12,843	11,111
Van/Wagon	523	206	3,795	4,347
NISSAN	27,746	34,647	215,662	246,131
Sentra	10,686	10,418	84,354	70,096
Pulsar	4,220	5,684	31,092	39,032
Stanza	2,417	5,528	29,542	38,185
Maxima	3,412	7,995	42,152	53,216
200SX	2,726	2,841	12,838	20,804
300ZX	1,561	2,358	13,256	22,810
Hasadi	223	222	2,448	1,896
PEUGEOT	334	453	4,016	5,293
PONTIAC LeMans	1,727	5,849	35,151	9,303
PORSCHE	1,336	2,052	10,143	14,375
924	103	232	1,605	1,739
944	774	825	2,330	1,807
944S	23	126	533	1,474
944 Turbo	120	324	1,145	1,587
911 Coupe	359	0	2,083	2,022
911 Turbo	91	153	897	956
911 Cabriolet	264	199	1,185	1,482
928S	302	188	876	1,221
SAAB	5,516	4,734	28,857	28,841
900	960	1,615	5,940	5,859
900	965	1,588	8,100	8,650
900 Turbo	889	874	5,441	6,239
9000S	824	728	2,075	2,052
9000 Turbo	632	680	4,849	4,069
SUBARU	732	1,196	612	854
Turbo	762	1,141	5,582	7,081
SUZUKI	11,471	14,296	82,486	91,950
TOYOTA	31,000	35,000	224,000	241,000
Camry	11,000	11,000	79,000	82,000
Celica	5,000	6,000	36,000	41,000
Corolla	11,000	12,000	79,000	82,000
Cressida	1,000	1,000	6,000	6,000
Supra	3,000	4,000	24,000	30,000
VOLKSWAGEN	4,000	5,000	32,000	34,000
Cabriolet	1,000	1,000	6,000	6,000
Fox	1,000	1,000	6,000	6,000
Golf/GTI	2,000	3,000	20,000	22,000
Jetta	3,000	4,000	24,000	26,000
Quantum	1,000	1,000	6,000	6,000
Scirocco	1,000	1,000	6,000	6,000
Vanagon	1,000	1,000	6,000	6,000
VOLVO	3,000	4,000	24,000	26,000
240 Series	2,000	3,000	18,000	20,000
740 Series	1,000	1,000	6,000	6,000
760 Series	0	0	0	0
780	0	0	0	0
Tourist	0	0	0	0
YUGO	3,000	4,000	24,000	26,000
IMPORT TOTAL	257,000	304,000	1,791,000	1,781,000

*Volkswagen has imported some of its 5-Shift Golf and GTI cars as kits and assembled them in the U.S. after June 30, 1988.

Compiled from Ward's

SIZE CLASS SHARES, JULY 1988

	Total Sales	Pct. of Total
SUBCOMPACT	211,957	24.64
COMPACT	222,405	25.85
INTERMEDIATE	306,162	35.60
STANDARD	102,702	11.94
SPECIALITY	16,829	1.96
TOTAL	860,056	100.00

Suzuki, bank sign pact on retail loans

BREA, Calif. — American Suzuki Motor Corp.'s automotive division and Security Pacific Auto Finance of Security Pacific Bank have signed an agreement to provide financing to retail buyers of Suzuki products.

The basic non-recourse simple interest program has been launched under the Suzuki Financial Services banner for all new 1988 and 1989 automotive products. Financing includes dealer invoice plus tax, license, value-added options, credit life and extended warranty.

Security Pacific Bank is licensed to provide retail financing in all 50 states through the 21 offices of its finance subsidiary. New vehicles will be financed for terms of 36, 48 or 60 months.

"The new financing program is intended to help increase retail sales," said John Dorsey, Suzuki sales director. "The company is working to have financing opportunities readily available for our customers at competitive rates."

Dennis D. Lamont, president of Security Pacific Auto Finance, said additional services will be introduced to complement the retail financing program, including wholesale flooring, capital and construction loans.

Navistar renews Indianapolis plan

CHICAGO — Navistar International Transportation Corp. said it will go ahead with a $150 million capital improvement program at its Indianapolis engine plant after union workers approved a package of concessions.

Members of UAW Local 98 originally had voted down the contract, saying it would cost them $3 an hour in pay and benefits.

Following the first vote, Navistar announced it would not invest the $150 million in the plant and would move diesel engine assembly elsewhere, jeopardizing 2,000 jobs. That announcement put union and company negotiators back at the bargaining table.

The capital improvements will be in preparation for production of the next-generation diesel engine, beginning in 1990. Navistar has a contract with Ford Motor Co. for the engine through the year 2000.

PPG seat-belt program wins NHTSA award

PITTSBURGH — PPG Industries has received the NHTSA Public Service Award recognizing the company's campaign to increase safety-belt use among employees and the public.

The company said that since initiating a buckle up program in 1985, belt-use among the firm's U.S. employees has risen from 12 percent to 75 percent.

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AUCTION DATES

Chrysler Motors

Aug. 16 — Florida Auto Auction of Orlando, Ocoee, Fla.; Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Nashville Auto Auction, Nashville, Tenn.; Denver Auto Auction, Aurora, Colo.; Golden Gate Auto Auction, Fremont, Calif.; and South Seattle Auto Auction, Kent, Wash.

Aug. 17 — Butler Auto Auction, Gibsonia, Pa., and Minneapolis Auto Auction, Plymouth, Minn.

Aug. 18 — Manheim Auto Auction, Manheim, Pa.; Aptco Auto Auction, Taylor, Mich.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Clanton's Auto Auction, Darlington, S.C.; Ark-La-Tex Auto Auction, Shreveport, La.; Salt Lake Auto Auction, Salt Lake City; and Northway Exchange, Clifton Park, N.Y.

Aug. 23 — Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Greensboro Auto Auction, Greensboro, N.C.; Riverside Auto Auction, Riverside, Calif.; and Arena Auto Auction, Chicago

Aug. 24 — Columbus Fair Auto Auction, Obetz, Ohio; A.D.E. of Birmingham, Birmingham, Ala.; and Southern Auto Auction, Warehouse Point, Conn.

Aug. 25 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Southwest Auto Auction, Phoenix, Ariz.; and Omaha Auto Auction, Omaha, Neb.

Aug. 26 — St. Louis Auto Auction, Bridgeton, Mo.

Aug. 30 — Florida Auto Auction of Orlando, Ocoee, Fla.; Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Nashville Auto Auction, Nashville, Tenn.; Denver Auto Auction, Aurora, Colo.; Golden Gate Auto Auction, Fremont, Calif.; and South Seattle Auto Auction, Kent, Wash.

Aug. 31 — Butler Auto Auction, Gibsonia, Pa., and Minneapolis Auto Auction, Plymouth, Minn.

Ford Motor Co.

Aug. 16 — Harrisonburg Auto Auction, Harrisonburg, Va.

Aug. 17 — Concord Auto Auction, Acton, Mass.; Aptco Auto Auction, Taylor, Mich.; and Lakeland Auto Auction, Lakeland, Fla.

Aug. 18 — Baltimore-Washington Auto Exchange, Baltimore; Denver Auto Auction, Aurora, Colo.; Texas Hobby Auto Auction, Houston; Southwest Auto Auction, Chandler, Ariz.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

Aug. 24 — Northway Auto Auction, Clifton Park, N.Y.; Albuquerque Auto Auction, Albuquerque, N.M.; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; and Southern California Auto Auction, Fontana, Calif.

Aug. 25 — Greater Chicago Auto Auction, Chicago, and St. Louis Auto Auction, Bridgeton, Mo.

Aug. 30 — Bay Cities Auto Auction Inc., Hayward, Calif.

Aug. 31 — Metro Auto Auction of Kansas City, Lee's Summit, Mo., and Lakeland Auto Auction, Lakeland, Fla.

Sept. 1 — Nashville Auto Auction, Nashville, Tenn., and Skyline Auto Exchange, Fairfield, N.J.

General Motors

Aug. 16 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; and South Seattle Auto Auction, Kent, Wash.

Aug. 17 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Omaha Auto Auction, Omaha, Neb.; and Riverside Auto Auction, Riverside, Calif.

Aug. 18 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, Bridgeton, Mo.

Aug. 23 — A.D.E. of Birmingham, Moody, Ala.; Florida Auto Auction of Orlando, Ocoee, Fla.; and National Auto Dealer Exchange, Bordentown, N.J.

Aug. 24 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Minneapolis Northstar Auto Auction, Shakopee, Minn.

Aug. 25 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; Nashville Auto Auction, Nashville, Tenn.; and Colorado Auto Auction, Commerce City, Colo.

Aug. 26 — Nevada Auto Auction, Las Vegas, Nev.

Aug. 30 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas

Aug. 31 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fremont, Calif.; and Omaha Auto Auction, Omaha, Neb.

Used Car Sales
Auction Averages

July 88	$5,848
Month ago	$6,237
Year ago	$6,052

Model Breakdown
Auction Averages

	AUGUST 1988	JULY 1988	JUNE 1988
1988	$10,119	$11,408	$12,545
1987	$7,772	$8,407	$8,668
1986	$7,484	$6,830	$7,327
1985	$5,684	$5,881	$5,801
1984	$4,320	$4,378	$4,534
1983	$3,681	$3,718	$3,727
1982	$2,524	$2,464	$2,529
1981	$1,944	$1,952	$1,932
Overall Average	$5,994	$5,855	$5,800

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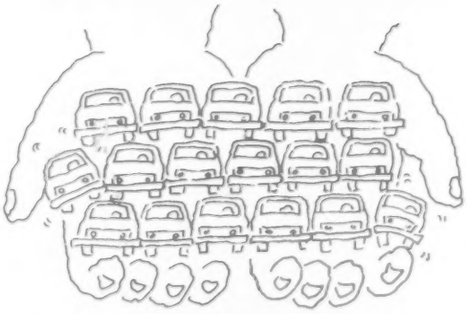

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AIADA says free-trade pact would cut U.S.-Japan friction

WASHINGTON — The American International Automobile Dealers Association believes the United States and Japan could reduce trade friction by entering into a free-trade agreement similar to that reached between the United States and Canada.

Testifying during an International Trade Commission hearing on the possible benefits of a free-trade agreement with Japan, AIADA President Robert McElwaine, said, "The possibility of a U.S.-Japan free-trade agreement warrants greater respect and consideration than it is presently receiving."

McElwaine expressed the belief that a U.S.-Japan free-trade agreement eliminating tariff and non-tariff barriers — such as the Japanese voluntary restraints on automobile exports to the United States and the 25 percent U.S. tariff on light-duty trucks — would "lead to a decline in the U.S. deficit and would help ameliorate the large trade imbalance between the U.S. and Japan."

Domestic vehicle manufacturers, who have repeatedly supported the continuation of Japanese restraints on passenger-car exports and protective tariffs for the U.S. light truck market, were not represented at the ITC hearing.

The Senate Finance Committee asked the International Trade Commission to study the benefits and drawbacks of a possible free-trade agreement with Japan, but the commission's study is for informational purposes only.

The United States and Japan are not formally discussing a free-trade agreement, although a number of U.S. officials have speculated that a free-trade agreement might be beneficial for both countries.

Inventory of imports at '88 low

But slower sales hike days' supply

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Despite a 15 percent falloff in July deliveries, foreign carmakers reported the leanest import-car stocks of the calendar year on Aug. 1. The total, however, was equivalent to a 61-day supply, compared to a 58-day supply on July 1.

Inventories of Japanese cars were slightly slimmer, while German automakers reported fatter stocks at the beginning of August, compared with the previous month.

Inventories of unsold imported cars totaled 631,517 on Aug. 1, which was only 3,180 units heavier than last year's 628,337. The year-ago total represented a 54-day supply.

Stocks were 2,626 units lower than a month ago. On July 1, there were 634,143 unsold imported cars, representing a 58-day supply.

The domestic-car stockpile, which was reported in Automotive News last week, totaled 1,406,740, representing a 58-day supply. Combined stocks of unsold domestic and imported cars totaled 2,038,257 units, equal to a 60-day supply. A 60-day supply is considered desirable, according to manufacturers and dealers.

August opened with a reduced supply of imported trucks. The total was 183,988 units, a 68-day supply, compared with 193,290 on July 1, an 81-day stockpile. On Aug. 1, 1987, truck inventories totaled 218,013, a 66-day supply.

There was a slight dip in the number of imported cars and trucks on Aug. 1 at ports of entry, in transit within the United States and at dealerships. Combined import vehicle stocks totaled 815,505 cars and trucks, a 63-day supply compared with last month's 827,433, a 66-day supply. A year ago, there were 846,350 cars and trucks, equal to a 57-day supply.

The Big 3 started August with combined domestic and import car stocks representing supplies of 57 to 77 days. The three major Japanese firms with transplant operations here — Toyota, Nissan and Honda — had combined stocks equivalent to 13- to 82-day supplies of cars.

They shared combined inventories as follows: General Motors, 38.78 percent; Ford Motor Co., 21.29 percent; Chrysler Motors, 14.02 percent; Nissan, 5.99 percent; Toyota, 2.15 percent; and Honda, 1.32 percent.

The Aug. 1 inventory share by country was: Japan, 62.90 percent; Germany, 14.57 percent; and other countries, 22.53 percent.

Japanese carmakers had a 17-day supply of cars on Aug. 1.

Isuzu's stocks were reduced, although its unsold cars represented a sluggish 134-day supply on Aug. 1. Nissan's inventory of unsold cars represented a 95-day supply, although stocks were down 5.27 percent.

Sharing the lowest inventories were Toyota with 8.32 percent fewer cars and a 17-day supply, and Honda, which had more unsold cars than it did a month ago but a lower 14-day supply.

IMPORT DAYS' SUPPLIES

	Aug. 1 '88	July 1 '88	Aug. 1 '87
Chevrolet	96	88	142
Chrysler/Mitsubishi	141	104	88
Acura	48	43	33
Daihatsu	71	73	—
Honda	14	15	10
Isuzu	134	129	66
Mazda	46	47	41
Mitsubishi	89	86	43
Nissan	95	80	84
Subaru	90	91	83
Toyota	17	20	25
JAPAN	52	54	53
Audi	198	125	56
BMW	83	76	67
Mercedes-Benz	50	41	50
Merkur	59	93	62
Porsche	89	89	114
VW*	121	83	62
GERMANY	96	75	63
Alfa Romeo	91	93	62
Fe,,a	119	117	124
Hyundai	45	32	26
Jaguar	44	51	20
Peugeot	54	66	90
Pontiac	89	63	59
Eagle/Renault	493	292	286
Saab	70	67	61
Sterling	89	90	66
Volvo	89	67	70
Yugo	105	227	82
Other Countries	74	63	51
Total Import Cars	81	58	54
Isuzu	121	131	118
Mazda	98	65	73
Mitsubishi	110	111	43
Nissan*	73	82	107
Range Rover	48	51	22
Suzuki	75	187	24
Toyota	31	43	43
Chrysler	140	114	78
Total Imp. Trucks	58	81	66
Total Imp. Vehicles	63	62	57

*—includes domestic vehicles.

Confirming the low Japanese inventory numbers was Jerry Schiele, owner of Elmhurst Imports and Westlake Import Motors, Elmhurst, Ill.

"The biggest problem for us is to get more product," he said. "Sales have been excellent. Toyota car sales are up 65 percent and trucks are up 95 percent — quite simply because we had more cars. Saab, Subaru and Peugeot are winding down. We've sold out of Subaru."

German carmakers carried over a fifth, or 22.70 percent, more cars on Aug. 1 than on July 1. Audi's stocks were up 12.30 percent and were equal to a swollen 198-day supply. Volkswagen's inventory bulged 50.87 percent above the prior month's and was equivalent to a 121-day supply.

Other foreign-based carmakers reduced inventories. Hyundai had 4.36 percent fewer cars in stock, although its days' supply increased to 45 days, from 32 days on July 1. Yugo decreased its stocks by 17.60 percent and reduced its days' supply by half, to 105 days' worth of unsold cars compared with 227 in the previous month.

A few dealers acknowledged the short Japanese stocks and fat German car inventories. "We have a 30-day supply of Mazdas. We usually keep a 60-day supply. However, we've got a year's worth of Audis and Volkswagens. June and July were slow but August has been brisk," said Harvey Gray, sales manager, Continental Imports, Joplin, Mo.

"Sales are still soft. But since the rebate program, we're seeing improvement," said a Massachusetts Nissan dealer. "We're off about 25 units a month and have a 50-day supply. We like to keep a 45-day supply."

Imported truck stockpiles declined 4.81 percent, from an 81-day supply in July to a 68-day supply at the beginning of August.

Suzuki had 20.15 percent more vehicles in stock on Aug. 1, but due to stronger July sales, its average days' supply was whittled down to 75 days, compared with 187 days at the beginning of July.

PRICES

FROM PAGE 1

ment that prices were increased this year to partially recover higher materials, labor and manufacturing costs.

Price changes for comparably equipped models range from none on the Pontiac LeMans and Cadillac Allante to increases of up to $1,000 on the Cadillac DeVille, which has been redesigned for the 1989 model year. The largest percentage increase is for the Pontiac Safari station wagon at 6.6 percent. GM's high-volume A-cars (Chevy Celebrity, Pontiac 6000, Olds Cutlass Ciera and Buick Century) will see an average price increase of 3.5 percent.

GM continues the pricing strategy it adopted in the 1988 model year. That strategy virtually eliminates bare-bones models and makes standard the equipment that customers order most often. Other makers also employ that technique.

In the 1989 model year, for example, air conditioning will become standard on the Pontiac Firebird Formula and Trans Am, Chevrolet Caprice sedan and the GM10 cars — the Pontiac Grand Prix, Oldsmobile Cutlass Supreme and Buick Regal. GM said that 99 percent of the buyers of those models purchase air conditioning as optional equipment.

The base price of the Pontiac Grand Prix for 1989 is $13,899, an 11 percent, or $1,360 increase over the 1988 base price of $12,539. Air conditioning and rear shoulder belts are standard for 1989. GM said the Grand Prix will be 3 percent, or $405, more than a comparably equipped 1988 model.

The base price of the 1989 Chevrolet Corsica notchback sedan is $9,985, up from the 1988 base price of $9,555. With upgraded tires and rear shoulder belts (standard for 1989), the same Corsica would have been $9,642 in 1988, GM said.

GM will continue its strategy of grouping options in packages on most of its models and offering the buyer a discount for purchasing the options in a package instead of ordering them individually. GM has said option packages make both car-ordering and manufacturing easier and more efficient. GM said savings from manufacturing efficiencies can be passed along to buyers.

The best discounts on option packages for 1989 are on the Chevrolet Camaro and Pontiac Firebird. GM said that a Camaro RS equipped with the most popular options, which in 1989 have been packaged into a group, will cost $12,227 this year compared with $12,922 last year.

Stempel said a comparison of introductory prices of new 1989 models and year-end prices for comparably equipped 1988 models shows an average increase of only 1.7 percent due to option package discounts. Aggressive incentives have also been in place throughout much of the 1988 model year.

The 1989 tentative car pricing at Chrysler includes all models except the Plymouth Laser coupe and Plymouth Acclaim and Dodge Spirit sedans, which will debut in January 1989.

Firm 1989 prices are expected to be announced by early October.

Chrysler's most significant pricing actions in 1989 affected the Chrysler New Yorker and Dodge Dynasty luxury sedans and the America compacts and subcompacts. Specifically, the Dodge Dynasty LE carries the largest increase — 11.2 percent compared to base prices in 1988 and 4.4 percent on a comparably equipped basis. The tentative 1989 retail price of the Dynasty LE is $13,595.

Omar Matt, manager of Chrysler's pricing and competitive analysis, said the increase reflects the addition of a V-6 engine and four-speed automatic transaxle as standard equipment in 1989.

"There were large equipment changes made standard," Matt said. "In addition, we believe the vehicle at the time it came out was underpriced."

Chrysler is leaving unchanged, however, the retail prices of the Chrysler New Yorker and New Yorker Landau which are tentatively set at $17,416 and $19,509, respectively. The prices remain unchanged even though Chrysler is adding as standard its new four-speed automatic transaxles. The models previously carried a three-speed.

"This is a direct attempt to gain market share," Matt said.

Significantly, the 1989 model year pricing indicates that Chrysler has had to reverse its strategy in pricing its America series — the Dodge Omni/Plymouth Horizon America models and the Dodge Aries/Plymouth Reliant America models.

Tentative prices increased $500 on each of the America models in 1989.

When the subcompacts were introduced in 1986, Chrysler heralded its approach of packaging equipment to streamline model offerings and reduce prices. Aries and Reliant prices, for example, were cut by more than $1,300 when introduced as America models. However, the company now admits the tactic backfired because customers continued to expect financing incentives.

"We took major downpricing action on those vehicles when they were introduced," Matt said. "We thought the magnitude of those reductions and the inclusion of standard equipment would prevent us from having to incentivize those vehicles. Unfortunately, we could not do that in this competitive environment. We had pretty well cut our margins down to the bare bones, so when you have to incentivize it really hurts."

The Omni/Horizon subcompacts will tentatively increase 8.3 percent to $6,495 in 1989 and the Aries/Reliant compacts 7.1 percent to $7,495.

"Basically, our strategy is to still try to be the low-pricer out there but to try to get back a little bit in margins with the understanding that the market expects incentives," Matt said.

Chrysler said that it has absorbed and has not passed on to customers — at least directly — the cost of installing air bags as standard equipment on six 1989 models: Dodge Daytona and Diplomat, Chrysler LeBaron coupe and convertible and Fifth Avenue and Plymouth Gran Fury.

Chrysler also said dealer discounts in 1989 will continue at 1988 levels.

Chrysler's price increases in 1989 follow three years during which company executives have maintained Chrysler has "underpriced the industry fairly significantly."

Chrysler said it raised prices an average of 1.7 percent overall on its 1988 models. But on a comparably equipped basis, it said it actually reduced prices by about 1 percent.

Matt also said that Jeep price increases for 1989 will be "in the three to four percent range."

However, the $8,995 price of the Jeep Wrangler S entry-level sport utility vehicle will remain unchanged in 1989, he said.

Matt said prices of Dodge Caravan and Plymouth Voyager minivans will increase "in the range of 3.5 percent" on a comparably-equipped basis in 1989. However, base versions will rise only 2 to 2.5 percent on a comparably equipped basis, he said.

On a base price-to-base price basis, Caravan/Voyager is tentatively rising 3.9 percent to $11,312, the SE edition 3.9 percent to $12,039 and the LE edition 3.8 percent to $13,987.

The Grand Caravan/Grand Voyager price is tentatively rising on a base-to-base basis 4.4 percent in the SE version to $13,061 and 5.5 percent in the LE version to $16,362.

LIBERTY

FROM PAGE 1

source said.

"It's going to be the highest-tech machine they can afford to put together," said an industry source familiar with the project. "It will get everything technology can bring it."

The LH series is now moving out of the jurisdiction of the Liberty Project. Chrysler has called Liberty its most advanced product development program for testing new approaches to design, production, technology, quality and cost management.

"Liberty is a methodology," said a company source. "Liberty now goes on to the next project."

G. Glenn Gardner, chairman of Diamond-Star Motors, said representatives from that Chrysler-Mitsubishi joint venture are meeting monthly with staffers from Liberty and Chrysler's manufacturing staff. Diamond-Star, Normal, Ill., is viewed by Chrysler as a manufacturing testbed.

"The new Jefferson North plant in Detroit and the new cars coming that will go into that plant will reflect a lot of the things that we learned at Diamond-Star," Gardner said.

However, another high-ranking Chrysler source said putting the LH platform in the Jefferson plant is still tentative.

"About a year and half ago, we started regular meetings with the staff of Chrysler Executive Vice President for Manufacturing Richard E. Dauch," Gardner said. "Then about three months later, we started meetings with Liberty at Chrysler. We have monthly meetings with those areas. One month we go there. One month they come here."

He continued: "There are a lot of unique features in the way Diamond-Star puts cars together. We are looking at it in the next new car that Chrysler puts together.

"Liberty is Chrysler's effort to make sure that a vehicle is designed to fit the plant and the process that it goes in, rather than bending the process to make the vehicle.

"The car design and the plant have got to be a marriage. Before, we sort of had a shotgun wedding. The Liberty and the Jefferson North project . . . when those two go together, it is indeed a marriage, and the two have blended themselves into a facility to turn out a product.

"The facility and the design and engineering of the product are married together in a way that is most productive and provides the best quality that they know how to produce," Gardner said.

Car output highest in four weeks

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

Last week's targeted domestic auto production totaled 98,658, the highest weekly output in four weeks as plants continued to resume output after downtime for model changeover.

Scheduled production of cars last week was 19.08 percent more than the prior week's 82,853 and 24.86 percent more than the year-ago week's 79,015.

The year-ago week's output was also affected by downtime for changeover.

Companies split last week's estimated production as follows: General Motors, 45.32 percent; Ford Motor Co., 31.10 percent; Honda of America Manufacturing Inc., 7.78 percent; Chrysler Motors, 5.17 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 4.41 percent; New United Motor Manufacturing Inc., 3.29 percent; and Nissan Motor Manufacturing Co. U.S.A., 2.93 percent.

Truckmakers scheduled 70,335 units last week. The total was 9.31 percent more than the previous week's 64,346 and 5.87 percent more than the year-ago week's 66,436.

GM will build its 370,168th Pontiac Fiero tomorrow at its Pontiac, Mich., plant and then shut down the plant permanently due to sluggish sales of the sports car. A total of 2,063 workers will lose their jobs.

Slow sales are also affecting GM's Oldsmobile Cutlass Supreme built at the Doraville, Ga., plant. Workers were originally told that they would be temporarily laid off for changeover from July 18 until Aug. 1; however, the plant did not reopen until today. There was a 143-day supply of the new GM10 model on Aug. 1.

GM's Detroit-Hamtramck plant remains idle for model changeover until Aug. 24. Its Van Nuys, Calif., plant reopened today and its Framingham, Mass., facility is slated to resume output Thursday.

Ford's Lorain, Ohio, plant remains closed until early October for model changeover.

Chrysler's Sterling Heights, Mich., plant resumed output today after being down for changeover.

Canada doubles car production

Canadian car production was targeted at 14,023 units last week, more than double the prior week's 6,162 and almost four times the year-ago week's 3,729. Line speeds are accelerating after shutdowns for changeover.

The previous week's and year-ago week's builds were affected by downtime for changeover and vacations.

Truck output was slated at 12,106 last week, 53.18 percent more than the prior week's 7,903 but 8.46 percent below the year-ago week's 13,225.

General Motors' Oshawa, Ontario, car plant resumed output last week after being idle for model changeover.

Volvo's plant in Halifax, Nova Scotia, plant remains closed until Aug. 22 for vacation.

U.S. CAR	Week Ended Aug. 13, 1988	Week Ended Aug. 15, 1987	Week Ended Aug. 6, 1988	Aug. to Date	Jan. 1 to Aug. 13, 1988	Jan. 1 to Aug. 15, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	0	0	0	0	53,889	32,997
Sundance	0	1,273	2,873	2,873	65,468	58,663
Reliant	0	3,078	0	0	56,260	70,201
Caravelle	0	654	0	0	9,087	31,292
Gran Fury	100	0	0	100	15,147	3,808
Total Plymouth	100	5,005	2,873	2,973	199,851	196,961
LeBaron K	0	946	0	0	7,912	45,785
LeBaron J	700	918	0	700	46,403	70,194
LeBaron GTS	0	648	289	289	6,005	25,009
N. Yorker E-Class	1,200	1,672	612	1,812	1,812	49,743
N. Yorker C-Class	0	0	0	0	63,233	0
Fifth Avenue	600	0	0	600	16,394	32,038
Total Chrysler	2,500	4,184	901	3,401	141,759	222,769
Omni	0	0	0	0	52,602	28,363
Daytona	700	653	0	700	45,664	33,909
Shadow	0	1,404	2,496	2,496	64,152	60,397
Aries	0	2,645	0	0	54,570	66,300
Dodge 600	0	555	0	0	8,549	28,032
Dynasty	1,600	0	777	2,377	61,743	0
Lancer	0	362	180	180	5,806	15,676
Diplomat	200	0	0	200	12,568	6,754
Total Dodge	2,500	5,619	3,453	5,953	305,656	239,433
CHRYSLER MOTORS	5,100	14,808	7,227	12,327	647,266	675,157
Escort	10,256	5,725	7,481	17,737	238,492	233,183
Mustang	2,374	3,077	3,409	5,783	124,426	132,314
Tempo	2,511	0	3,622	6,133	116,626	99,830
Taurus	8,026	5,243	6,528	14,554	244,131	261,946
Thunderbird	0	3,032	0	0	90,246	101,199
Total Ford Div.	23,167	17,077	21,040	44,207	813,921	828,472
Lynx	0	0	0	0	0	21,352
Topaz	1,052	0	1,524	2,576	44,035	32,858
Cougar	0	1,995	0	0	69,686	89,689
Sable	2,690	1,399	2,184	4,874	83,637	83,500
Total Mercury	3,742	3,394	3,708	7,450	197,358	227,399
Continental	1,264	0	818	2,082	27,021	9,610
Mark VII	623	650	417	1,040	14,647	16,667
Lincoln	1,889	3,252	1,246	3,135	80,561	83,921
Total Lincoln	3,776	3,902	2,481	6,257	122,229	110,198
Total L-M Division	7,518	7,296	6,189	13,707	319,587	337,597
FORD MOTOR CO.	30,685	24,373	27,229	57,914	1,133,508	1,166,069
Skyhawk	110	734	4	114	10,065	17,511
Skylark/Somerset	311	300	0	311	28,483	37,410
Century	745	2,027	121	866	65,189	106,919
Regal (rwd)	0	10	0	0	0	29,235
Riviera	0	0	0	0	3,642	8,501
Electra	1,193	1,770	749	1,942	53,241	56,357
LeSabre (fwd)	2,360	1,963	1,464	3,824	78,923	83,073
LeSabre (rwd)	125	73	172	297	6,421	5,940
Reatta	0	0	0	0	5,455	0
Total Buick	4,844	6,877	2,510	7,354	251,419	344,946
Cimmaron	0	5	0	0	3,693	7,489
Eldorado	0	0	0	0	23,410	12,720
Seville	0	0	0	0	14,488	10,534
Brougham (rwd)	610	1,662	350	960	19,283	41,807
Deville (fwd)	0	0	0	0	97,287	90,573
Allante	0	154	0	0	1,135	3,108
Total Cadillac	610	1,821	350	960	159,296	166,231
Cavalier	6,518	0	3,934	10,452	222,184	204,851
Camaro	0	2,325	0	0	54,287	74,836
Celebrity	3,338	0	1,839	5,177	111,614	192,484
Corsica/Beretta	9,360	8,036	8,880	18,240	250,217	194,916
Monte Carlo	0	0	0	0	0	42,027
Caprice	4,450	1,586	4,130	8,580	129,728	120,474
Corvette	440	0	452	892	13,638	18,083
Total Chevrolet	24,106	11,947	19,235	43,341	781,668	847,671
Calais	529	361	0	529	65,779	69,973
Firenza	0	304	0	0	5,230	2,468
Cutlass Ciera	0	0	0	0	13,551	99,968
Cutlass Supreme	0	1,489	0	0	90,480	46,721
Toronado	0	0	0	0	10,209	10,127
88 (fwd)	2,755	756	2,311	5,066	95,090	109,936
88 (rwd)	255	0	225	480	7,650	10,656
Olds 98	1,058	1,954	652	1,710	46,835	38,797
Total Oldsmobile	4,597	4,864	3,188	7,785	334,824	397,240
Sunbird	1,017	0	1,269	2,286	65,110	60,295
Grand Am	2,214	0	838	3,052	141,384	149,576
Firebird	0	1,165	0	0	37,613	50,825
Grand Prix	2,283	0	0	2,283	74,199	0
Pontiac 6000	1,983	0	1,123	3,106	46,044	48,689
Bonneville	2,425	0	1,858	4,283	68,286	79,946
Safari/Parisienne	135	135	130	265	5,064	6,306
Fiero	488	0	494	982	13,083	20,689
Total Pontiac	10,545	1,300	5,712	16,257	450,783	416,326
GENERAL MOTORS	44,702	26,809	30,995	75,697	1,977,990	2,172,414
HONDA	7,680	6,409	7,454	15,134	226,262	209,606
Civic	2,660	2,238	2,336	4,996	63,850	68,993
Accord	5,020	4,171	5,118	10,138	162,412	140,613
MAZDA†	4,351	0	3,814	8,165	67,860	0
NISSAN	2,890	2,579	2,882	5,772	64,765	82,548
NUMMI	3,250	4,037	3,252	6,502	98,165	124,795
Corolla	1,200	896	1,174	2,374	35,950	26,142
Nova	2,050	3,141	2,078	4,128	62,215	98,653
VOLKSWAGEN	0	0	0	0	35,595	43,129
Golf/GTI	0	0	0	0	30,042	34,775
Jetta	0	0	0	0	5,553	8,354
Total Cars, U.S.	98,658	79,015	82,853	181,511	4,251,411	4,473,718
Total Cars, Canada	14,023	3,729	6,162	20,185	673,019	475,473
U.S., Canada Cars	112,681	82,744	89,015	201,696	4,924,430	4,949,191
U.S., Canada Cars and Trucks	195,122	162,405	161,264	356,386	8,016,966	7,819,212

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended Aug. 13, 1988	Week Ended Aug. 15, 1987	Week Ended Aug. 6, 1988	Aug. to Date	Jan. 1 to Aug. 13, 1988	Jan. 1 to Aug. 15, 1987
Eagle	0	—	0	0	0	—
Premier	0	—	0	0	38,984	—
CHRYSLER MOTORS	0	109	0	0	38,984	3,410
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	3,690	—	2,022	5,712	111,336	—
Topaz	1,845	—	911	2,756	40,475	—
Crown Victoria	2,662	—	1,093	3,755	79,372	—
Grand Marquis	2,789	—	1,146	3,935	79,702	—
FORD MOTOR CO.	10,986	2,662	5,172	16,158	310,888	293,361
Celebrity	270	—	70	340	13,311	—
Cutlass Ciera	1,077	—	266	1,343	156,497	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	0	29,675	—
Regal	360	—	0	360	94,999	—
GENERAL MOTORS	1,707	502	336	2,043	294,482	163,845
Civic	1,330	—	654	1,984	22,449	—
Accord	0	—	0	0	1,828	—
HONDA	1,330	456	654	1,984	24,277	8,440
VOLVO	0	0	0	0	4,388	6,417
Total Cars, Canada	14,023	3,729	6,162	20,185	673,019	475,473

U.S. TRUCK☆	Week Ended Aug. 13, 1988	Week Ended Aug. 15, 1987	Week Ended Aug. 6, 1988	Aug. to Date	Jan. 1 to Aug. 13, 1988	Jan. 1 to Aug. 15, 1987
Caravan	1,700	—	1,001	2,701	57,474	—
Dakota	1,500	—	830	2,330	64,564	—
Mini-Ram Van	0	—	58	58	8,797	—
Pickups	1,500	—	827	2,327	43,043	—
Total Dodge	4,700	7,169	2,716	7,416	173,878	159,313
Cherokee	500	—	0	500	106,121	—
Commanche	2,400	—	0	2,400	29,401	—
Grand Wagoneer	200	—	0	200	8,415	—
Pickups	0	—	0	0	0	—
Wagoneer	100	—	0	100	6,332	—
Total Jeep	3,200	4,900	0	3,200	150,269	136,937
Voyager	1,600	—	960	2,560	53,304	—
Total Plymouth	1,600	—	960	2,560	54,057	—
CHRYSLER MOTORS	9,500	12,069	3,676	13,176	385,468	296,250
Aerostar	4,472	—	4,030	8,502	122,391	—
Bronco	366	—	175	541	35,195	—
Bronco II	2,888	—	2,827	5,715	79,227	—
Econoline	4,700	—	4,124	8,824	145,452	—
Heavy trucks	1,462	—	1,447	2,909	41,174	—
Light trucks	7,568	—	8,348	15,916	303,305	—
Ranger	6,313	—	7,361	13,674	217,875	—
Total Ford Div.	27,769	24,837	28,312	56,081	944,619	920,211
FORD MOTOR CO.	27,769	24,837	28,312	56,081	944,619	920,211
Astro	2,768	—	3,053	5,821	109,408	—
Blazer	0	—	0	0	16,593	—
Mediums/Heavies	1,012	—	1,000	2,012	12,584	—
P-Model	614	—	0	614	24,875	—
Pickups	6,541	—	6,550	13,091	214,352	—
S-10	5,079	—	5,025	10,104	185,617	—
S-10 Blazer	2,268	—	2,410	4,678	104,448	—
Sportsvan/Van	2,171	—	1,976	4,147	58,662	—
Suburban	0	—	0	0	44,569	—
Total Chevrolet	20,453	17,783	20,014	40,467	771,108	725,685
Jimmy	0	—	0	0	4,822	—
Mediums/Heavies	367	—	503	870	24,486	—
P-Model	331	—	0	331	3,640	—
Pickups	2,005	—	1,689	3,694	66,355	—
S-15	1,041	—	778	1,819	41,861	—
S-15 Jimmy	1,932	—	2,088	4,020	30,060	—
Safari	692	—	774	1,466	27,815	—
Suburban	0	—	0	0	19,689	—
Vandura/Rally Vans	91	—	397	488	21,640	—
Total GMC	6,459	5,229	6,229	12,688	240,368	243,521
GENERAL MOTORS	26,912	23,012	26,243	53,155	1,011,476	969,206
NAVISTAR	2,014	1,661	1,951	3,965	53,079	44,998
NISSAN	1,390	2,107	1,414	2,804	61,276	52,093
AM GENERAL*	450	450	450	900	14,310	8,910
MISCELLANEOUS*	2,300	2,300	2,300	4,600	73,140	73,300
Total Trucks, U.S.	70,335	66,436	64,346	134,681	2,543,368	2,364,968

CANADIAN TRUCK	Week Ended Aug. 13, 1988	Week Ended Aug. 15, 1987	Week Ended Aug. 6, 1988	Aug. to Date	Jan. 1 to Aug. 13, 1988	Jan. 1 to Aug. 15, 1987
Caravan	2,810	—	1,859	4,669	85,493	—
Mini-Ram Van	170	—	117	287	8,209	—
Ram Wagon	575	—	507	1,082	14,828	—
Ram Van	1,475	—	1,336	2,811	39,520	—
Total Dodge	5,030	6,852	3,819	8,849	148,050	252,341
Voyager	2,140	—	1,324	3,464	76,847	—
Total Plymouth	2,140	—	1,324	3,464	76,847	—
Wrangler	1,018	—	874	1,892	29,582	—
Total Jeep	1,018	778	874	1,892	29,582	20,392
CHRYSLER MOTORS	8,188	7,630	6,017	14,205	254,479	272,733
FORD MTR. (lt. trks.)	3,648	3,388	1,689	5,337	100,138	92,829
Light trucks	0	—	0	0	88,669	—
Vans	0	—	0	0	35,105	—
Total Chevrolet	0	—	0	0	123,774	—
Light trucks	0	—	0	0	45,386	—
Vans	0	—	0	0	18,604	—
Total GMC	0	—	0	0	63,990	—
GENERAL MOTORS	0	1,981	0	0	187,764	133,768
NAVISTAR	270	226	197	467	6,787	5,723
Total Trks., Canada	12,106	13,225	7,903	20,009	549,168	505,053
U.S., Canada Trks.	82,441	79,661	72,249	154,690	3,092,536	2,870,021

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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DUKAKIS

He's unknown to industry, and he may crack the whip

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

When the brother of Massachusetts Gov. Michael Dukakis died in a hit-and-run accident in 1972, the family blamed it on a drunken driver.

The death of Stelion Dukakis, although like thousands of others that occur every year, personalized forever the importance Democratic presidential candidate Michael Dukakis places on auto safety. And it could be of special significance to the nation's automakers if Dukakis becomes president.

"It was a hard blow and created in Michael a deep emotional attachment to the issue of highway safety," said Massachusetts High-

see DUKAKIS, page 68

BUSH

Automakers comfortable with 'friend' of 8 years

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

Vice President George Bush chaired the presidential commission that recommended abolishing fuel economy standards.

That shows where he stands on regulation — a position that indicates the Republican candidate will continue to make deregulation and free trade the guiding principles of U.S. economic policy if he is elected president of the United States.

Bush advisers say those two general policies — deregulation and free trade — have made possible six years of low inflation and high employment, and have indirectly created one of the healthiest peri-

see BUSH, page 69

ELECTION 88

The 1988 race for the presidency begins in earnest today. Beyond the rhetoric, here's how Democratic nominee Michael Dukakis and Republican nominee George Bush are likely to behave on issues critical to the automotive industry.

Bricklin charts auto comeback as megadealer

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

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Irrepressible auto promoter Malcolm Bricklin is courting Wall Street in an effort to raise $1 billion through the sale of junk bonds to buy a chain of automobile dealerships.

With that kind of financial reserve, Bricklin could acquire roughly 100 dealerships, each with annual sales of about $50 million, according to a source familiar with Bricklin's plans.

New York-based Drexel Burnham Lambert, pioneer in the junk bond market, was mentioned by several sources close to Bricklin as the most likely candidate to handle the bond sales.

"We don't discuss transaction that may or not be in the works," said a Drexel Burnham Lambert spokesman.

"Yes, I am talking to people," said Bricklin from his Colorado ranch. He sold Bricklin Industries' interest in Global Motors, the parent company of Yugo America and Proton America, to a private investment group in April for an estimated $40 million.

"It is very premature at this point, but it involves a large number of dealerships, financing with an interesting twist and several ex-associates," he said.

When asked if the deal involved the sale of $1 billion in junk bonds, Bricklin said, "Yes, that is step one."

He said a financial plan will be in place within 30 days to include an announcement of the venture.

Long-time associate Michael Sanyour, a principal in the invest-

Bricklin: the sale of $1 billion in junk bonds "is step one."

ment banking firm of Philadelphia-based CMS Companies, is a key player in Bricklin's venture.

"We are working on a little project," he said. "It's in the gestation stage of developing the concept."

Sanyour, who was an executive at both Volkswagen of America and Subaru of America in the late 1960s and early 1970s, said Bricklin is "raising money to buy dealerships, but beyond that, it is too early to talk about it."

Bricklin and Sanyour declined to name any of the dealerships or chains they may purchase.

Daniel J. McClory, managing director of Auto Equities Group in Newport Beach, Calif., said he has

see BRICKLIN, page 66

FERRARI: *Carbuilder, racer was last of breed*

By David Burgess-Wise
SPECIAL CORRESPONDENT

Enzo Ferrari was the last of a breed that included the likes of Bentley, Ford, Bugatti, Lancia, Delage, Voisin. They created marques that became automotive legends while their progenitors and namesakes remained in command.

When he died Aug. 14 at the age of 90, Ferrari brought to a close an automotive era. Though his name was synonymous with racing and performance cars, Ferrari was no designer. Nor, in his earlier career, was he any more than a modestly successful racing driver, yet his Scuderia Ferrari's victories were legendary.

Ferrari's secret was always to surround himself with the very best drivers and designers and imbue them with his enthusiasm for motor sport. It was an enthusiasm that, paradoxically, had long been conducted seemingly by remote control, for it was many years ago that Ferrari last appeared at a race track to watch one of his cars in action.

Even Ferrari's prancing horse trademark is a paradox. While it would nowadays be difficult to

see FERRARI, page 52

Enzo Ferrari, 1898-1988

Dealer takes novel step toward public ownership

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — A Long Island dealer has formed a limited partnership that could become one of the largest publicly owned dealership groups in the United States.

The private offering seeking investors in Sunrise Auto Partners L.P., a Nissan-Toyota-Mitsubishi-Dodge combine owned by dealer John Branham, has been placed by Smith Barney, Harris Upham & Co.

It is selling partnership units in Sunrise Auto Partners for $90,000 each and half-units for $45,000, hoping to raise between $34 million and $60 million.

A Smith Barney official did not want to comment or even have the company's name associated with the deal, saying that such information could jeopardize the offering.

Documents describing the sale say that if $34 million isn't raised by Sept. 30 and an option extending the deadline to Dec. 30 isn't exercised, the offering will be withdrawn.

A brochure outlining the deal says the partnership will use the proceeds to buy the dealerships,

see PUBLIC, page 66

Mazda views Ford as engine buyer — Page 2
Texas-sized Chevy deal plans to buy another — Page 3
GM sets sights on Asia-Pacific — Page 4

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Ford target: 16% of '89 car sales

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

Ford Division expects to add to its growing share of the U.S. market in the upcoming model year.

Ford predicted it will climb to 16.0 percent of the U.S. car market during the 1989 model run, said dealers who attended Ford's 1989 preview in Boston. In July, it held 15.3 percent, and it has 15.1 percent for the year.

The division is aiming to reach 30.5 percent of the truck market compared to 29.1 percent during July and 30.2 percent for 1988. Capacity constraints will limit potential on the truck side, although the company's shortage of automatic transmissions is expected to ease.

Overall, the division is expecting another 15 million sales year in 1989, about the same as the current year, dealers said.

Ford will make a new advertising push for Festiva. Dealers were shown television spots that promote the subcompact along with Ford's 6-year/60,000-mile powertrain warranty. The division is looking for 77,000 Festiva sales in the 1989 model year.

One theme of the show was performance. In addition to the new Thunderbird Super Coupe, Ford is adding a high-performance version of the Taurus, the 220-horsepower SHO. Scheduled output is 23,000 units, reported one dealer.

Ford will equip about half of all Mustangs with its 5-liter V-8 this year, compared with about a third in 1988. Starting this year, the Mustang LX version is available with the V-8.

In addition to the 1989 lineup, Ford also displayed a seven-passenger concept vehicle, which one dealer described as a cross between an Aerostar and a Taurus wagon.

Dealers interviewed were universally excited by the looks of the Thunderbird, which goes on sale after Christmas.

They also took note of the fact that the two-day presentation was divided into equal parts, one focusing on cars and the other on trucks. That was taken as a sign that Ford will give the truck side the attention it deserves as contributor of half the division's sales.

AUTOMOTIVE NEWS/JOE WILSSENS

The last of the Fieros are hauled away after GM idled the plant last week

Son of Fiero in court

Canada firm says Magna backed out

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

PONTIAC, Mich. — While General Motors was closing the doors on its Pontiac Fiero plant last week, a legal battle was ensuing over a soured joint venture to buy the plant.

AcquisiCorp Capital Ltd., formerly Echo Mountain Resources Ltd., of Vancouver, British Columbia, said in a statement released through the Vancouver Stock Exchange that it will sue Canadian auto parts maker, Magna International Inc., and its auto body parts subsidiary, Cosma International, for breach of contract.

AcquisiCorp claims its subsidiary, Enterra Motor Cars Ltd., had a contract with Magna to jointly pursue the purchase of the now-idle Fiero plant and that Magna reneged on the deal.

The plan was to produce a series of car models using the Fiero's space frame chassis upon which plastic body panels are hung. Enterra produced a car using the two-seater Fiero as a base.

AcquisiCorp President John Parks said the company has instructed its Toronto legal counsel to proceed with the suit. Parks said in a statement that the company expects its losses from the deal to exceed $20 million.

Magna Vice Chairman James McAlpine said the company had not been notified of the legal action and only knew about it from reading Canadian newspapers.

In a prepared statement, McAlpine said: "Both Cosma and Magna deny they are in breach of any obligation or fiduciary duties alleged to be owed to AcquisiCorp or its subsidiary, Enterra Motor Cars Ltd."

GM said it has no plans to sell the plant and has no future product planned for the plant. However, sources say a number of proposals from outside companies have been made to GM regarding future plans for the plant.

Meanwhile, the Pontiac plant produced its final Fiero — No. 370,168 — last Tuesday morning. Two workers at the plant won the last two cars at a drawing held at a recent plant picnic.

GM announced in March that it would end production of the sporty Fiero by the end of the 1988 model year and idle the plant which had produced the Fiero for five years.

The car and the manufacturing methods used in its construction were considered revolutionary. It was the first to use composite plastic body panels on a steel space frame. That method will be used in the production of GM's new all-purpose van, due out in the 1990 model year.

GM cited sagging sales due to increased competition in the two-seater segment and consumer preference for larger, roomier cars.

About 1,400 assembly workers, as well as a couple hundred workers from components operations associated with the Fiero, have been indefinitely laid off.

GMC overhauls conversion policy

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

General Motors continues to shake up the recreational vehicle industry and many of its own dealers with new restrictions on the distribution of chassis.

GMC Truck last week notified its dealers that, effective with 1989 models, they can no longer wholesale upfitter package vans and Suburbans to non-consignment-pool conversion companies.

GMC dealers can still order units for non-pool companies, but they have to retain title to the vehicles during their conversion, get them back and retail them to final customers.

That precludes non-pool converters from selling the units to RV or other non-GMC retail outlets.

Duncan Brodie, GMC general sales manager, said that while the new program differs from Chevrolet's, its effect — to retain control over product — will be the same.

Chevrolet's program, which started the industrywide shakeup affecting thousands of converters and dealers, completely prohibits dealers from ordering conversion chassis for non-pool companies. All its units have to go through pool accounts.

"The whole problem that Chevrolet faced was the fact that non-bailment companies were selling the chassis to other retail outlets, and those retail outlets were selling them to the end user," he said.

GMC, in addressing the problem, had to consider the geographic spread and location of its dealerships. Since many of its dealers are in outlying areas where it is necessary to work with smaller non-pool companies, officials considered it expeditious to let them retain those relationships, Brodie said.

GMC, in setting up a simpler, more flexible program than Chevrolet, may have also been trying to avoid some of the extra headaches and expense of administering such a program.

Chevrolet is being forced, for example, to greatly expand its original 64-company pool system to accommodate dealer and customer orders.

Don Cuzzocrea, chairman of the Recreation Vehicle Industry Association and chairman of Starcraft Corp., said the Chevrolet program will benefit "small guys because they'll be signing a lot more pool accounts."

He said the best way to get a pool account is to join the RVIA which has been working to control the quality of conversions built by member companies.

Brodie said that, for the time being at least, GMC is not using General Motors Acceptance Corp. to administer the financial end of its program as Chevrolet did. However, he said that is still being studied and he didn't preclude it from happening in the future. For Chevrolet, GMAC is providing wholesale and retail financing of the units, as well as financially qualifying van-pool candidates.

Of 2,400 GMC dealers, about 1,000 are involved in the van conversion business, Brodie said.

GMC has 60 bailment pool companies. It has no plans to expand that to any significant degree.

Brodie said dealer violations of the new policy "are easily traceable, and we will get back into his allocation and take whatever steps are necessary to preclude him" from selling chassis outright to converters.

Penalties might include cutting a dealer's chassis allocation, charging back to him any discounts or allowances relating to conversion options or programs or canceling "ship-through (to converter) codes on non-complying units," he said.

Meanwhile, Chevrolet has been sending teams to every consignment pool applicant to inspect the size, operating methods, security and other aspects of his business, said Bob Wolf, owner of Advanced Creations in Romulus, Mich.

Advanced Creations is typical of many companies that likely wouldn't have had a chance to get into Chevrolet's closed pool system but which stand a good chance now.

Wolf said some of the new Chevrolet requirements include having 2,000 square feet of production facility for every 100 vehicles, 400 square feet of storage space for each conversion and converting a minimum of 300 units yearly.

INDEX

Around the world	28-34
Auction dates	56
Classifieds	57-66
Coming events	44
Dealing with dealers	56
Extra section	E1
Legal briefs	48
News briefs	8
Obituaries	67
Opinion	10
Personnel	38-40
Production	71
Recreation on wheels	12
Sales, car	36
Sales, truck	14

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One Texas-sized Chevy dealer to buy another

By Laura Clark and Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTERS

Jim Johnson, Chevrolet's single largest dealer for retail sales in 1987, is negotiating to sell his giant Richardson, Texas, Chevrolet dealership to Mark Eddins, owner of Friendly Chevrolet, Dallas.

Eddins, Chevrolet's second-largest dealer in combined fleet and retail sales in 1987, anticipated reaching a preliminary buyout agreement by the end of last week.

After they reach a preliminary agreement, the parties still have to go through it point-by-point to settle on a final agreement. And General Motors has to approve the deal which, Eddins said, could take a "few days to a few months."

Johnson has Chevrolet stores in both Richardson and Austin, Texas. However, Eddins is negotiating the purchase of only the Richardson store.

"We are not buying the (Johnson) corporation," Eddins said, because it had "too many contingent liabilities."

Johnson's Richardson dealership was the ninth largest Chevrolet dealership in total unit volume sales in 1987, according to the Automotive News Sales Giants compilation.

If Eddins prevails, he could control about 20 percent of the new-car and light-truck market in Dallas County.

The county's records show 147,630 new cars and trucks registered in 1987. Those numbers include both retail and fleet sales for new cars and light, medium and heavy-duty trucks, but exclude fleet vehicles sold by Dallas County dealers and registered in another county.

Friendly Chevrolet sold 20,543 retail and fleet vehicles in 1987, including 2,490 retail units and 18,053 fleet units. It was the largest single Chevrolet dealership in the Dallas area in 1987 for combined retail and fleet units.

Jim Johnson Chevrolet sold 9,317 retail and fleet vehicles in 1987, including 7,748 retail units and 1,569 fleet units. It was the second largest Chevrolet dealership in the Dallas area in 1987 for combined retail and fleet sales.

Eddins plans to operate Friendly and the Jim Johnson dealerships "completely independently with no collusion of policies."

"That's something we're making sure of, to ensure our ability to get approved by the manufacturer. We will not run two stores out of the same operation. They would be completely competitive and completely autonomous," said Eddins, who added that he could control 40 percent of Chevrolet sales in Dallas County with Friendly and the Johnson dealership.

Texas has been hard hit by the slump in oil prices the past few years, and industry sources said the impact has been felt by most dealers.

Johnson's Richardson store reported sales of $170.4 million in 1987, down 16.47 percent from $204 million in 1986. Eddins estimated Johnson's sales to be in the $200 million to $250 million range this year. The dealership is also expected to sell 9,000 units this year.

Friendly Chevrolet sales totaled $258.3 million in 1987, up 75.06 percent from 1986.

Eddins said that, despite problems in the Texas economy, "We've been profitable. The strong get stronger. You have to take advantage of opportunities."

Chevrolet declined comment on the dealers' negotiations.

Johnson worked at Friendly Chevrolet for approximately eight years and served as general sales manager. He left in March 1984 to purchase Frank Late Chevrolet (now Johnson's Richardson store). The Dallas Morning News reported that Johnson bought the Late dealership with partner John Toole, but Toole later left the dealership. Johnson could not be reached for comment.

Gulf Stream's big year reflects industry pattern

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

ELKHART, Ind. — Gulf Stream Coach Inc., Nappanee, Ind., a diversified RV manufacturer, is in many ways reflective of the good year that most RV companies are having.

Jim Shay, chairman of Gulf Stream, sees demand for van conversions, motor homes and other RVs continuing to improve in 1989 — provided the government doesn't choke it off with continued hikes in interest rates.

Gulf Stream is expanding production capacity to accommodate projected sales increases for its Conquest and Monogram van conversion operations, travel trailers and other RVs.

Conquest has pool accounts with Ford, Chevrolet and GMC and also converts Dodge chassis that it buys from dealers. Monogram has pool accounts with Chevrolet and GMC.

Gulf Stream completed construction of a new 90,000-square-foot facility in Nappanee about a month ago, into which it is moving some of the products previously built at an 80,000-square-foot facility in that city.

The freed-up space in the smaller of the two plants will be used for expanded production of Conquest vans and Conquest travel trailers.

A new 20,000-square-foot facility still under production at Goshen will be used to produce Conquest mini motor homes.

Monogram, Shay added, still has enough unused capacity in its own plant to enable it to expand without requiring additional facilities.

Together, the two van conversion operations have been producing about 22 units a day. The plan for 1989 is to get each into the 20-unit-a-day production range for combined sales of 6,000 to 8,000, Shay said.

Shay said that Conquest and Monogram both had "exceptional growth," which he credited in large part to their general managers.

Like many other converters, the company's ability to sell van conversions this year has been limited only by its ability to obtain raw chassis to work on.

Shay isn't sure how much Conquest and Monogram will benefit from having Chevrolet pool accounts at a time when Chevrolet is shifting all its van distribution through consignment pools.

"There are stories it will help us in availability. If it turns out that way — I don't know," Shay said.

In a general sense, he said he felt Chevrolet's perspective on the conversion market was different from that of many converters.

"They (Chevrolet) deal with a tremendous number of entrepreneurs — their own dealers as well as the conversion companies," Shay said. "I think they look at us (converters) more as service companies than as manufacturers. The van conversion is only a small part of the cost of the finished vehicle. We're really there to enhance the market. They have to look at the overall picture."

He said he would like to see General Motors Acceptance Corp. become more involved not only in the wholesale but also the retail end of converted products, working more with RV dealers as it does with GM's own automotive dealer group.

In addition to van conversions, the company's Class A and Class C motor home business has been very strong.

"Our trailer division is coming on strong. And the (South Bend RV) show has been fabulous for us," Shay added.

The Class A market rebounded strongly from a minor setback following last October's stock market plunge.

Full Class C demand has still to be determined, Shay added.

"Nobody knows how good the Class C market is because nobody can get enough Class C's to meet the demand," he concluded.

Shipments increase for June, year

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Wholesale RV shipments increased in June and continued their strong lead over last year for the first six months of calendar 1988.

Industry shipments ran at a seasonally adjusted annual rate of 430,000 units in the first half of the year, according to the Recreation Vehicle Manufacturers Association.

In June, RV manufacturers shipped 38,200 units to their dealers, up 11.05 percent from 34,400 a year earlier.

For the first half, they shipped 227,800 units, up 6.05 percent from 214,800 a year earlier.

Following a record-setting May, wholesale van conversion shipments continued at a strong 17,900-unit level in June, up 7.83 percent from 16,600 a year earlier.

For six months, van conversion shipments totaled 104,600 and were up 6.63 percent from 98,100 a year earlier.

Recreational Vehicle Wholesale Deliveries

	June 1988	June 1987	% change	6 mos. 1988	6 mos. 1987	% change
Travel trailers	5,800	5,000	+12.0	34,600	34,500	+ 0.3
Park Trailers	500	400	+25.0	3,800	3,100	+22.6
Travel trailers—fifth wheel	2,900	2,200	+31.8	17,100	13,600	+25.7
Folding camping trailers	3,800	3,500	+ 8.6	23,100	21,800	+ 6.0
Truck campers	1,200	1,000	+20.0	6,200	5,700	+ 8.8
Towable RV total	14,000	12,100	+15.7	84,800	78,700	+ 7.8
Conventional (type A)	3,300	3,000	+10.0	21,400	19,900	+ 7.5
Van Campers (type B)	600	500	+20.0	2,800	3,300	−15.2
Chopped vans (all)	2,400	2,200	+ 9.1	14,200	14,800	− 4.1
Motor home total	6,300	5,700	+10.5	38,400	38,000	+ 1.1
Van conversions	17,900	16,600	+ 7.8	104,600	98,100	+ 6.6
TOTAL ALL RVs	38,200	34,400	+11.1	227,800	214,800	+ 6.1

Source: Recreation Vehicle Industry Association.

Shipments of raw van chassis with the seat-delete option by Detroit manufacturers to RV customizers declined in June, however, portending a downturn in shipments of customized vans from converters to their dealers.

Generally, the falloff was due to lack of product availability. General Motors, Ford and Chrysler began running out of chassis products for converters in June.

Detroit manufacturers shipped 13,600 vans with the seat-delete option to converters in June, down 29.90 percent from 19,400 a year earlier.

Among Detroit's June shipments to converters were 12,400 full-sized vans, 18.42 percent fewer than the 15,200 of a year earlier.

Also included in the June tally were 1,200 compact vans, 71.43 percent fewer than the 4,200 of a year earlier.

Meanwhile, the Index of Consumer Sentiment was virtually unchanged in June from the previous month. It remains near the all-time high, RVIA said.

Consumers have become more concerned with rising prices and the effects of rising interest rates. Still, favorable buying attitudes have been maintained for vehicle purchases, according to RVIA.

Consumer intentions to purchase a RV moved up to 8.40 percent in June from 7.10 percent the previous month, RVIA said, reflecting continued optimism.

GMAC stirs no panic at ITT Commercial

RV TRENDS

JOSEPH BOHN

General Motors Acceptance Corp. will become more heavily involved in both wholesale and retail RV financing as a result of changes made by Chevrolet in its distribution of van chassis.

GMAC's involvement poses some additional competition to local banks involved in van conversion financing.

But other financial institutions like ITT Commercial Finance Corp., St. Louis, continue to see solid opportunities in regular RV dealer floorplanning.

ITT Commercial Finance Corp. provides inventory financing, or floorplanning, for a variety of RV companies' dealers in North America.

The company works in conjunction with RV manufacturers themselves, said Joseph Odgers, ITT's vice president of marketing.

Under a typical arrangement, eligible RV dealers order inventory from manufacturers that ship them the products and invoice the floorplan company. The finance company then pays the manufacturer according to pre-set terms. Finally, inventory is recorded by the floorplan company, according to serial number, and serves as collateral.

In most cases, through the finance company, manufacturers help to support their dealers by contributing to the floorplan arrangement.

Generally, the arrangement allows dealers to reach optimum inventory levels at little cost, provides a higher line of credit and frees their bank credit lines.

It allows dealers to take advantage of manufacturers' special and volume discounts.

Some RV manufacturers also provide discounts to ITT, which it passes along in the form of free floorplanning for a period of time.

Generally, ITT's portfolio of RV financing, amounting to several hundred million dollars, isn't huge, Odgers added, but it does represent a significant portion of the company's overall financing activity.

TraTech recovers

TraTech, whose main van conversion plant in Clarkston, Mich., was destroyed by fire Aug. 3, expects to resume full production today.

A company spokesperson said TraTech had temporarily moved to a new plant in Lake Orion, Mich., while its old plant in Clarkston was being rebuilt.

Vixen heads for profit

Product revised; RV dealers stressed

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

A revitalized Vixen Motor Co. will reap its first profit by the end of September after adopting an "if you can't beat 'em, join 'em" marketing approach.

Vixen did an about-face this year, converting its erstwhile quasi motor home into a true-blue RV unit with all the traditional amenities of running hot water, microwave cooking, etc.

It also hired a true-blue RV marketer, Richard Mines, as director of sales and marketing. He was formerly national sales manager of Thor Industries' Establishment brand motor homes and, prior to that, was sales manager for Champion Motor Homes.

Vixen has also changed its distribution emphasis to RV dealers, rather than auto dealers, though Mines insists, "We're not walking away from the car dealer.

"If there's an auto dealer today with a separate RV staff — not necessarily a separate facility — I want him," Mines said. "He just has to have some concentration on RVs, some specialized salespeople — even if it's one person. Our project is to train the dealers; we've got to make them profitable."

"By my own experience, RVs have a different sales cycle than cars, and you really have to have a salesperson dedicated to that," added Robert Gillow, owner of Action Oldsmobile in Livonia, Mich., and chairman of Vixen Motor Co.

Mines said Vixen still has those car dealers who maintained their loyalty to the company during its crisis. It retained about 15 of its former 35 car dealers.

"They would be the first to agree that we need an expanded network, particularly on the service side, and that such a network will help their own sales," he said.

Thus, the company is going after the RV dealer "as our primary marketing arm," Mines said.

The Vixen product, in addition to now being a self-contained living unit, now features full standup height and General Motors' 3800 V-6 engine and automatic transmission.

The new powertrain gave it entry into the California market where 25 percent of all RVs are sold. Its previous BMW-supplied diesel engine couldn't pass that state's emission standards.

Vixen has already sold all its production capability through the end of September, and "that's why we know we're going to have a cash profit," Mines said.

Gillow said the profit would be modest.

"On a monthly basis, you're not going to make a million dollars. But, obviously, as our production level grows, so will our profits. Within a year, the company will have some substantial numbers in earnings," Gillow added.

Vixen must produce about 30 motor homes a month to be profitable.

It has built 54 of them since resuming production this spring and has retailed about two-thirds of those units, according to Mines.

It currently has 48 pre-sold dealer orders in-house, and is now taking orders for October. The company anticipates building 460 motor homes during the next 12 months.

As part of its revival, the company recalled 75 of its former 170 production workers.

Vixen's new motor home features redesign, standup room

Truck sales dip for July, but 7-month total tops '87

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Total U.S. truck sales, including light, medium and heavy models, declined 1.28 percent in July but maintained their record-setting pace for the year.

July sales of 443,210 were down slightly from 448,951 a year earlier.

The seven-month total of 3,132,254 sales continued to hold a comfortable lead of 6.63 percent over last year's 2,937,558, the previous high.

Light-duty Class 1-3 sales, totaling 415,113 in July, were off 2.10 percent from 424,022 a year earlier, according to manufacturers' reports.

Medium-duty Class 4-7 sales, totaling 15,527 in July, were up 16.74 percent from 13,300 a year earlier, according to the Motor Vehicle Manufacturers Association.

Heavy Class 8 truck sales of 12,570 were up 8.09 percent from 11,629 a year earlier, MVMA said.

Seven-month light-truck sales of 2,936,693 were up 5.93 percent from 2,772,371 a year ago.

Seven-month medium sales of 111,252 were up from 89,593 a year earlier.

And, seven-month Class 8 sales of 84,309 were up from 75,594 in like 1987.

In Class 8, Mack, Navistar and Volvo GM gained momentum in July, while Ford, Freightliner, Kenworth and Peterbilt fell off from their earlier pace.

Volvo GM's July retail sales of 1,313 were up 59.15 percent from the 825 Volvo-only (excluding GMC) sales of a year ago. Its seven-month total of 8,612 was up 40.79 percent from 6,117 (Volvo-only) sales last year.

Navistar, with 2,698 Class 8 deliveries in July, had a strong 26.67 percent gain over last year's 2,130 total. For seven months, its Class 8 sales of 19,602 were up 18.38 percent from 16,559 a year ago.

Mack's 1,978 Class 8 sales in July were up 15.00 percent from 1,720 a year ago. Its seven-month 12,292 Class 8 sales were up 10.88 percent from 11,086 last year.

July truck sales by manufacturer and segment

		14,000 & LESS GVW CLASS 1-3	14,001-16,000 GVW CLASS 4	16,001-19,500 GVW CLASS 5	19,501-26,000 GVW CLASS 6	26,001-33,000 GVW CLASS 7	33,001 & OVER GVW CLASS 8	TOTAL 1988	TOTAL 1987
CHRYSLER-PLYMOUTH	MO	20,038						20,038	17,033
	YR	133,142						133,142	85,408
DODGE	MO	46,836						46,836	51,272
	YR	350,968						350,968	336,817
JEEP	MO	20,453						20,453	16,513
	YR	144,567						144,567	118,037
TOYOTA	MO	25,702						25,702	30,873
	YR	147,011						147,011	185,633
NISSAN	MO	13,312						13,312	14,862
	YR	97,973						97,973	130,355
MAZDA	MO	6,870						6,870	11,433
	YR	58,995						58,995	71,956
ISUZU	MO	7,566						7,566	7,756
	YR	46,782						46,782	53,382
MITSUBISHI	MO	3,134						3,134	4,478
	YR	27,289						27,289	22,996
SUZUKI	MO	6,327						6,327	8,000
	YR	37,549						37,549	53,282
RANGE ROVER	MO	276						276	307
	YR	1,852						1,852	1,029
FORD	MO	119,474	1,815		1,153	3,992	1,424	127,858	129,241
	YR	876,919	11,296		6,693	22,030	8,499	925,437	886,504
FREIGHTLINER	MO						2,034	2,034	2,118
	YR						13,880	13,880	13,017
CHEVROLET	MO	112,499		13	515	660	32	113,749	110,732
	YR	796,241		143	4,531	5,472	273	806,660	686,686
GMC	MO	32,159		329	839	1,035	85	34,436	30,566
	YR	213,301		3,105	8,522	9,960	1,890	235,998	206,997
KENWORTH	MO					38	1,508	1,546	1,445
	YR					290	9,421	9,711	8,093
MACK	MO				121	161	1,978	2,260	2,071
	YR				1,002	1,460	12,292	14,834	14,366
MERCEDES	MO				85	147		232	307
	YR				682	1,135		1,817	2,228
NAVISTAR	MO		30	17	1,061	2,729	2,698	6,535	5,976
	YR		140	211	10,656	17,920	19,692	48,529	41,015
PETERBILT	MO					14	1,308	1,322	1,276
	YR					172	9,131	9,303	6,515
VOLVO	MO					134	1,313	1,447	964
	YR					814	8,612	9,426	7,094
HINO	MO			40	34	60		134	116
	YR			358	263	520		1,171	1,065
NISSAN DIESEL	MO			71	20	104		195	178
	YR			426	181	587		1,294	959
ISUZU TRUCK	MO	259	22	10	20	47		357	652
	YR	2,748	209	83	586	216		3,852	3,366
MITSUBISHI FUSO	MO	95		43	13	45		196	228
	YR	782		274	139	398		1,543	742
SCANIA	MO						15	15	19
	YR						110	110	91
IVECO TRUCKS	MO	106	54	26	9			195	208
	YR	634	362	189	107			1,292	1,597
WESTERN STAR	MO						125	125	100
	YR						906	906	776
OTHER DOMESTICS	MO						50	50	132
	YR				31		493	524	743
GRAND TOTAL	MO	415,113	1,921	549	3,881	9,196	12,570	443,210	448,951
	YR	2,936,693	12,008	4,789	33,533	80,924	84,309	3,132,254	2,937,558
1987 YR to DATE		2,772,371	438	4,864	24,264	60,627	75,594		

NOTE: Class 3 total includes 55 Suberus sold in July, 1987; also, nine Suberus sold for seven months of 1988 and 1,052 sold for seven months of 1987.

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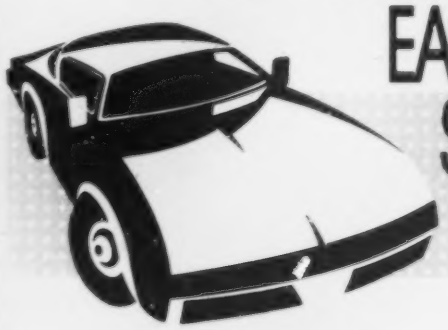

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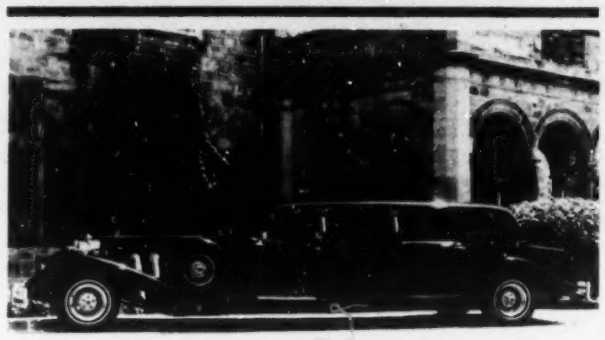
Ohio to provide Ford training cash

COLUMBUS, Ohio — Ford Motor Co.'s Lorain assembly plant will receive a $202,335 grant from the Ohio Industrial Training Program to train employees to launch its 1989 models.

About 2,456 workers will be trained to build 1989 Ford Thunderbirds and Mercury Cougars at the plant.

The grant will go toward training hourly employees to work with new equipment such as an automated system that bolts the engine to the chassis.

Ford has invested $230 million for expansion and modernization of the Lorain plant and another $90 million to modernize the nearby Walton Hills, Ohio, stamping plant as part of the Thunderbird/Cougar program.



Excalibur Grand Limousine
Excalibur Automobile Corp., Milwaukee, took the wraps off its new limo at a recent Excalibur owners' rally. The company says the 204-inch-wheelbase limo will be the "only domestically produced vehicle designed and built solely as a limousine and not a modified sedan." Six will be available by Christmas, according to Excalibur.

EDS and B-O-C Group sign 5-year fixed-price contract

DALLAS — Electronic Data Systems Corp. has signed a five-year, fixed-price agreement with General Motors' Buick-Oldsmobile-Cadillac Group.

Under the agreement, EDS will provide information processing, engineering and development support, plant floor automation and communications services for B-O-C's 26 plants and business locations throughout the United States.

EDS, GM's computer services subsidiary, also will provide training, marketing and distribution support as well as systems planning for B-O-C. EDS said the contract also includes provisions for "new initiatives and innovative joint EDS and B-O-C efforts that will meet short- and long-term B-O-C business objectives."

With the B-O-C contract completed, EDS has contracts covering all of GM's major operations, including all of GM's North American vehicle-making operations. EDS previously negotiated similar multi-year, fixed-price contracts with GM's truck and bus group, the Chevrolet-Pontiac-Canada Group and General Motors Acceptance Corp. as well as some component operations.

The fixed-price contracts were a major bone of contention between GM and EDS founder H. Ross Perot. The dispute between GM and Perot culminated in the controversial $750 million buyout of Perot and his top lieutenants by the automaker.

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DOMESTIC SALES

	Aug. 1-10, 1988	Aug. 1-10, 1987
Eagle	861	585
Chrysler	5,318	7,075
Plymouth	7,264	4,138
Dodge	10,724	5,790
Chrysler Motors	24,167	17,568
Ford	37,110	33,398
Mercury	11,951	12,780
Lincoln	3,178	3,224
Ford Motor Co.	52,239	49,402
Buick	12,835	16,042
Cadillac	6,391	6,145
Chevrolet	35,099	36,395
Oldsmobile	18,134	17,466
Pontiac	14,217	15,624
General Motors	86,676	91,582
Volkswagen	—	648
Honda	9,531	8,421
Nissan	2,961	2,195
Toyota	862	568
Mazda	709	—
U.S. Industry Total	177,145	170,382

Sales rise 4% in early August; extra day helps

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

Early-August sales of domestic cars rose 3.97 percent from the year-ago period. There was one more selling day this year.

Deliveries for Aug. 1-10 totaled 177,145, an increase of 6,763 units over the 170,382 sold in the comparable period of 1987.

The daily-selling rate slipped by 1,615 units or 7.58 percent to 19,683 vs. the year-ago average rate of 21,298. There were nine selling days this year compared with eight in the 1987 period.

General Motors was the only domestic maker to report a decrease. GM sales of 86,676 dipped 5.36 percent below the 91,582 sold in 1987.

Chrysler's sales increased by almost 7,000 cars with the extra selling day this year. Chrysler reported 24,167 cars sold, 37.56 percent more than the 17,568 units delivered during the 1987 period.

Ford's sales of 52,239 rose 5.74 percent above the 49,402 reported for Aug. 1-10, 1987.

Honda's domestic sales increased 13.18 percent to 9,531 vs. 8,421 last year.

Toyota reported sales of 862 U.S.-built cars for the Aug. 1-10 period, 51.76 percent more than the 568 units sold in the same period last year.

Nissan's deliveries were up 34.90 percent over 1987. Nissan sold 2,961 units in the early-August period compared with 2,195 last year.

Mazda sold 709 cars in this year's 10-day span. It was not producing cars in the United States at this time last year.

COVER STORY

The outlook for dealer profits

NADA says dealership profitability, optimism remain strong

New-vehicle sales in the United States, after reaching a record 16.3 million units in 1986, fell 7 percent in 1987 to 15.2 million units.

Despite that, total dealership dollar sales last year rose to a high of $267 billion, according to the 1988 edition of *NADA Data*, the National Automobile Dealers Association's annual compilation of economic facts about the retail auto industry.

Statistics are based on U.S. Department of Commerce figures and NADA research and data bases.

Because of last year's 7-percent drop in new-vehicle sales and only moderate price hikes, the average dealership, for the first time in seven years, reported virtually no increase in total dollar sales ($10,653,719 in 1987 vs. $10,585,313 in 1986).

According to NADA, dealers were able to maintain their total dollar sales pace last year because of significant boosts in the used-vehicle and service and parts departments.

NADA figures indicate, however, that only the service and parts department was able to record an increase in actual volume of work performed. Used unit sales decreased a slight 0.4 percent for the average dealership, while the number of repair orders written rose 2.4 percent.

In 1987, dealership gross as a percent of sales increased sharply, but that was primarily because of the changing mix of sales between departments, according to NADA.

In the new-vehicle department, gross as a percent of sales continued to slide, reflecting the long-term trend of dealerships to become increasingly large businesses operating on increasingly thin margins.

Some representative major expenses for the average dealership in 1987 were as follows, according to NADA: total payroll, $865,000; advertising, $139,600; rent and equivalent, $117,000; floor plan interest, $69,300.

Last year's decline in new-vehicle sales pulled dealership profits below the 2-percent level for the first time since 1982. In constant dollar terms, profits for the average dealership fell in excess of 15 percent, according to NADA.

Nevertheless, dealership profitability as measured by return on equity remained healthy, especially considering the cost of money.

According to NADA, deducting the average yield on one-year Treasury bills from the dealer's net profit before tax as a percent of net worth shows that in 1980 the average dealer had a negative return, while in 1987 this measure of profitability remained above 20 percent.

Meantime, NADA data covering January-May of 1988 show European-import dealerships have seen new-vehicle operations profit fall 28 percent, with gross on a per-vehicle basis down $400 from the year-earlier period.

Japanese-make dealerships fared slightly better. Through January-May 1988, grosses of these dealerships dropped by 13 percent, and operating profit was only one-third of the average month for 1987.

In contrast, the average domestic-make dealership increased new-vehicle gross by 13 percent in January-May.

According to NADA, through the first five months of this year, the average domestic-make dealership generated more total dealership profit than the average import dealership.

Notes NADA: "A sampling of June (1988) financial results provides no hope for an imminent turnaround for the import dealerships. Their total net profit for the month is down 30 percent compared to their year-to-date average. The domestic dealerships also show a decline, but a much smaller one: 5 percent."

Total new-truck sales reached a record 4.9 million units in 1987 as just about all classes enjoyed an upswing. An impressive 9.1 percent gain in medium- and heavy-truck sales significantly improved the financial posture of the average truck dealership in 1987.

According to NADA's American Truck Dealers division, total dollar sales for the average dealership rose 21 percent to $16.4 million. Profits also grew, with average gross up 10 percent and net profit up 22 percent.

Truck dealerships relied greatly on their service and parts operations in 1987. While accounting for just 27 percent of total dealership dollar sales, service and parts contributed 71 percent of total dealership profits last year.

For the past 11 years, NADA's Industry Analysis Division has conducted a quarterly survey of the profit expectations of new-car and truck dealers for the succeeding 12 months. Survey results have closely matched dealers' actual profit experience and have also served as a barometer of national economic trends.

During 1987 the NADA optimism index rose from a level of 108 to 125. Although considerably less than its previous peak of 180, the current level of dealer optimism indicates dealers expect new-vehicle sales to remain relatively strong in 1988.

Meantime, the total dealership count in the U.S. for the past three years has remained relatively constant as the loss of smaller domestic points was offset by dealerships created to handle new import lines.

Although the dealership count has remained steady, the dealer principal count continued to drop. NADA says the nation's 25,000 dealerships are owned by 17,000 dealer principals. Prior to the significant trend to chain dealerships in 1979, an estimated 28,850 dealerships were controlled by 25,100 principals, according to NADA.

Franchised new-car and truck dealers in 1987 spent $3.5 billion on advertising, 11 percent more than in 1986. Ad expenditures as a percent of total sales, which averaged 0.8 percent during 1960 to 1979, has exceeded 1.1 percent in each of the last three years, and in 1987 reached a record 1.3 percent.

Large-volume dealerships, which typically operate in very competitive metro markets, are the major contributors to overall boosts in ad spending.

According to NADA, dealerships selling over 750 new units in 1987 spent nearly 1.4 percent of total dollar sales on advertising. In contrast, dealerships selling less than 150 units annually spent 0.83 percent of total sales on ads in 1987.

Automakers' captive finance firms in 1987 offered fewer and less generous interest buydown programs. Consequently, the average finance rate at banks fell.

Another result of more modest buydown programs was that loan maturities resumed their rise. NADA says that in 1987 the average finance company auto loan was for 53.5 months. By the second quarter of 1988 the average maturity was above 56 months.

During the past decade, more than 134 million new vehicles have been sold. However, the number of vehicles in operation climbed by only 37 million units, according to NADA. The 97-million-units difference is what the industry terms "scrappage."

Along with higher scrappage levels, the growth of vehicles in operation has continued to slow. Due to lower household formation rates, NADA notes, the stock of vehicles in operation is expected to show only modest growth in the years ahead. ■

Total number of dealerships

(As of Jan. 1, 1988)

1978	29,000
1979	28,850
1980	28,250
1981	26,600
1982	25,700
1983	24,725
1984	24,725
1985	24,725
1986	25,100
1987	24,150
1988	25,000

SOURCE: NADA Industry Analysis Dept.

Truck dealers rely heavily on parts and service

(Medium- and heavy-duty truck dealerships — amounts in dollars.)

	1987	1986	% Change
Total Dealership Sales	16,350,000	13,530,000	20.8
Total Dealership Gross	2,263,200	2,054,400	10.2
As % of Total Sales	13.8	15.2	
Total Dealership Expense	1,965,600	1,810,800	8.5
As % of Total Sales	12.0	13.4	
Net Profit Before Taxes	297,600	243,600	22.2
As % of Total Sales	1.8	1.8	
New Vehicle Department Sales	9,804,000	7,611,600	30.0
As % of Total Sales	60.5	56.3	
Used Vehicle Department Sales	1,599,000	1,441,200	11.0
As % of Total Sales	9.8	10.7	
Service and Parts Sales	4,477,200	4,225,200	6.0
As % of Total Sales	27.4	31.2	

SOURCE: NADA Industry Analysis Division. Data denote "average financial profile."

Used vehicle, service departments' sales rise over 10% in '87

(Average U.S. dealership profits — amounts in dollars.)

	1982	1983	1984	1985	1986	1987	% Change 1986-'87
Total Dealership Sales	6,136,758	7,586,659	9,063,567	10,010,628	10,585,313	10,653,719	0.65
Total Dealership Gross	851,782	1,043,023	1,222,675	1,430,519	1,502,056	1,614,036	7.48
As % of Total Sales	13.88	13.73	13.49	14.29	14.19	15.16	
Total Dealership Expense	772,004	880,454	1,025,069	1,210,285	1,273,413	1,413,748	11.02
As % of Total Sales	12.58	11.59	11.31	12.09	12.03	13.27	
Net Profit Before Taxes	79,778	162,569	197,586	220,234	228,643	200,290	−12.40
As % of Total Sales	1.30	2.14	2.18	2.20	2.16	1.88	
(Net Pre-tax Profit in Constant '67 Dollars)	27,593	54,476	63,512	68,353	69,623	58,840	−15.49
New Vehicle Department Sales	3,767,967	4,816,228	5,927,573	6,757,174	7,123,916	6,786,419	−4.74
As % of Total Sales	61.40	63.40	65.40	67.50	67.30	63.70	
Used Vehicle Department Sales	1,399,180	1,709,250	1,930,540	1,962,083	2,106,477	2,365,128	12.28
As % of Total Sales	22.80	22.50	21.30	19.60	19.90	22.20	
Service and Parts Sales	969,607	1,071,130	1,205,454	1,291,371	1,364,920	1,502,174	10.07
As % of Total Sales	15.80	14.10	13.30	12.90	12.80	14.10	
New Vehicle Average Selling Price	9,910	10,725	11,100	11,925	12,950	13,450	3.86
Average Net Worth (As of 12/31)	421,460	548,406	553,331	623,715	607,304	707,418	16.48
Net Profit as % of Net Worth	18.93	29.64	35.71	35.31	37.65	28.31	

SOURCE: NADA Industry Analysis Division

Contents

COVER STORY: THE DEALER OUTLOOK E2
Dealership profitability and optimism remain strong, according to NADA.

DEALER TIPS: COPING WITH ANGRY CUSTOMERS E4
Four ways to turn an angry customer into a satisfied one.

DEALER TIPS: IMPROVE INTERPERSONAL COMMUNICATION E8
When selling cars, listening can be more important than talking.

DEALER TIPS: THE SILENT SALESFORCE E10
The design and appearance of your dealership could make or break a sale.

DEALER TIPS: COLORIZE YOUR SALESFORCE E11
Color is a language that could speak either for or against your store.

FEATURE: THE SECRET OF MY SUCCESS E12
Recognize the value of keeping good people on staff, says a megadealer.

FEATURE: WOOING WOMEN BUYERS E13
A new survey says women are involved in 80 percent of new vehicle buys.

FEATURE: RIGHT PLACE, RIGHT TIME E16
A young entrepreneur capitalizes on a budding market: cellular car phones.

FEATURE: PORSCHE GETS THE MESSAGE E19
A new voice mailbox system could save PCNA $35,000 a year.

FEATURE: ZEROING IN ON CAR THEFT E20
Thieves don't stand a chance against a Kojack with a LoJack.

DEALER CASE STUDIES

Accessories can clinch the sale E22
Selling extended service plans E22
Packages to protect the investment E24
Two ways to deal option packages E26
Merchandising upscale appearance E28
The pros and cons of safety options E30

FEATURE: HIGH-TECH SHOPPING E32
VideoShopper offers a new way to shop for auto parts.

COMING OCT 3: AUTOMOTIVE NEWS INTRO '89 EXTRA

Industry Editor
Al Fleming

Assistant Industry Editor
Edward Peabody

Deficit in auto trade declines 13% for May

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — An 18 percent jump in auto exports combined with an 8 percent drop in imports helped narrow the U.S. automotive trade deficit sharply in May, resuming a string of improving trade numbers.

The trade deficit declined 13.8 percent in May compared with the year-ago period.

Exports of passenger cars totaled 75,899 vehicles with an estimated value of $789.6 million in May. Light-truck exports for the month were 19,084 vehicles with an estimated value of $197.7 million.

Passenger-car exports to Japan were up 171.5 percent and exports to Canada increased 10 percent. Exports to other countries increased by 4,383 units.

Trade numbers from the U.S. Commerce Department show a trade deficit for passenger cars and light trucks of $3.557 billion for May. Total car and truck exports had a value of $987.4 million during the month, while car and truck imports were valued at $4.544 billion. The automotive trade deficit for May 1987 was $4.128 billion.

There were 450,974 finished vehicles imported to the United States in May 1988, compared with 512,963 vehicles in May of last year.

Japan was down for the month in both the quantity and value of car and light-truck shipments.

Japanese car imports dropped 22.1 percent for the month and the value of the shipments fell 17.6 percent. Japanese truck imports were off 40.5 percent and their value was down 37.5 percent.

Japan shipped 170,281 cars to the U.S. in May, down from 218,641 one year ago. Truck shipments were 45,633 units, down from 76,693 units one year ago.

West Germany, Sweden, the United Kingdom, Italy and France all shipped fewer cars to the United States in May 1988 than in May 1987, continuing a year-long trend.

German shipments were off 52.4 percent and Sweden's were down 6.6 percent. Imports from the United Kingdom were off 54.4 percent.

The number of passenger cars imported from South Korea in May declined 6.5 percent from the year-ago period as the result of labor unrest.

Yugoslavia's exports to the United States fell 52.1 percent for the month, after rising in April.

Imports from Mexico were 14,184 vehicles, up from 12,606 last year.

U.S. AUTOMOTIVE TRADE BY VALUE

(x $1,000)

Passenger cars

Country	Trade	May 1987	May 1988	June 1986-May 1987	June 1987-May 1988
Japan	Export	$ 6,309	$ 12,904	$ 51,796	$ 122,033
	Import	1,952,054	1,606,671	21,610,640	20,916,282
Canada	Export	581,396	645,669	5,459,268	6,179,240
	Import	803,073	1,226,749	10,944,576	11,650,211
West Germany	Import	879,736	418,918	8,734,911	7,654,327
South Korea	Import	225,298	221,869	1,264,792	2,531,126
Sweden	Import	164,464	175,217	1,963,644	1,690,918
Mexico	Import	19,253	121,835	400,047	1,319,786
Yugoslavia	Import	120,067	4,623	391,755	136,222
United Kingdom	Import	45,726	68,857	874,395	1,176,580
Italy	Import	128,528	8,004	397,773	175,141
France	Import	8,317	16,683	150,607	172,355
Brazil	Import	18,874	38,396	52,180	357,892
Others	Export	79,626	131,143	610,530	1,199,103
	Import	24,185	17,471	222,857	277,818
Car total	Export	667,331	789,736	6,121,594	7,500,377
	Import	4,389,595	3,967,295	46,808,179	48,060,457
Trade balance		(3,722,264)	(3,177,559)	(40,686,585)	(40,560,080)
Light trucks (up to 10,000 lbs. GVW)					
Canada	Export	$ 153,184	$ 181,260	$ 1,416,683	$ 1,752,484
	Import	140,902	294,730	1,951,215	2,427,238
Japan	Import	416,318	260,237	5,131,423	3,496,424
Mexico	Import	7,919	617	128,089	43,811
Others	Export	11,230	36,409	149,100	287,288
	Import	4,947	21,132	55,537	130,288
Truck total	Export	164,414	197,669	1,565,783	2,039,752
	Import	570,086	576,715	7,266,264	6,097,741
Trade balance		(405,672)	(379,046)	(5,700,481)	(4,057,989)
Car and truck total	Export	831,745	987,405	7,687,377	9,540,129
	Import	4,959,681	4,544,010	54,074,443	54,158,198
VEHICLE TRADE BALANCE		(4,127,936)	(3,556,605)	(46,387,066)	(44,618,069)
TOTAL U.S. Merchandise trade (customs value)	Export	20,262,300	26,623,500	232,862,900	284,092,500
	Import	32,513,600	36,037,800	377,423,100	425,480,300
TRADE BALANCE		(12,251,300)	(9,414,300)	(144,560,200)	(141,387,800)

U.S. AUTOMOTIVE TRADE BY QUANTITY

Passenger cars

Country	Trade	May 1987	May 1988	June 1986-May 1987	June 1987-May 1988
Japan	Export	424	1,151	3,250	9,049
	Import	218,641	170,218	2,525,963	2,319,721
Canada	Export	58,273	64,079	575,789	598,552
	Import	76,444	114,948	1,039,165	1,055,198
West Germany	Import	35,583	13,664	422,985	309,021
South Korea	Import	43,800	40,933	258,538	481,080
Sweden	Import	12,047	11,256	151,724	118,033
Mexico	Import	12,606	14,184	49,126	149,599
Yugoslavia	Import	3,387	1,623	48,979	35,009
United Kingdom	Import	5,460	2,491	34,580	46,017
Italy	Import	929	155	24,370	7,679
France	Import	5,246	1,813	26,115	16,351
Brazil	Import	4,046	6,600	11,166	67,141
Others	Export	6,286	10,659	46,139	91,305
	Import	1,551	1,004	15,219	17,686
Car total	Export	64,983	75,899	625,157	698,906
	Import	419,750	378,689	4,607,951	4,635,535
TRADE BALANCE		(354,767)	(302,990)	(3,982,794)	(3,936,629)
Light trucks (up to 10,000 lbs. GVW)					
Canada	Export	16,655	18,117	153,757	174,982
	Import	15,501	26,221	211,724	230,016
Japan	Import	76,693	45,833	963,807	624,411
Mexico	Import	1,014	2	16,836	5,119
Others	Export	1,127	2,967	12,648	22,813
	Import	4	229	1,012	1,712
Truck total	Export	17,782	19,084	166,405	197,795
	Import	93,213	72,085	1,193,379	861,258
Trade balance		(75,431)	(53,001)	(1,026,974)	(663,463)
Car and truck total	Export	82,765	94,983	791,562	896,701
	Import	512,963	450,974	5,801,330	5,496,793
TRADE BALANCE		(430,198)	(355,991)	(5,009,768)	(4,600,092)

Compiled by Automotive News from official statistics of the U.S. Commerce Department, as reported by the U.S. International Trade Commission. Because of rounding, figures may not add to the totals shown.

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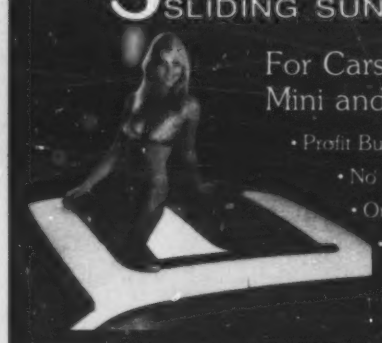

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Circle ReaderService #34

Auto spending on TV ads moves ahead 14% for first half

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

The nation's automakers and their dealers spent an estimated $1.35 billion on television advertising in the first six months of this year, an increase of 14.40 percent over $1.18 billion in the first half of 1987.

According to the Television Bureau of Advertising, factories and their dealer associations spent $1.16 billion on network, spot and syndicated television advertising spots during the first half of 1988, up 16.47 percent from $996 million during the same period in 1987.

Individual dealer advertising for the six-month period totaled $191.3 million, up 4.36 percent from $183.3 million in the year-ago period.

Spending numbers are analyzed by the bureau each quarter from Broadcast Advertisers Reports.

Richard O'Donnell, Television Bureau of Advertising vice president in charge of automotive marketing, said strong advertising support of sports programming by automakers during the first half of the year and continued growth of factory-dealer advertising in market-by-market spots contributed to the increase.

"Network figures reflected the sports buys during the first half of the year; we had the Super Bowl, the Winter Olympic Games and the (college and professional) basketball championships," O'Donnell said.

Network television ads — factory-sponsored only — accounted for $571.1 million or 49.2 percent of the total television spending by automakers and dealer associations. Network spending by the automakers during the first half was 23.35 percent higher than the $463 million spent by those makers in that category in the year-ago period.

Chrysler purchased three-quarters of the automotive advertising on the telecasts of the Winter Olympic Games. Ford Motor Co. purchased the other quarter of the automotive spots. General Motors divisions sponsored several of the basketball championship telecasts.

Spot television, or market-by-market ads, accounted for $585.5 million or 43.33 percent of the total television expenditures by automakers and dealers in the first half of 1988. Spot expenditures by the nation's automakers and dealer associations for the first half were up 9.93 percent from $532.6 million in the year earlier period.

"Spot television should be up 10 percent for the year; it's a continuation of the regional marketing process and dealer marketing group (dealer association) contributions," O'Donnell said.

GM and its dealer associations topped all other automakers and their dealers in total television spending during the first half of 1988. GM and its dealer associations spent $306.4 million in television during the January-June period, up 32.07 percent from $232 million during the first six months of 1987. Advertising for GM's non-automotive subsidiaries, such as General Motors Acceptance Corp., were not included in the total.

Chrysler Corp. and its dealer associations were second to GM in television spending in the first half of 1988. They spent $174.9 million in television, up 22.91 percent from $142.3 million in the year-ago period.

Eagle, Dodge and Chrysler ranked 14th, 15th and 16th among the largest television advertisers by nameplate. Eagle spent $27.5 million on television in the first half of the year, up 99.28 percent from $13.8 million last year.

Ford Motor was third among automakers in television spending. Ford spent $168.5 million in the first half of 1988, up 10.56 percent from $152.4 million during the year-ago period.

Ford Division was the top adver-

see TV SPENDING, page 48

AUTOMOBILES — LEADING TV ADVERTISERS BY NAMEPLATE

	1987			1988			
	Network TV	Spot TV*	Total TV	Network TV	Spot TV*	Total TV	% Change
Ford	$31,428,500	$24,463,900	$55,892,400	$37,499,500	$35,121,000	$72,620,500	+ 30.0
Pontiac	21,922,800	22,753,200	44,676,000	33,282,400	31,802,100	65,084,500	+ 46.0
Chevrolet	31,076,300	27,581,300	58,657,600	31,672,900	33,038,000	64,710,000	+ 10.0
Oldsmobile	14,152,900	25,876,400	40,029,300	26,016,500	37,874,300	63,890,800	+ 60.0
Toyota	7,222,500	29,132,100	36,354,600	17,166,600	34,201,100	51,367,700	+ 41.0
Honda	20,663,200	17,507,400	38,170,600	26,486,800	22,460,400	48,947,100	+ 28.0
Hyundai	5,980,000	27,718,000	33,698,000	12,207,600	30,830,500	43,038,100	+ 28.0
Nissan	16,314,800	27,117,500	43,432,300	16,954,100	20,564,100	37,518,200	– 14.0
Mazda	16,551,400	14,827,900	31,379,300	21,372,000	15,389,100	36,761,000	+ 17.0
Subaru	9,533,800	20,766,200	30,300,000	16,565,800	16,673,000	33,238,800	+ 10.0
Buick	16,777,200	10,087,700	26,864,900	21,416,800	11,593,700	33,010,500	+ 23.0
Mercury	20,456,300	12,172,200	32,628,500	15,791,200	14,963,900	30,755,100	– 6.0
Volkswagen	20,689,800	12,747,100	33,436,900	15,595,300	12,454,900	28,050,200	– 16.0
Eagle	8,931,500	4,833,800	13,765,300	17,210,500	10,259,300	27,469,800	+100.0
Dodge	17,025,100	7,011,500	24,036,600	15,488,100	10,009,200	25,497,300	+ 6.0
Chrysler	12,904,700	5,749,800	18,654,500	18,436,600	5,940,700	24,377,300	+ 31.0
Cadillac	9,742,600	11,350,400	21,093,000	8,790,600	13,794,300	22,585,100	+ 7.0
Acura	11,618,200	2,875,900	14,494,100	14,484,600	5,539,700	20,024,300	+ 38.0
BMW	14,624,400	8,823,900	23,448,300	9,258,700	7,522,900	16,781,600	– 28.0
Mitsubishi	—	12,500,300	12,500,300	1,921,900	13,758,800	15,680,700	+ 25.0

NOTES: Expenditures for television commercials advertising two nameplates or vehicle types have been divided between the two brands. Expenditures include leasing.
Broadcast Advertisers Reports identifies some automotive television expenditures as "autos and trucks," "various autos," "general promotion," etc. Unless they are clearly attributable to a brand, they are not included in the above, or in the truck data following, but are included in the company totals. In the January/June 1988 period, these expenditures were as follows: Chrysler Corp. $25,544,300; Ford Motor Co. $13,702,700; General Motors $1,782,100; Nissan $1,387,000; Toyota $1,614,500.
*Spot TV includes national syndication advertising.
SOURCE: Television Bureau of Advertising from analysis of Broadcast Advertisers Reports data.

LEADING TV ADVERTISERS — CAR, TRUCK & VAN MAKERS AND DEALER ASSOCIATIONS

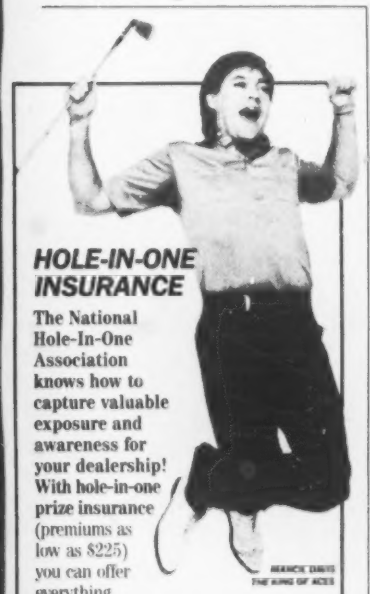
	1987			1988			
	Network TV	Spot TV*	Total TV	Network TV	Spot TV*	Total TV	% Change
General Motors[1]	$112,841,400	$119,240,9[illegible]	$ 232,082,300	$148,070,000	$ 158,320,300	$ 306,390,300	+ 32.0
Chrysler Corp.[1,2]	90,223,900	52,119,0[illegible]	142,342,900	110,212,800	64,642,800	174,855,600	+ 23.0
Ford Motor Co.[1]	83,428,100	68,998,300	152,426,400	89,132,200	79,393,200	168,525,400	+ 11.0
Toyota Motor Sales[1]	13,942,800	56,627,900	70,570,700	27,679,700	56,591,600	84,271,300	+ 19.0
Honda Motor Co.[1]	32,281,100	20,383,600	52,664,700	40,971,400	28,000,000	68,971,400	+ 31.0
Nissan Motor Co.[1]	26,080,800	48,886,600	74,967,400	23,318,700	33,719,300	57,038,000	– 24.0
Mazda Motor Corp.[1]	24,461,900	19,220,000	43,681,900	23,519,200	23,435,500	46,954,700	+ 7.0
Hyundai Corp.	5,980,000	27,718,000	33,698,000	12,207,600	30,830,500	43,038,100	+ 28.0
Volkswagen AG	24,436,900	16,319,000	40,755,900	22,325,800	13,482,000	35,807,800	– 12.0
Fuji Heavy Industries	9,533,800	20,766,200	30,300,000	16,565,800	16,673,000	33,238,800	+ 10.0
Suzuki Motor Co.[1]	302,500	11,403,500	11,706,000	14,883,100	9,141,300	24,024,400	+105.0
Mitsubishi Corp.	4,543,400	17,908,600	22,452,000	7,314,400	15,026,600	22,341,000	– 1.0
BMW[1]	14,624,400	8,823,900	23,448,300	9,258,700	7,522,900	16,781,600	– 28.0
Daimler-Benz AG	11,411,000	3,072,900	14,483,900	9,899,000	5,009,100	14,908,100	+ 3.0
Isuzu Motor Co.	4,285,900	11,406,300	15,692,200	—	13,640,700	13,640,700	– 13.0
CATEGORY TOTAL	$463,005,800	$532,639,200	$995,645,000	$571,152,700	$585,490,800	$1,156,643,500*	+ 16.0

SOURCE: Television Bureau of Advertising from analysis of Broadcast Advertisers Reports data.
NOTES: *—Spot TV includes national syndication advertising.
1. Includes television advertising for new passenger cars, trucks and leasing of these vehicles. Non-car and non-truck advertising by these companies is excluded, as follows: General Motors $19,386,500 in 1988 and $24,122,700 in 1987 for AC Delco, used cars, parts and service, GMAC Finance, public service; Chrysler Corp., $36,300 in 1988 for Dodge sportsmen show; Ford Motor Co. $607,700 in 1987 and $4,526,000 in 1988 for First Nationwide, Transouth Finance, farm equipment, Motorcraft, parts and service, used cars; Toyota $1,086,700 in 1987 and $681,200 in 1988 for parts and service, Toyota Grand Prix; Honda $15,214,900 in 1987 and $12,209,800 for mowers, motorcycles, scooters, generators, parts and service; Nissan $29,600 in 1987 and $5,800 in 1988 for mini bike, outboard motors; Mazda $29,100 in 1988 for used cars; Suzuki $53,100 in 1988 for all terrain vehicles, motorcycles, motors; BMW $7,600 in 1988 for golf classic.
2. Chrysler data for 1987 includes American Motors Corp.

TRUCKS, VANS, SPORT-UTILITIES — LEADING TV ADVERTISERS BY NAMEPLATE

	1987			1988			
	Network TV	Spot TV*	Total TV	Network TV	Spot TV*	Total TV	% Change
Chevrolet	$15,097,500	$13,091,900	$28,189,400	$24,775,600	$18,417,900	$43,193,500	+ 53.0
Ford	15,902,300	22,299,900	38,202,200	19,129,900	21,821,200	40,951,100	+ 7.0
Toyota	6,720,300	26,756,900	33,477,200	9,091,500	22,197,600	31,289,100	– 7.0
Dodge	17,367,500	14,828,600	32,216,100	18,467,900	13,039,600	29,507,500	– 8.0
Jeep	11,463,600	6,794,100	18,197,700	17,442,800	8,316,900	25,759,700	+ 42.0
Suzuki	302,500	11,390,200	11,692,700	14,883,100	9,141,300	24,024,400	+105.0
Nissan	9,766,000	21,769,100	31,535,100	5,130,000	13,002,800	18,132,800	– 42.0
GMC	505,200	8,135,200	8,640,400	799,500	11,353,400	12,152,900	+ 41.0
Isuzu	3,140,900	7,531,600	10,672,500	—	11,264,600	11,264,600	+ 6.0
Mazda	7,910,500	4,392,100	12,302,600	2,147,200	8,046,400	10,193,600	– 17.0
Mitsubishi	4,543,400	5,408,300	9,951,700	5,392,500	1,267,800	6,660,300	– 33.0

NOTES: Expenditures for television commercials advertising two nameplates have been divided between the two brands.
SOURCE: Television Bureau of Advertising from analysis of Broadcast Advertisers Reports data.



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LEADING AUTO DEALER TELEVISION ADVERTISERS

	Jan./June 1987	Jan./June 1988	Percent Change
Cal Worthington, Los Angeles	2,099,400	1,868,800	– 11.0
Foothill Nissan, Los Angeles	1,044,000	1,683,700	+ 61.0
Worthington Chevrolet, Houston	—	1,301,300	+ Infinite
Autoland, New York	5,700	1,298,200	+ 22675
Frontier Ford, Dallas	1,513,200	1,070,200	– 29.0
Wilson Ford, Los Angeles	1,534,900	961,500	– 37.0
Frontier Ford, Albuquerque	424,000	906,200	+ 114
Nationwide Motor Sales, Baltimore	841,700	903,400	+ 7.0
Cal Worthington, Seattle	1,049,800	836,700	– 17.0
Cormier Chevrolet/Hyundai, Los Angeles	12,800	846,600	+ 6514
Rosenthal Autos, Washington, D.C.	1,324,100	800,800	– 40.0
Sonoyta Subaru, Phoenix	862,200	774,900	– 10.0
Cal Worthington, Sacramento	829,500	759,100	– 8.0
Pete Ellis Motors, Los Angeles	1,185,000	754,000	– 36.0
Ed Mullinax Ford, Cleveland	512,700	740,000	+ 44.0
Piemonte Ford, Chicago	687,300	701,900	+ 2.0
Carey Paul Ford, Atlanta	104,600	628,000	+ 500.0
Ocean Cadillac, Miami	601,300	627,300	+ 4.0
Long/Lewis Ford, Birmingham	559,600	620,700	+ 11.0
Ken Johns Motors, Albuquerque	462,500	610,200	+ 32.0
CATEGORY TOTAL	$183,261,400	$191,294,300	+ 4.0

SOURCE: Television Bureau of Advertising from analysis of Broadcast Advertisers Reports data in the top 75 markets.

TV SPENDING

FROM PAGE 46

tiser among individual nameplates for the period. The division spent $72.6 million on television for the first six months of 1988, up 29.87 from $55.9 million in the year-ago period. The division launched its new Ford Probe in the spring and had a heavy television schedule.

Pontiac was second among nameplates with $65.1 million in the first half, up 45.64 percent from $44.7 million last year. Introduction of the Grand Prix, its GM10 car, swelled the total.

Chevrolet was the third largest spender on television advertising time among individual nameplates during the period. The division spent $64.7 million for television ads during the first half of 1988, up 10.22 percent from $58.7 million during the year-ago period.

Toyota Motor Sales U.S.A. was the top spender in television advertising among the importers in the first six months of 1988. Toyota spent $84.3 million on television ads for the 1988 period, up 19.41 percent from $70.6 million in 1987.

In the new truck, van and sport-utility category, Chevrolet outspent all other nameplates in television advertising for the first six months of 1988.

Chevy spent $43.2 million during the period, up 53.19 percent from $28.2 million during the first six months of 1987. Chevrolet ran a heavy schedule of television ads comparing its trucks to Ford trucks.

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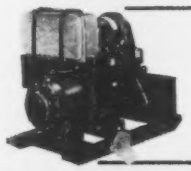

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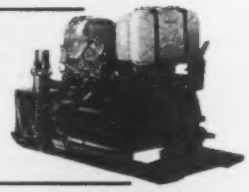

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LEGAL BRIEFS

Case against dealer proceeds in Maryland

BALTIMORE — Maryland's Montgomery County has cleared its first legal hurdle in pursuing a major case against an auto dealer accused of "unconscionable" trade practices and is seeking to use the case as an example to other businesses using similar tactics.

The county has charged Dennis Spencer and his two Maryland dealerships, Astro Chevrolet and Metro Ford, with 13 counts of deceptive practices involving pricing, warranties, equipment, repairs and selling used cars as new.

Spencer also owns S&R Chevrolet-Oldsmobile, Imperial Dodge and Chrysler and M&M Pontiac in Virginia.

Attorneys for Spencer challenged the county's jurisdiction, declaring that Maryland's motor-vehicle law covering the use, licensing and sale of motor vehicles pre-empts the county from acting under the state's consumer protection law. They also argued the county could not ask for punitive damages.

But county Circuit Judge Calvin R. Sanders ruled against the dealer on both motions.

The decision on the county's jurisdiction and especially the one on punitive damages has relevance for other states with similar laws.

While Spencer's lawyers argue that the motor-vehicle law, by providing regulations on sales and advertising practices, bans local laws or enforcement, the county maintains that the state consumer protection law is a public general law that pre-empts the state vehicle rules.

The county also has taken the position that the state Legislature intended to allow local bodies to regulate sale and advertising of motor vehicles. In fact, county attorneys argued, the intent is to encourage counties to adopt stringent regulations that may go beyond the state's rules as long as they are not in conflict.

Montgomery County's position was backed by Maryland's Motor Vehicle Administration and the state's Consumer Protection Division.

In the matter of punitive damages — a subject that has been a subject of dealer litigation in several states — Sanders said the county was wrong in believing it to be covered under "other appropriate forms of relief" in the law, but added if the county prevails on the charges, then punitive damages would be appropriate as part of consumer redress.

— Helen Kahn

Cadillac zone manager wins age-bias suit

DETROIT — General Motors has lost an age-discrimination suit brought by a former Cadillac zone manager who was forced out of his job as part of the automaker's efforts to shrink its white-collar ranks.

A federal court jury here ruled that GM must rehire Richard E. Bramblett, 61, in an equivalent job. GM also must pay him for the wages he missed since he was forced to retire March 1, 1987. GM said Bramblett will be given an undetermined executive position with Cadillac in Detroit.

GM may have to pay further damages in the equal employment opportunity case; the federal judge handling the case has yet to decide that issue.

Bramblett, now of Savannah, Ga., had been a GM employee for 31 years. When GM announced it was cutting 25 percent of its salaried ranks and consolidating zones as part of the move, Bramblett was given the option of early retirement or a demotion.

Mecham store vandal will pay restitution

PHOENIX, Ariz. — Vernon Bradley Jordan, 21, who was convicted of vandalizing a Pontiac dealership in Glendale, Ariz., formerly owned by the then Arizona Gov. Evan Mecham, has been sentenced to three years' probation and ordered to pay $14,307 in restitution.

He was sentenced by Judge Frank Galati of Maricopa County Superior Court.

Jordan, whose father worked at the dealership, was arrested there last February by Glendale police following a break-in and vandalism that included broken windows and damage to 10 cars.

Jordan was ordered to pay Mecham in $200 monthly installments.

It was revealed in court by an adult probation officer in a presentence report that Jordan insists that he hardly remembers the vandalism incident but blames his actions on depression and use of marijuana.

U.S. jury charges five with odometer rollbacks

PHILADELPHIA — A federal grand jury has returned an indictment charging five persons with violating federal laws relating to the resetting and altering of odometers on automobiles.

Edward S.G. Dennis Jr., U.S. attorney for the Eastern district of Pennsylvania, said those charged are James DePaul of Abington, Pa.; James Coupe of Warminster, Pa.; Scott Tochterman of Ferndale, Pa.; William Seymour of Bradenton, Fla.; and Gregory Smith of Chicopee, Mass.

According to the indictment, the defendants conspired from 1982 through 1984 to defraud the public by rolling back odometers on high-mileage used cars and altering the mileage readings on the titles to the cars to conceal the rollbacks. The cars are alleged to have been sold at their false low-mileage readings by Warminster Motors and DePaul Ford, both located in Ottsville, Pa.

All of the defendants are charged with conspiracy to transport in interstate commerce falsely made and altered securities — that is, the titles to the automobiles.

In addition, all of the defendants except Tochterman are charged with 14 counts (Tochterman is charged with 8 counts) of interstate transportation and aiding and abetting the interstate transportation of falsely made and altered securities.

All of the defendants except Tochterman are charged with 11 counts (Tochterman is charged with six counts) of falsely certifying, and aiding and abetting the false certification of, odometer readings.

If convicted on all counts, the various defendants face the following maximum penalties: DePaul, 156 years imprisonment, $700,000 fine; Coupe, 156 years, $700,000 fine; Seymour, 156 years, $700,000 fine; Tochterman, 91 years, $390,000 fine; and Smith, 156 years, $700,000 fine.

Ex-partner charges dealer with fraud

TAMPA, Fla. — A jury trial has been scheduled for the week of Dec. 5 to hear deliberations on fraud charges brought against Frank Morsani of Albany Motorcars, a BMW/Mercedes-Benz dealership in Albany, Ga., by former partner Patrick Brun-Wibaux.

Brun-Wibaux has charged Morsani — who owns several new-car dealerships — and an accountant with fraudulent schemes that Brun-Wibaux claims resulted in a misrepresentation of the financial worth of Albany Motorcars at the time of transfer of ownership to Brun-Wibaux (Automotive News, Aug. 3 and Oct. 26, 1987).

According to court records, both parties were ordered to complete discovery by Oct. 17. A pre-trial conference is slated for Nov. 1.

GM buys share of Sunraycer ally

AeroVironment a specialist in environmental management

MONROVIA, Calif. — General Motors has purchased 15 percent of AeroVironment Inc., one of the companies that helped GM build its solar-powered Sunraycer car.

AeroVironment, headquartered in Monrovia, is a privately held engineering consulting and manufacturing company built on the technology of fluid motion. Its primary fields are environmental management, alternative energy and low-energy vehicles.

Dr. Paul MacCready, AeroVironment chairman, said the funds from GM's investment will help the company expand to other business areas.

AeroVironment helped GM with the program management, systems engineering and the design and construction of the Sunraycer, which was last year's winner of the cross-continental race in Australia for solar-powered vehicles.

AeroVironment has been a leading firm in environmental consulting, engineering and research services in air quality and hazardous waste management. The firm has expertise in visibility impairment and air toxics.

An acoustic sounder made by AeroVironment measures winds aloft by a Doppler echo effect. It has been used in air environmental work in the United States and many other countries. A newer version has potential application in wind energy, helicopter landings and detection of wind shear at airports. Other AeroVironment products include remotely piloted surveillance aircraft.

Strata Technologies Inc. is a wholly owned subsidiary focusing on ground and water hazardous waste measurement and advanced techniques in remediation.

GM did not disclose the amount it paid for its 15-percent stake in AeroVironment. The automaker will hold a seat on the company's board of directors as a result of its investment.

DEALING WITH DEALERS

Mayberry is 25
Eldon Mayberry, left, Mayberry Lincoln-Mercury, North Hollywood, Calif., receives his silver dealer award from Roger G. Jolicoeur, Lincoln-Mercury's Los Angeles district sales manager.

BEGINNINGS

Richard L. Morris has signed with Chevrolet for Dick Morris Chevrolet-Cadillac Inc., Norfolk, Neb.

W.E. Stokes has broken ground in Augusta, Ga., for Acura of Augusta.

Thomas J. Ercolani has signed with Chevrolet for Thomas Chevrolet Inc., Media, Pa.

Lawrence E. Wilson III has signed with Chevrolet for L.E. Wilson Chevrolet Inc., Mansfield, Mass.

TRANSITIONS

The West Virginia Automobile & Truck Dealers Association has elected new officers for 1988-1989. They are: **Marvin Ware**, Marvin Ware Chevrolet, Kingwood, president; **Michael Ratz**, Logan Motor Sales, Logan, vice president; **Alan Chenoweth**, Chenoweth Ford, Clarksburg, secretary; and **Joe Holland**, Joe Holland Chevrolet, South Charleston, treasurer.

Three more dealerships are planning to move to the Scottsdale Auto Mall, Scottsdale, Ariz. **Scottsdale Subaru** plans to open there next month. **Powell Mazda** is scheduled to move there in March 1989. The final dealership will be a new Infiniti store to be opened by **Bertie Poll** and **Mike Helms. Powell Volvo** and **Ed Moses Chrysler-Plymouth** are already operating in the mall.

Emmitt Mitchell will move Mitchell Oldsmobile from Kansas City, Mo., to a new 27,000-square-foot dealership in Olathe, Kan. The new dealership, expected to be completed next year, will also carry the Cadillac line and will be named Mitchell Olsmobile-Cadillac.

Larry Lange [illegible] a new location for his Plano, Texas, Jaguar dealership. The new 40,000-square-foot facilty has a black-and-white granite showroom that is framed by a barrel-vaulted porte-cochere. Inside there is a special car-delivery room with a marble floor, mahogany paneling, full-service bar and a clothing and accessory boutique. Lange Jaguar also features a computer reservations system and deli for service customers.

CITIZENSHIP

The **Greater St. Louis Automotive Association** has pledged $250,000 to the St. Louis Economic Development Campaign over a five-year period. "By attracting new business and jobs to the St. Louis region the economic development campaign is making an important contribution to the area's growth," said **Richard Huey**, immediate past president of the automotive group and president of Carlson Oldsmobile in Frontenac. "The drive will have a favorable 'bottom-line' impact on businesses throughout the St. Louis area, including automobile dealers. The new jobs generated by the campaign represent a growth opportunity for automobile dealers and all companies in the St. Louis metropolitan area." Moreover, Huey noted, the pledge underscores St. Louis' standing as one of the nation's top automotive centers. According to Dee A. Joyne, chairman of the economic development campaign, the automotive association is one of three leadership contributors. The campaign, which receives support from 250 area businesses and organizations, has raised 75 percent of its $6 million goal.

The **Winchester (Va.) New Car Dealers Association** has presented two "resusci-Annie" CPR training maniquines to the local Red Cross.

ALSO OF INTEREST

Dick Huey, Carlson Oldsmobile, Frontenac, Mo., doesn't let grass grow under his feet. Huey is giving a free Toro mower with each Toronado he sells. In addition, Huey is giving free oil changes, filters and lube jobs at his Honda dealership in Overland, Mo., as long as the buyer owns the vehicle.

Gov. Gerald Baliles has appointed **Joseph Albert Falk**, owner of Little Joe's Autos in Chesapeake, to the Virginia Motor Vehicles Dealers' Advisory Board.

The **National Automobile Dealers Association** is offering the Automotive Customer Relations Directory, a consumer referral guide devoted exclusively to automotive problems. It lists more than 500 automotive-related customer assistance programs and is published annually by NADA consumer affairs. Its purpose is to aid AUTOCAP managers and others in resolving consumer automotive disputes.

Compiled by
Mary Beth Vander Schaaf

Anniversary
John A. Musson, left, Musson-Patout Chevrolet-Buick, New Iberia, La., receives his silver dealer award from Howard Davis, Chevrolet's Memphis, Tenn., branch account manager.

Motors Holding buyout
James F. Causley Jr., right, James Chevrolet Inc., Mt. Clemens, Mich., receives his Motors Holding Division buyout plaque from Carroll D. Smeak, branch manager of Motors Holding's Detroit branch.

Silver Bass
Jim Bass, right, Jim Bass Ford-Honda, San Angelo, Texas, receives his silver dealer award from Dick Davis, center, Ford's Dallas district sales manager. Also present is Jim's son, John, vice president of the dealership.

AUCTION DIRECTORY

PENNSYLVANIA

Carriage Trade, Norristown, Pa. Every Mon. & Thurs., 6 PM (400 units), except 1st & 3rd Thurs. when GMAC auction (off lease/repos) at 11 AM. All dealers. Call: 215-CAR-SALE.

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Clanton's Auto Auction, P.O. Box 51, Darlington, South Carolina, 803-393-2861. Sale every Thurs., Regular Consignment, 11 a.m. & Early Bird, 9 a.m. (repos & lease units).

TENNESSEE

Memphis Auto Auction, 2650 Mt. Moriah Rd, Memphis, Tenn. 38115. 901-794-7700. Sale every Tuesday at 11 AM. Mid-South's newest auto auction.

TEXAS

Fort Worth Auto Auction (div. of GECAA), 2245 Jacksboro Hwy., Ft. Worth, TX 76114. Sale every Thursday. Contact: George Horton, 817-626-5494.

TEXAS

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San Antonio Auto Auction (div. of GECAA), 1500 Ackerman Rd., San Antonio, Texas 78219. Sale every Weds. Contact: Frank Post or Michael Millikien, 512-661-4200.

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WASHINGTON

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WISCONSIN

Metro Milwaukee Auto Auction. Sale every Wednesday. FMC, GMAC, all leasing. 414-835-4436, Caledonia, Wisconsin.

TEXAS

Fort Worth Auto Auction presents...

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AUCTION DATES

Chrysler Motors

Aug. 23 — Dallas Auto Auction, Grand Prairie, Texas; Hatfield Auto Auction, Hatfield, Pa.; Greensboro Auto Auction, Greensboro, N.C.; Riverside Auto Auction, Riverside, Calif.; and Arena Auto Auction, Chicago

Aug. 24 — Columbus Fair Auto Auction, Obetz, Ohio; A.D.E. of Birmingham, Birmingham, Ala.; and Southern Auto Auction, Warehouse Point, Conn.

Aug. 25 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Southwest Auto Auction, Phoenix, Ariz.; and Omaha Auto Auction, Omaha, Neb.

Aug. 26 — St. Louis Auto Auction, Bridgeton, Mo.

Aug. 30 — Florida Auto Auction of Orlando, Ocoee, Fla.; Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Nashville Auto Auction, Nashville, Tenn.; Denver Auto Auction, Aurora, Colo.; Golden Gate Auto Auction, Fremont, Calif.; and South Seattle Auto Auction, Kent, Wash.

Aug. 31 — Butler Auto Auction, Gibsonia, Pa., and Minneapolis Auto Auction, Plymouth, Minn.

Ford Motor Co.

Aug. 24 — Northway Auto Auction, Clifton Park, N.Y.; Albuquerque Auto Auction, Albuquerque, N.M.; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; and Southern California Auto Auction, Fontana, Calif.

Aug. 25 — Greater Chicago Auto Auction, Chicago, and St. Louis Auto Auction, Bridgeton, Mo.

Aug. 30 — Bay Cities Auto Auction Inc., Hayward, Calif.

Aug. 31 — Metro Auto Auction of Kansas City, Lee's Summit, Mo., and Lakeland Auto Auction, Lakeland, Fla.

Sept. 1 — Nashville Auto Auction, Nashville, Tenn., and Skyline Auto Exchange, Fairfield, N.J.

General Motors

Aug. 23 — A.D.E. of Birmingham, Moody, Ala.; Florida Auto Auction of Orlando, Ocoee, Fla.; and National Auto Dealer Exchange, Bordentown, N.J.

Aug. 24 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Minneapolis Northstar Auto Auction, Shakopee, Minn.

Aug. 25 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; Nashville Auto Auction, Nashville, Tenn.; and Colorado Auto Auction, Commerce City, Colo.

Aug. 26 — Nevada Auto Auction, Las Vegas, Nev.

Aug. 30 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas

Aug. 31 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fremont, Calif.; and Omaha Auto Auction, Omaha, Neb.

Used Car Sales
Auction Averages

August 88	$6,414
Month ago	$5,824
Year ago	$6,068

Model Breakdown
Auction Averages

	AUGUST 1988	JULY 1988	JUNE 1988
1988	$16,843	$11,408	$12,545
1987	$7,976	$8,407	$8,668
1986	$7,292	$6,830	$7,327
1985	$5,848	$5,881	$5,801
1984	$4,441	$4,378	$4,534
1983	$3,527	$3,718	$3,721
1982	$2,699	$2,464	$2,529
1981	$1,946	$1,952	$1,932
Overall Average	$6,414	$5,855	$5,800

NHTSA opens GM brake probe

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — A variety of General Motors cars and trucks are being investigated by NHTSA for brake problems.

NHTSA said the models under investigation have been the subject of unusually high numbers of consumer complaints. The agency often begins preliminary defect investigations after receiving as few as two or three consumer complaints.

NHTSA's July defect report said the agency is conducting an engineering analysis of rear brake complaints involving 1982-88 E-, F- and P-body cars and 1988 C/K pickups. The car models include the Oldsmobile Toronado, Buick Riviera, Chevrolet Camaro, Pontiac Firebird and Pontiac Fiero.

Covering 1,737,989 vehicles, the investigation was prompted by 2,038 complaints, including reports of 118 accidents, 24 injuries and two deaths, NHTSA said.

GM's 1988 full-sized pickups, the C and K, are the subjects of an engineering analysis covering "poor brake performance." NHTSA said it has 434 complaints including reports of 36 accidents and six injuries. There are 457,196 trucks covered by that investigation, the safety agency said.

GM's 1987 and 1988 J-body cars, the Chevrolet Cavalier and Pontiac Sunbird, are also under investigation for "poor braking." The agency said it opened a preliminary investigation after receiving 12 complaints, including reports of five accidents and two injuries.

In other new investigations, NHTSA also announced it has begun a preliminary evaluation of 1988 Saab 9000 models for wiring harness chafing. The agency said it was investigating a dealer service bulletin on the problem covering 35,000 cars.

The 1986 Mitsubishi Montero is the subject of a preliminary investigation for seat suspension failure. The agency said it has two complaints. Approximately 100,000 vehicles are subject to the investigation.

NHTSA said GM recalled 8,328 1988 Buick Regals last month to correct a brake hose problem.

Ford Motor Co. announced two recalls covering the 1988 Lincoln Continental. The first involved 26,000 vehicles for possible fires resulting from a melting wiring harness shield, while the second covered 28,000 Continentals that may have an electrical problem affecting brake operation.

Land Rover recalled 4,704 1987-88 Range Rovers to remedy a potential fuel leak.

Honda recalled 279,821 1984-85 Civic models to fix potentially leaky fuel pumps.

GM recalled 33 1988 Chevrolet Cavalier and Pontiac Sunbird models to fix a windshield adhesion problem, NHTSA said.

NHTSA asks comments on side impact

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — NHTSA announced last week it will accept comments on whether it should propose a safety standard improving side-impact protection for cars, light trucks, vans and multipurpose vehicles.

The agency also announced it will consider whether it should propose a safety standard strengthening door latches, window frames and windows.

In seeking the comments, NHTSA Administrator Diane Steed said the agency is fulfilling a promise to expand the process of advanced notice of proposed rulemaking allowing input before a proposed rule is written.

The proposals would set standards limiting occupant exposure to injuries sustained in side-impact collisions. NHTSA wants to know whether cars and light trucks should be required to pass instrumented tests measuring chest and hip injuries on dummies subjected to side-impact crashes.

Automakers are presently required to meet a side-door strength requirement, but the 1970 rule has been faulted for providing only minimal protection.

NHTSA also wants to know whether test criteria should be written to measure protection in side-impact collisions involving stationary objects such as trees or poles.

NHTSA said it is considering additional requirements for both passenger cars and light trucks that would require stronger door latches, window frames and window glass. A public notice said the agency is interested in providing greater protection to crash victims that can be ejected from their vehicles during a collision.

NHTSA said more than 25 percent of all fatalities in automobile crashes occur from occupant ejection and nearly 40 percent of deaths in light-truck collisions happen when occupants are thrown from the vehicle.

The agency said its proposals are advanced notices of proposed rulemakings, meaning there will probably be lengthy deliberations on these issues.

MEXICAN, N. AMERICAN CAR PRODUCTION
Six months 1988 vs. six months 1987

	6 mos. 1988	6 mos. 1987	% change
Chrysler	35,445	34,757	+ 1.98
Ford	50,291	29,763	+ 68.97
GM	25,486	7,187	+254.61
Nissan	32,127	30,465	+ 5.46
Volkswagen	29,436	23,531	+ 25.09
Total Cars, Mexico	172,785	125,703	+ 37.45
Total Cars, U.S.	3,733,176	4,011,618	– 6.94
Total Cars, Canada	615,971	439,969	+ 40.00
Total Cars, N. American	4,521,932	4,577,290	– 1.21

First-half auto production moves up 37% in Mexico

By Kathy Boyer and Stephen Downer
AUTOMOTIVE NEWS STAFF REPORTERS

Mexico's auto production for the first six months of this year increased substantially over the year-ago period. General Motors and Ford Motor Co. were the biggest contributors to the boost with increased output of GM Celebrity and Ford Tracer models.

Each of the five Mexican automakers posted a production increase in the January-June period. They built 172,785 cars, 37.45 percent more than the 125,703 assembled in 1987.

From a percentage standpoint, GM made the largest gain. It assembled 25,486 cars, more than three times the 7,187 it produced in the first six months of last year.

GM builds Cutlass Ciera, Century and Celebrity models in Mexico. The company turned out 17,077 Celebrity models for export to the United States compared with 2,380 for export in the 1987 period.

Ford's car output in Mexico for the first half was 50,291, up 68.97 percent from 29,763 during the same time last year.

Ford builds the Topaz, Cougar, Thunderbird, Taurus and Tracer models at its Mexican plants. Export production of 36,346 Tracers almost doubled last year's 18,341.

Chrysler completed 35,445 cars in the six-month span, 1.98 percent more than the 34,757 units assembled in 1987.

Unlike GM and Ford, Chrysler reduced the number of cars it exported to the United States. The Aries, Reliant, LeBaron J, Sundance and Shadow are built in Mexico for both markets. Chrysler also builds the New Yorker and Magnum for the Mexican market.

The company's export production totaled 14,403 cars in the first half, 43.63 percent below the 25,106 built for export in the first half of 1987.

Nissan built 32,127 cars in Mexico during the first six months of this year, 5.46 percent more than the 30,465 assembled last year.

The Sentra is built at Nissan's Mexican plant. Export production was 5,657 in the first half, 36.97 percent more than the 4,130 built for export in the 1987 period.

Volkswagen reported six-month output of 29,436 units, 25.09 percent more than last year.

VW assembles the Golf, Jetta, Beetle and Corsar in Mexico, all of which are exported. It built 382 cars for export this year compared with 61 last year.

Total North American car production for the first half was 4,521,932, 1.21 percent below the 4,577,290 completed in 1987.

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Sweden split on Japanese curbs

Government units disagree on protection for Volvo and Saab

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — A proposal by the Swedish Foreign Ministry to negotiate restraints on Japanese imports has drawn criticism from another branch of the government.

Sweden's National Price and Cartel Office, a politically independent government agency, last week charged that restricting Japanese imports would result in higher prices for Swedish car buyers and inflation.

Nonetheless, Japanese carmakers have already reportedly promised to limit exports to Sweden.

Swedish officials took a strong stance earlier this month on behalf of the two indigenous carmakers, Volvo and Saab. Each has lost market share at home this year while the Japanese have gained sharply. Yet, the government proposal has met with surprise in some quarters because the Japanese are not direct competitors of the two Swedish companies.

Furthermore, Sweden, like West Germany, relies heavily on export sales and cannot risk being viewed protectionist for fear of starting a trade war. However, some see the move as an attempt to improve Volvo and Saab sales in Japan. Sweden and West Germany are the only car manufacturing nations in Europe with no form of Japanese restraints.

In a recent interview with Swedish Radio, Foreign Trade Ministry official Carl Johan Aberg warned against the Japanese using Sweden as a dumping ground. He charged that Japanese makers have focused on his country because other European nations have closed the door.

Imports from Japan increased 55 percent in the first half of 1988 to 49,800 units. Registrations totaled 43,938 through June, good for a 25 percent share of the market, up from 20.7 percent for the same period last year and 16 percent in 1985. Overall, car sales in Sweden have risen 9.3 percent this year.

According to a Tokyo newspaper report, the Japanese companies have, at the request of Japan's Ministry of International Trade and Industry, agreed to hold exports to Sweden at 1987 levels, about 70,000 units. Swedish Government officials have confirmed that the Japanese have agreed to "follow the developments and avoid disruption of the Swedish market."

While price control officials in Sweden don't like the move, Peter Dupont, a Scandinavian specialist at Phillips & Drew in London, said the Swedish action is defensible.

"Given the dependence of the Swedish economy on Volvo and Saab, they can't afford to be too liberal," he said, adding that the decision to seek limits was not a surpise.

Dupont dismissed the argument advanced by some critics that Volvo and Saab don't compete with Japanese makes.

"Obviously, some sort of substitution goes on at the margin," he said. "The Japanese are edging up-market and plan to continue to do so. The Swedish are rightly concerned about that."

Sales of the intermediate-sized Mazda 626, the No. 2 Japanese car in Sweden, increased 108 percent in the first six months of 1988 to 5,938.

The two Swedish makers — already producing at capacity — were hurt earlier this year by a nationwide white-collar strike.

"The Swedish companies have their own problems this year," said Dupont. "They lost production because of the strike and have missed out somewhat on a buoyant market. Their market shares have come down with a bump. It is not totally surprising they want to take action."

PRODUCTION

Auto output moves past 100,000

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

Weekly auto production continues to climb as it recovers from downtime at several plants for model changeover and vacations.

Last week's targeted output of 109,236 cars rose 11.74 percent from the prior week's 97,758 and was 5.76 percent above the year-ago week's 103,286.

So far this year, 4,359,747 cars have been assembled, 4.51 percent below the 4,565,769 completed last year at this point.

Companies split last week's scheduled production as follows: General Motors, 51.12 percent; Ford Motor Co., 28.13 percent; Honda of America Manufacturing Inc., 6.82 percent; Chrysler Motors, 4.49 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.98 percent; New United Motor Manufacturing Inc., 2.98 percent; and Nissan Motor Manufacturing Co. U.S.A., 2.48 percent.

Truck output was estimated at 73,837 units last week, 4.75 percent more than the previous week's 70,487 and 20.19 percent more than the year-ago week's total of 61,436.

Year-to-date, 2,610,093 trucks have been built, 7.77 percent more than the 2,421,917 assembled last year at this time.

GM's Doraville, Ga.; Van Nuys, Calif.; Framingham, Mass., and Flint, Mich. (truck), plants reopened last week after being shut down for model changeover. The Detroit-Hamtramck and Orion Township, Mich., plants will resume production this week.

Ford's Lorain, Ohio, plant remains closed for model changeover until early October.

Chrysler's Jefferson Avenue plant in Detroit remains closed for model changeover until Aug. 29.

All Ford plants are slated for daily overtime this week except Edison, N.J.; Wayne, Mich.; and Chicago.

Cars, trucks gain in Canada

Canadian automakers scheduled production of 17,810 cars last week, 46.68 percent more than the previous week's 12,142 and 2½ times the year-ago week's 6,971.

So far this year, 688,948 cars have been assembled, 42.90 percent more than the 482,127 built last year at this point.

Truck output was targeted at 19,085 units last week, 14.15 percent above the prior week's 16,719 and 19.72 percent more than the year-ago week's 15,941.

Year-to-date, 572,866 trucks have been built, 9.75 percent more than the 521,965 assembled last year at this time.

General Motors' Scarborough, Ontario, truck plant resumed production last week after a four-week shutdown for model changeover.

Chrysler's Bramalea, Ontario, plant reopened today. It had been idle since July 22 for vacation and model changeover.

Volvo's Halifax, Nova Scotia, plant resumed output today. The plant had been idle for two weeks for vacation.

U.S. CAR	Week Ended Aug. 20, 1988	Week Ended Aug. 22, 1987	Week Ended Aug. 13, 1988	Aug. to Date	Jan. 1 to Aug. 20, 1988	Jan. 1 to Aug. 22, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	0	0	0	0	53,889	32,997
Sundance	300	1,426	0	3,173	65,766	60,136
Reliant	0	3,048	0	0	56,260	73,179
Caravelle	0	622	0	0	9,067	31,846
Gran Fury	100	0	161	261	15,306	3,808
Total Plymouth	400	5,096	161	3,434	200,312	201,966
LeBaron K	0	993	0	0	7,912	46,831
LeBaron J	700	1,962	718	1,418	47,121	72,812
LeBaron GTS	0	710	0	289	6,005	25,657
N. Yorker E-Class	0	1,760	0	0	0	51,715
N. Yorker C-Class	900	114	1,553	3,065	66,296	200
Fifth Avenue	800	0	803	1,603	17,397	32,038
Total Chrysler	2,400	5,539	3,074	6,375	144,733	229,253
Omni	0	0	0	0	52,602	28,363
Daytona	400	1,285	739	1,139	46,103	35,762
Shadow	400	1,586	0	2,896	64,552	61,901
Aries	0	2,621	0	0	54,570	68,845
Dodge 600	0	555	0	0	8,549	28,487
Dynasty	1,000	0	1,768	3,545	62,911	0
Lancer	0	410	0	180	5,808	16,140
Diplomat	300	0	243	543	12,911	6,754
Total Dodge	2,100	6,457	2,750	8,303	308,006	246,252
CHRYSLER MOTORS	4,900	17,092	5,985	18,112	653,051	693,465
Escort	9,712	5,987	9,790	26,983	247,738	239,327
Mustang	3,672	3,429	2,118	9,199	127,842	135,702
Tempo	2,166	0	2,501	8,289	118,782	99,830
Taurus	7,650	6,892	8,189	22,367	251,944	267,620
Thunderbird	0	898	0	0	90,246	102,808
Total Ford Div.	23,200	17,006	22,598	66,838	836,552	845,287
Lynx	0	0	0	0	0	21,352
Topaz	798	0	1,008	3,330	44,789	32,858
Cougar	0	682	0	0	89,686	91,169
Sable	2,495	2,335	2,710	7,389	86,152	85,267
Total Mercury	3,293	3,017	3,718	10,719	200,627	230,646
Continental	1,412	0	1,106	3,336	28,275	9,610
Mark VII	704	696	541	1,662	15,269	17,431
Lincoln	2,119	3,483	1,649	5,014	82,440	87,738
Total Lincoln	4,235	4,179	3,296	10,012	125,984	114,779
Total L-M Division	7,528	7,196	7,014	20,731	326,611	345,425
FORD MOTOR CO.	30,728	24,202	29,612	87,569	1,163,163	1,190,712
Skyhawk	387	998	113	504	10,455	18,280
Skylark/Somerset	823	1,567	284	1,107	29,279	39,302
Century	2,215	3,188	1,022	3,358	67,681	110,111
Regal (rwd)	0	601	0	0	0	29,835
Riviera	0	0	0	0	3,642	8,501
Electra	1,255	1,346	1,186	3,190	54,489	57,956
LeSabre (fwd)	3,106	4,000	2,366	6,938	82,037	87,096
LeSabre (rwd)	100	108	123	395	6,519	6,033
Reatta	217	0	217	434	5,889	0
Total Buick	8,105	11,808	5,311	15,926	259,991	357,114
Cimmaron	0	66	0	0	3,693	7,567
Eldorado	0	0	0	0	23,410	12,720
Seville	0	0	0	0	14,488	10,534
Brougham (rwd)	705	1,559	530	1,585	19,908	43,469
Deville (fwd)	0	844	0	0	97,287	93,021
Allante	0	329	0	0	1,135	3,172
Total Cadillac	705	2,798	530	1,585	159,921	170,483
Cavalier	7,728	1,038	6,358	18,020	229,752	204,851
Camaro	0	3,794	0	0	54,287	77,164
Celebrity	3,605	3,912	3,490	8,934	115,371	192,484
Corsica/Beretta	9,360	7,373	8,288	26,528	258,505	199,496
Monte Carlo	0	1,636	0	0	0	42,027
Caprice	4,378	2,260	4,074	12,582	133,730	122,056
Corvette	440	203	450	1,342	14,088	18,083
Total Chevrolet	25,511	20,216	22,660	67,406	805,733	856,161
Calais	1,391	1,980	506	1,897	67,147	72,358
Firenza	0	426	0	0	5,230	2,788
Cutlass Ciera	103	0	0	103	13,654	101,216
Cutlass Supreme	1,920	1,621	0	1,920	92,400	48,694
Toronado	0	0	0	0	10,209	10,127
88 (fwd)	2,807	858	2,914	8,032	98,056	110,726
88 (rwd)	255	0	222	702	7,872	10,656
Olds 98	1,114	276	1,065	2,831	47,956	43,329
Total Oldsmobile	7,590	5,161	4,707	15,485	342,524	408,480
Sunbird	1,325	0	1,027	3,621	66,445	60,295
Grand Am	4,310	4,789	2,221	7,380	145,701	149,576
Firebird	0	1,842	0	0	37,613	51,987
Grand Prix	3,403	0	2,683	6,086	78,002	0
Pontiac 6000	2,145	1,350	2,075	5,343	48,281	48,689
Bonneville	2,425	1,901	2,304	6,587	70,590	79,946
Safari/Parisienne	130	119	133	393	5,192	6,441
Fiero	199	0	474	1,167	13,268	20,689
Total Pontiac	13,937	10,001	10,917	30,566	465,092	417,623
GENERAL MOTORS	55,848	49,984	44,125	130,968	2,033,261	2,209,869
HONDA	7,445	5,496	7,561	22,460	233,586	214,635
Civic	2,605	1,571	2,607	7,548	66,402	71,089
Accord	4,840	3,925	4,954	14,912	167,186	143,546
MAZDA†	4,351	0	4,246	12,411	72,106	0
NISSAN	2,714	2,604	2,898	8,494	67,487	85,127
NUMMI	3,250	3,908	3,331	9,833	101,496	126,832
Corolla	1,200	882	1,191	3,565	37,141	27,038
Nova	2,050	3,026	2,140	6,268	64,356	101,794
VOLKSWAGEN	0	0	0	0	35,595	43,129
Golf/GTI	0	0	0	0	30,042	34,775
Jetta	0	0	0	0	5,553	8,354
Total Cars, U.S.	109,236	103,286	97,758	289,847	4,359,747	4,565,769
Total Cars, Canada	17,810	6,971	12,142	36,114	688,948	482,127
U.S., Canada Cars	127,046	110,257	109,900	325,961	5,048,695	5,047,896
U.S., Canada Cars and Trucks	219,968	187,634	197,106	578,338	8,231,654	7,991,775

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended Aug. 20, 1988	Week Ended Aug. 22, 1987	Week Ended Aug. 13, 1988	Aug. to Date	Jan. 1 to Aug. 20, 1988	Jan. 1 to Aug. 22, 1987
Eagle	0	—	0	0	0	—
Premier	0	—	0	0	38,984	—
CHRYSLER MOTORS	0	108	0	0	38,984	3,509
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	3,626	—	3,523	9,171	114,795	—
Topaz	1,813	—	1,731	4,455	42,177	—
Crown Victoria	2,804	—	1,950	5,847	81,464	—
Grand Marquis	2,956	—	1,974	6,076	81,843	—
FORD MOTOR CO.	11,199	2,662	9,178	25,549	320,279	296,775
Celebrity	574	—	271	915	13,886	—
Cutlass Ciera	2,307	—	1,191	3,764	158,918	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	0	29,675	—
Regal	2,400	—	341	2,741	97,380	—
GENERAL MOTORS	5,281	3,784	1,803	7,420	299,859	166,530
Civic	1,330	—	1,161	3,145	23,610	—
Accord	0	—	0	0	1,828	—
HONDA	1,330	417	1,161	3,145	25,438	8,896
VOLVO	0	0	0	0	4,388	6,417
Total Cars, Canada	17,810	6,971	12,142	36,114	688,948	482,127

U.S. TRUCK☆	Week Ended Aug. 20, 1988	Week Ended Aug. 22, 1987	Week Ended Aug. 13, 1988	Aug. to Date	Jan. 1 to Aug. 20, 1988	Jan. 1 to Aug. 22, 1987
Caravan	1,200	—	1,566	3,767	58,540	—
Dakota	1,800	—	1,641	4,271	66,505	—
Mini-Ram Van	100	—	50	208	8,947	—
Pickups	1,700	—	1,650	4,177	44,893	—
Total Dodge	4,800	7,469	4,907	12,423	178,885	166,782
Cherokee	3,300	—	2,962	6,262	111,883	—
Commanche	700	—	721	1,421	28,422	—
Grand Wagoneer	300	—	298	598	8,813	—
Pickups	0	—	0	0	0	—
Wagoneer	100	—	151	251	6,483	—
Total Jeep	4,400	4,507	4,132	8,532	155,601	137,137
Voyager	1,200	—	1,501	3,661	55,158	—
Total Plymouth	1,200	—	1,501	3,661	55,158	—
CHRYSLER MOTORS	10,400	11,976	10,540	24,616	389,644	303,919
Aerostar	4,546	—	4,167	12,743	126,632	—
Bronco	765	—	366	1,306	35,960	—
Bronco II	2,758	—	2,786	8,371	81,883	—
Econoline	4,847	—	3,814	12,785	149,413	—
Heavy trucks	1,438	—	1,459	4,344	42,609	—
Light trucks	8,346	—	7,398	24,092	311,481	—
Ranger	6,235	—	6,401	19,997	224,198	—
Total Ford Div.	28,935	21,211	26,391	83,638	972,176	941,558
FORD MOTOR CO.	28,935	21,211	26,391	83,638	972,176	941,558
Astro	3,008	—	2,969	9,030	112,617	—
Blazer	219	—	0	219	16,812	—
Mediums/Heavies	626	—	803	2,429	13,001	—
P-Model	918	—	724	1,642	25,903	—
Pickups	6,766	—	6,901	20,217	221,478	—
S-10	5,735	—	6,372	17,132	192,645	—
S-10 Blazer	2,200	—	1,251	5,861	105,631	—
Sportsvan/Van	1,666	—	1,735	5,377	59,892	—
Suburban	440	—	0	440	45,009	—
Total Chevrolet	21,578	15,426	20,755	62,347	792,988	741,974
Jimmy	74	—	0	74	4,996	—
Mediums/Heavies	646	—	584	1,933	25,549	—
P-Model	102	—	106	208	3,517	—
Pickups	1,794	—	1,925	5,408	68,069	—
S-15	385	—	1,557	2,720	42,762	—
S-15 Jimmy	2,000	—	1,181	5,269	31,309	—
Safari	752	—	740	2,266	28,615	—
Suburban	147	—	0	147	19,836	—
Vandura/Rally Vans	714	—	535	1,646	22,798	—
Total GMC	6,814	6,314	6,628	19,671	247,351	248,649
GENERAL MOTORS	28,392	21,740	27,383	82,018	1,040,339	990,623
NAVISTAR	1,970	1,647	2,014	5,935	55,049	46,657
NISSAN	1,390	2,112	1,409	4,213	62,685	54,200
AM GENERAL*	450	450	450	1,350	14,760	9,360
MISCELLANEOUS*	2,300	2,300	2,300	6,900	75,440	75,600
Total Trucks, U.S.	73,837	61,436	70,487	208,670	2,610,093	2,421,917

CANADIAN TRUCK	Week Ended Aug. 20, 1988	Week Ended Aug. 22, 1987	Week Ended Aug. 13, 1988	Aug. to Date	Jan. 1 to Aug. 20, 1988	Jan. 1 to Aug. 22, 1987
Caravan	3,372	—	2,957	8,188	89,012	—
Mini-Ram Van	204	—	189	510	8,432	—
Ram Wagon	575	—	546	1,628	15,374	—
Ram Van	1,475	—	1,539	4,350	41,059	—
Total Dodge	5,626	6,671	5,231	14,676	153,877	259,401
Voyager	2,568	—	2,116	6,006	79,391	—
Total Plymouth	2,568	—	2,116	6,006	79,391	—
Wrangler	1,040	—	1,026	2,942	30,632	—
Total Jeep	1,040	930	1,026	2,942	30,632	21,355
CHRYSLER MOTORS	9,234	7,601	8,375	23,626	263,900	280,756
FORD MTR. (lt. trks.)	3,648	3,388	3,482	8,819	103,620	95,302
Light trucks	3,725	—	3,154	6,879	95,548	—
Vans	786	—	0	786	35,891	—
Total Chevrolet	4,511	—	3,154	7,665	131,439	—
Light trucks	1,075	—	1,440	2,515	47,901	—
Vans	347	—	0	347	18,951	—
Total GMC	1,422	—	1,440	2,862	66,852	—
GENERAL MOTORS	5,933	4,723	4,594	10,527	198,291	139,957
NAVISTAR	270	229	268	735	7,055	5,950
Total Trks., Canada	19,085	15,941	16,719	43,707	572,866	521,965
U.S., Canada Trks.	92,922	77,377	87,206	252,377	3,182,959	2,943,882

—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News

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Japanese rapped on black jobs

Transplant hiring called below par

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

ANN ARBOR, Mich. — A new study shows the three dominant Japanese transplant auto manufacturers have hired significantly fewer black workers than traditional domestic producers opening greenfield sites in the United States since 1980.

The research by two University of Michigan professors shows that the eight new U.S. facilities opened since 1980 — all General Motors plants — hired blacks in higher percentages than they constituted in the population around the plants.

In contrast, the study shows Mazda, Honda, Nissan and 51 Japanese auto parts manufacturers locating in the United States hired blacks in proportions substantially below their population ratios.

The Japanese automakers dispute the study and its conclusions.

The findings, to be presented at a University of Michigan Graduate School of Business conference on the internationalization of managers this week and to appear in the respected academic journal California Management Review this November, make some major assumptions, however. The study focuses only on race as a hiring issue and assumes equal skills and availability for work among blacks and whites.

But, even given its narrow focus, the study suggests a scathing pattern of avoiding black workers "in an industry that has traditionally supplied large opportunities to minority workers."

Even using GM's new, sprawling

see TRANSPLANT, page 53

Report Card

Company	1987 Sales in Billions	Production in Millions	Economic Strength — Deviation from industry average, % — Financial Structure	Profitability	Prospects	Average
CHRYSLER	$26.3	5.0	– 5.4	+54.0	+73.8	+45.7
Ford	71.6	13.3	+29.8	+59.2	+22.9	+39.8
Daimler-Benz	37.5	1.7	+15.4	+32.2	+ 9.1	+20.3
TOYOTA	41.5	8.0	+53.8	+30.8	–18.7	+20.1
BMW	10.1	1.1	+ 9.9	– 6.1	+54.9	+18.2
FIAT	29.6	4.6	– 5.6	+16.6	+33.8	+16.8
PEUGEOT	19.7	2.4	– 6.7	+35.9	–13.9	+ 8.8
HONDA	17.2	3.5	+11.8	+21.5	–28.3	+ 2.5
GM	101.8	17.0	+ 3.2	–33.6	–25.3	–21.8
VW	30.4	6.1	– 8.1	–53.4	+ 4.2	–22.9
RENAULT	24.6	3.9	–52.3	–96.6	–19.4	–80.6
NISSAN	25.7	5.0	–45.9	–58.5	–87.2	–64.9

Source: Capitalyse.

Chrysler wins world acclaim

German study calls it healthiest automaker on planet

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — An unusual global analysis that places heavy emphasis on the financial strength of automotive competitors comes up with some surprising results.

It concludes Chrysler Corp. is the world's healthiest automaker, with Ford Motor Co. a solid No. 2. General Motors is well down the list.

The research, based on a formula measuring a company's financial strength, profitability and future prospects, is called "Capitalyse." The system attempts to objectively compare the relative well-being of automakers from around the world. Such systematic, comparative analysis of competitors provides the public with rare glimpses inside the companies and the industry they dominate.

"Capitalyse" was jointly developed by auditors in the Hamburg, West Germany, office of the Arthur Andersen accounting firm and the German financial monthly Capital, which published the results in its September edition.

Beyond the U.S. automakers, the study measures results at Daimler-Benz, BMW, Volkswagen, Fiat, Renault and Peugeot in Europe and Toyota, Honda and Nissan in Japan. Arthur Andersen does some accounting work for Fiat, Peugeot and Renault, and provides consulting services to the Big 3.

To the survey's creators, the American presence at the top of the list was no surprise.

"When you think of technology, you think of the Germans," said Karl-Heinz Seyfried, a journalist with Capital.

"But if you think of profitability, it is the Americans. The management looks more closely at it and as a consequence Chrysler and Ford are at the top."

Ironically, GM, which is often accused of looking more toward the bottom line than the future, was among the losers in the study, winding up 21.6 percent below the industry

see STUDY, page 53

Kansas deal fails in try to go public

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

The first U.S. plan to sell stock to the public in a group of new-car dealerships has failed, but most industry observers don't expect it to deter other dealers from attempting public ownership.

Steven Motors Inc., a Wichita, Kan., company owned by father-son car dealers Edward M. Steven and Michael E. Steven, reportedly fell far short of their goal of raising $2 million in a stock sale.

Proceeds from the sale were to be used to pay debts of the Stevens' other car companies and to buy assets from a Stevens' company that holds Rolls-Royce, Yugo, Bertone and Maserati franchises. The Stevens also had intended to acquire other franchises for the publicly held company, according to the prospectus.

However, the offering, which went into effect in February, expired Aug. 9 and was unsuccessful. The goal was to sell 20 million shares, and shares had an opening price of 10 cents. A minimum of 5 million shares had to be placed for the sale to be finalized.

Each share of stock was to include a warrant that gave investors the option of buying another share of stock for 25 cents. The warrants would have raised an additional $5 million.

Dale Roehrman, vice president of LSCO Securities Inc., the Wichita-based brokerage firm that was the underwriter, confirmed that the expiration date had passed and that the offering was unsuccessful. However, he declined to provide further details. The owners of the dealership did not return repeated phone calls.

Industry observers familiar with the Kansas offering who were contacted by Automotive News said they were not surprised by the failure of the deal. They said they believed the Kansas deal was flawed from the start.

They noted that the dealerships being offered had small sales volumes and that the offering overvalued the dealerships, making the package unattractive to investors. They also said the offering suffered because it was made available by a local brokerage firm on a limited, regional basis.

The stock was made available to investors in Kansas, Illinois, Colorado and Georgia.

Furthermore, the experts said, it was not clear

see PUBLIC, page 56

NEW DEAL: *Penske team molds new image for old-line Potamkin store*

By Diana T. Kurylko
SPECIAL CORRESPONDENT

NEW YORK — Impeccably dressed, Walter Czarnecki, executive vice president of Penske Corp., stood at the corner of 11th Avenue and 54th Street and took a long look at three different shades of beige, painted in blocks on the wall of a pre-World War II building.

Behind him was an interior designer waiting for his client to pick the color for the exterior of the new $6 million Penske Auto Center.

An unusual way for the second-in-command of a $2 billion conglomerate to spend his time. But that obsessive attention to detail has convinced outsiders that Penske Corp.'s workaholic executives are capable of performing miracles for Cadillac in Manhattan.

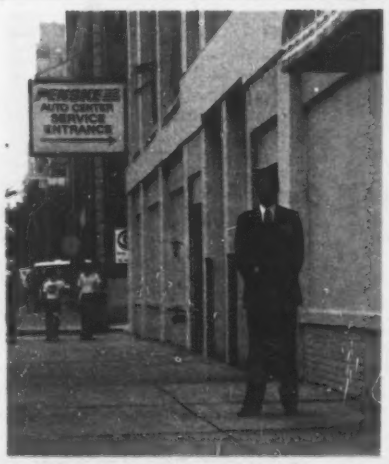
When Penske acquired the franchise last year from Victor Potamkin, the dealership also changed business philosophies. The next year will be a test of which approach works better in the retail automotive business — quality or quantity.

The implications extend far beyond Manhattan — although this clearly is a market where Cadillac wants its marque to make a strong mark. But beyond New York, the experiment will tell whether the traditional hard-sell business approach for luxury cars has been supplanted by a three-piece-suit, big business approach to merchandising.

As the experiment goes on, Potamkin is laughing all the way to the bank.

Potamkin, owner of what was once the nation's biggest Cadillac dealership, boasts that he broke Cadillac sales records "by offering people the best deal they could get anywhere.

see PENSKE, page 34



Czarnecki: Roger Penske's right-hand man

Chrysler cuts Maserati link; TC survives

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Chrysler Motors has apparently abandoned any plans it may have had to take over Maserati S.p.A. and has reduced its involvement with the Italian automaker to become merely the importer of the sporty convertible the two companies had been jointly developing.

The two companies have struggled to launch the $30,000 Chrysler TC by Maserati, which was initially expected to reach the market in early 1987 but which continues

see MASERATI, page 54

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...ompel brings ...ol hand to GM Page 3
Ford Motor aims for 23% of '89 market Page 4
Blue books: last word on used cars, trucks Page 28

AUTOMOTIVE NEWS/JOE WILSEMS

The Teamwork and Technology show in New York marked Stempel's inauguration as GM's primary spokesman

Stempel brings cool hand to GM

Rookie president improves firm's image and boosts morale

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — The stage was set for disaster.

General Motors had just kicked off its multimillion-dollar "Teamwork and Technology" extravaganza in the grand ballroom of New York City's Waldorf-Astoria. Following a splashy video show projected on a dramatic wall of television monitors, GM Chairman Roger B. Smith and President Robert C. Stempel opened the floor to questions.

An East Coast newspaperman fired the first shot. "This is all very impressive," he said, "but how come Chrysler can put a six-passenger car in the showroom for 7,000 bucks, and you can't?"

Smith listed the Japanese and Korean imports that GM markets under Chevy and Pontiac nameplates. The reporter interrupted; he meant domestically built vehicles.

Smith pointed out that GM, in the past, had offered the Chevrolet Chevette, now defunct, and Saturn was on its way. The reporter again interrupted; 'Now, sir,' he insisted.

Smith responded that GM's best competition against Chrysler's $7,000 America cars was a two-year-old Buick.

Reporters and GM executives alike groaned. The show, which had been designed to spread goodwill among GM dealers, stockholders and reporters, looked as if it were about to backfire.

Then Stempel took the stage. Smith handed off questions to Stempel; Stempel politely deferred to Smith. Stempel called upon reporters by first names. His demeanor was commanding yet humble, in contrast to a GM style some often saw as arrogant.

"We're not telling you our cars are good," he said. "We want people to visit their dealers. We want them to look at the cars, drive them and make their own decisions."

The remainder of the press conference ran smoothly, concluding on an optimistic note.

The show marked a turning point in Stempel's first year on the job and his inauguration as GM's primary spokesman.

For the first four months after his Sept. 1, 1987, appointment as GM president, Stempel was noticeably absent from the public limelight. He granted early interviews to groups of reporters, after which he informed them he was going underground. As he had said in previous GM jobs, he didn't want to talk about what he was going to do; he'd prefer to do it, then talk about it.

It's too early to say what, if anything, Stempel has actually accomplished in his first year as GM president. In a company the size of GM, one year is too little time to see evidence of one individual's influence.

Nevertheless, those inside GM and outside observers say Stempel has in his first year on the job given GM a much-needed boost in image, both within and outside of the company.

Stempel is sensitive about not upstaging his boss and declines questions about himself, instead talking about the company's teamwork. But GM insiders say Smith is relieved — if not delighted — to have a charismatic spokesman to whom he can pass off speaking engagements, a role in which Smith has never been completely comfortable.

GM dealers are significantly more optimistic about the automaker than they were a year ago, be it Stempel's influence or just the stemming of the sales decline.

see STEMPEL, page 56

New casting norm at Chrysler foundry

By Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTER

INDIANAPOLIS — Chrysler Motors has started up what is being billed as the most modern casting plant in the world.

In the foundry trade, they're calling it the Foundry of the Future.

For Chrysler, the Indianapolis factory represents another bold move into scientific manufacturing. It was a $50 million move made at considerable risk as the company swept aside outmoded work rules and brought a tired old plant up to date.

Chrysler has installed the modern impact casting process and initiated heavy use of high-tech computerized process control while keeping its employees — who have an average of 19 years of corporate service.

General Motors and Ford Motor Co. and others have cut back gray-iron foundry operations in recent years, and there have been some dramatic technology failures like Ford's Flat Rock, Mich., casting plant and Chrysler's own Huber foundry in Detroit, which have been closed.

Over the decades, said Richard E. Dauch, Chrysler Motors executive vice president — manufacturing, Chrysler had been able to keep the Indy plant competitive in terms of quality and piece cost.

However, recently, the pressure from offshore foundries and tightening workplace and environmental regulations have grown intense.

Dauch said the Indy plant was "a 40-year-old building with a 40-year-old process and 40-year-old habits in a gray-iron environment. What we had was not good process control, not good quality control, poor labor-management relationships and some generically dirty industrial conditions and inconsistent output.

"After a worldwide search, we found the technology right here in America, in Switzerland and in Germany.

"From that, in 1986, the local negotiated a new modern operating agreement and we're going through the training process with all of our people. We're getting results. That's the proof of the pudding, the bottom line," he said.

The $25 million impact caster is the foundry's main attraction for a visitor. Instead of packing sand in molds with slingers, the conventional way, impact casters pack sand down with the explosion of natural gas above it, or, as at Chrysler's facility, with a hefty blast of compressed air.

Ford is just launching an impact caster in Cleveland and Peugeot in France is using an impact system.

Those companies altered just parts of their operations to install the impact lines. Chrysler started from scratch and put in entirely new sand mixing operations.

"We still have one slinger running, but only on one shift, and we'll eliminate that sometime in the next 12 months," said Larry Mitchell, plant manager.

Dauch said, "We're probably going to be reducing the labor hours per unit by 40-50 percent.

"We're getting great cooperation because we told everybody they won't lose their jobs. We'll use attrition or a job bank so there is an incentive for people to contribute. They know the best job security they can get is to be competitive on quality, cost, delivery," Dauch said.

There were reports in the trade that Chrysler was going to move the Indy foundry's products to Mexico for low wage rates.

"Had we not made the commitment to Indianapolis, the plant would have closed and all the production would have gone somewhere," Dauch said. "It would be speculation for me to say where it would have gone. It could have been Brazil, Mexico, Japan or plants of other companies in America."

Melting capacity of the new plant is 50 tons per hour. Molding capacity is about 200 molds per hour, about the same as before but with enhanced quality.

With about 800 employees, the Indy foundry produces 80 percent of the cylinder blocks used in Chrysler vehicles, including the 3.9-liter, 5.2-liter and 5.9-liter V-blocks and the 2.2-liter, and 2.5-liter four-cylinder engine blocks.

"On top of the capital investment here is the very major investment of training our personnel," Dauch said.

INDEX

Around the world	20-22
Auction dates	41
Classifieds	42-49
Coming events	52
Dealing with dealers	52
Legal briefs	24
News briefs	8
Obituaries	56
Opinion	10
Personnel	36-37
Production	58
Sales, car	57
Service management	14
Truck industry	18

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Bankrupt Chevy superdeal regains license

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — A federal bankruptcy judge last week ordered the California Department of Motor Vehicles to restore the sales licenses of two Glendora, Calif., dealerships despite arguments by the department against the move.

On Aug. 6, the department had suspended the licenses of Grand Chevrolet and Grand Motors, an affiliated auto brokerage firm, for alleged illegal practices and failure to meet financial obligations.

The same week, the two firms and two affiliated finance companies, Grand Wilshire Finance and Grand Rizal, filed for protection from creditors under Chapter 11 of the U.S. Bankruptcy Code.

Emiliano "Jun" Reodica, who controlled the Grand companies before the bankruptcies, has apparently left the country. Reodica is a naturalized U.S. citizen who emigrated from the Philippines.

During earlier meetings with Grand lawyers, the Department of Motor Vehicles had refused to return the licenses until Irving Sulmeyer, the court-appointed trustee in the bankruptcy proceedings, replaced top management.

Alan Mateer, the department's chief counsel, told the hearing that its investigations showed "managers at virtually every level of the operation" were responsible for defrauding clients.

But Judge James Dooley said that since Sulmeyer has been put in charge of the businesses, he should have a chance to operate them with employees of his own choosing in an attempt to begin repaying creditors.

After the decision, Sulmeyer said he would try to work out an agreement with some of the Grand companies' major creditors, including General Motors Acceptance Corp., which owns most of the cars in the dealerships' inventory.

If that is possible, he said, the businesses could open about 10 days after the hearing. "At least we have a chance now," he said, adding, "that is all we wanted."

Grand Chevrolet, one of the top retail-unit Chevrolet dealerships in the United States, and affiliated firms headed by Reodica were fined $100,000 by the Department of Motor Vehicles in December 1987 for selling used cars as new and for failing to submit car registration information to the state in the specified time.

Reodica earlier this year was reappointed to the California New Motor Vehicle Board, which oversees the Department of Motor Vehicles, even though Gov. George Deukmejian knew that same department two months earlier had suspended the dealer for various violations of the state vehicle code.

Kevin Brett, Deukmejian's press secretary, said the governor knew of the fine when he considered Reodica's reappointment to the New Motor Vehicle Board in February. However, Brett said the governor was satisfied the problems had been corrected after he ordered Motor Vehicle Director Del Pierce to talk to Reodica.

Kevin Brett, Deukmejian's press secretary, said the governor knew of the fine when he considered Reodica's reappointment to the New Motor Vehicle Board in February. However, Brett said the governor was satisfied the problems had been corrected after he ordered Motor Vehicle Director Del Pierce to talk to Reodica.

Deukmejian, however, last week removed Reodica from board.

AROUND THE WORLD

Lex reports gains for first half; retail sales, Volvo deliveries up

LONDON — Lex Service PLC reported record first-half earnings, posting pretax profits of 35 million pounds ($58.8 million). The earnings reflect a 69 percent increase over 1987's level.

Trevor Chinn, Lex Service chairman, said the automotive distribution business had an operating profit of 33 million pounds ($55.4 million) during the first six months of this year, a 27 percent increase over 1987.

The company said Volvo Concessionaires, its Volvo distributorship in the United Kingdom, posted record sales for the period. The company sold 40,579 cars during the first six months of this year, an 11 percent increase over 1987.

Lex's retail car businesses, including companies acquired from Sears in April 1987, recorded a 21 percent sales increase over the January-June period of 1987. Those companies also achieved a 41 percent increase in profits, compared with a year earlier, the company said.

Lex is now the largest retailer of passenger cars and trucks in the United Kingdom.

Lex recently completed an agreement to invest approximately $13.5 million in a joint venture with Campbell Automotive Group, an auto retailer based in Southern California.

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REGISTRATIONS

DENMARK — Cars

	6 mos. 1988	6 mos. 1987
BMW	1,082	1,170
Dacia	39	71
Daihatsu	806	1,200
Fiat Auto	3,136	4,508
Fiat	2,816	4,117
Lancia	58	85
Alfa Romeo	261	325
Ferrari	1	0
Ford	6,773	8,267
FSO	146	396
GM-U.S./Opel	7,141	11,237
Honda	1,082	1,430
Hyundai	1	0
Jaguar	15	29
Lada	1,579	2,362
London Taxi	1	5
Mazda	5,695	6,428
Mercedes-Benz	680	803
Mitsubishi	770	1,432
Nissan	2,773	3,403
Peugeot SA	7,144	7,348
Citroen	3,177	4,312
Peugeot/Talbot	3,967	3,036
Porsche	2	8
Renault	356	186
Rover Group	213	363
Saab	279	514
Skoda	933	1,780
Subaru	225	215
Suzuki	207	45
Toyota	6,179	7,750
Volkswagen Group	4,468	5,882
VW	3,568	4,504
Audi	673	780
Seat	207	598
Volvo	1,635	2,654
Wartburg	153	494
Zastava	139	530
Total	53,652	70,579

SWEDEN — Cars

	7 mos., 1988	7 mos., 1987
BMW	4,286	3,437
Chrysler	2	6
Daihatsu	718	961
Fiat Auto	4,532	5,547
Fiat	3,754	3,620
Lancia	44	1,054
Alfa Romeo	706	682
Ferrari	28	11
Ford	21,099	20,650
GM U.S./Opel	17,674	14,783
Honda	3,276	2,259
Isuzu	151	76
Jaguar	115	64
Lada	1,114	1,503
Mazda	11,317	8,880
Mercedes-Benz	6,148	4,737
Mitsubishi	3,656	1,966
Nissan	11,623	9,628
Peugeot S.A.	8,745	8,341
Citroen	2,767	2,435
Peugeot/Talbot	5,978	3,906
Porsche	208	322
Renault	2,905	2,512
Rolls Royce	9	10
Rover Group	3	8
Saab	16,241	16,348
Skoda	33	56
Subaru	954	981
Suzuki	2,039	1,120
Toyota	15,276	12,868
Volkswagen Group	22,479	22,967
VW	13,980	14,422
Audi	8,619	8,545
Volvo	45,991	42,188
Others	72	42
Total	200,819	185,040

UNITED KINGDOM — Cars

	7 mos., 1988	7 mos., 1987
BMW	20,697	19,915
Daihatsu	1,490	2,957
Fiat Auto	43,358	37,694
Fiat	39,550	35,237
Lancia	2,098	1,657
Alfa Romeo	1,706	800
Ford	314,022	306,319
FSO	2,827	2,444
GM-Vauxhall	165,962	145,695
Honda	12,631	10,939
Hyundai	5,366	3,912
Isuzu	1,613	1,164
Jaguar	7,869	6,063
Lada	15,855	11,972
Lotus	278	234
Mazda	9,673	8,618
Mercedes-Benz	12,030	11,567
Mitsubishi	6,197	5,032
Nissan	66,123	52,958
Peugeot S.A.	95,512	70,857
Citroen	34,492	21,934
Peugeot/Talbot	61,020	48,923
Porsche	1,541	1,597
Reliant	61	103
Renault	47,606	42,871
Rolls-Royce	505	484
Rover Group	177,952	165,509
Austin Rover	175,124	162,981
Range Rover	2,828	2,528
Saab	5,570	5,506
Skoda	8,251	6,999
Subaru	2,357	2,281
Suzuki	3,368	2,433
Toyota	18,095	18,758
Volkswagen Group	64,521	63,795
VW-Audi	60,687	59,722
Seat	3,834	4,073
Volvo	41,768	37,889
Zastava	4,571	4,332
Others	696	491
Total	1,198,333	1,062,366

BRAZIL — All vehicles

	7 mos., 1988	7 mos., 1987
Agrale	653	730
Engesa	170	394
Fiat	41,202	38,462
Ford	84,858	74,656
General Motors	107,686	79,970
Gurgel	753	1,058
Mercedes-Benz	21,154	18,787
Saab-Scania	2,817	2,299
Santa Matilde	5	17
Toyota	2,669	1,958
Volkswagen	143,760	109,460
Volvo	1,682	980
Total	407,409	328,770

FRANCE — Cars

	6 mos., 1988	6 mos., 1987
Peugeot S.A.	986,638	860,252
Citroen	378,199	347,589
Peugeot/Talbot	608,439	512,663
Renault	755,499	752,798
Total	1,742,137	1,613,050

Vans, Trucks, Buses

Heuliez	72	129
Iveco-Unic	35	37
Peugeot S.A.	91,259	86,367
Citroen	46,462	37,376
Peugeot/Talbot	44,797	48,991
Renault/RVI	164,991	144,252
Sovam	44	52
Total	256,401	230,837
Total Vehicles	1,998,538	1,843,887

WEST GERMANY — Cars

	6 mos., 1988	6 mos., 1987
Alpina	148	132
BMW	93,407	78,072
Daihatsu	6,131	5,410
Fiat Auto	70,606	69,796
Fiat/Lancia	62,587	65,928
Alfa Romeo	7,710	3,610
Ferrari	309	258
Ford	150,461	152,113
GM U.S./Opel	228,750	237,561
Honda	24,213	23,277
Isuzu	3,669	2,774
Jaguar	1,214	1,177
Chrysler/Jeep	1,569	548
Lada	5,543	5,701
Mazda	46,192	45,601
Mercedes-Benz	154,775	150,528
Mitsubishi	30,935	35,499
Nissan/Motor Iberica	40,773	41,132
Peugeot S.A.	59,276	65,474
Citroen	20,432	22,909
Peugeot/Talbot	38,844	42,560
Porsche	4,281	4,584
Renault/Matra	46,580	49,816
Rover Group	4,622	5,170
Saab	3,067	2,940
Skoda	1,126	1,286
Subaru	7,271	7,743
Suzuki	14,058	12,681
Toyota	40,768	45,342
Volkswagen Group	428,703	442,674
VW	321,449	331,710
Audi	100,608	105,918
Seat	6,648	5,036
Volvo	8,492	8,483
Others	1,513	868
Total	1,478,184	1,496,693

NETHERLANDS — Cars

	6 mos., 1988	6 mos., 1987
BMW	7,434	7,538
Dacia	21	60
Daihatsu	4,476	4,171
Fiat Auto	19,325	23,602
Fiat	15,973	19,766
Lancia	1,042	920
Alfa Romeo	2,310	2,913
Ford	32,818	36,918
FSO	396	50
GM U.S./Opel	46,086	61,001
Honda	7,842	7,732
Hyundai	3,337	2,640
Jaguar	322	347
Lada	4,378	8,454
Mazda	15,706	15,447
Mercedes-Benz	6,299	7,448
Mitsubishi	8,407	9,856
Nissan	15,894	19,606
Peugeot S.A.	39,786	40,804
Citroen	16,302	16,831
Peugeot/Talbot	23,484	21,973
Porsche	110	134
Renault	14,400	15,809
Rover Group	3,045	2,943
Saab	932	1,508
Skoda	1,319	2,512
Subaru	3,284	3,043
Suzuki	11,293	10,230
Toyota	14,806	17,372
Volkswagen Group	35,258	40,324
VW/Audi	31 128	36,341
Seat	3,630	3,977
Volvo	13,597	17,856
Zastava	38	118
Others	252	150
Total	312,843	357,481

JAGUAR: *Weaker sales in U.S. triggers drive to trim workforce, hike productivity*

By Jake Lucas
SPECIAL CORRESPONDENT

LONDON — Jaguar faces a massive cost efficiency drive to restore profits eroded by adverse exchange rates and a weak U.S. market.

Sir John Egan, Jaguar's chairman, said the automaker intends to cut its workforce by 1,200 persons over the next three years through attrition.

Speaking about Jaguar's weakening U.S. sales, Egan said "it's strange, as there is no recession in the U.S. market. It is only in the luxury import sector.

"I think it is the market adjusting to the price increases we have all had to put in because of the exchange rates," he said.

Jaguar sold 1,539 cars last month, compared with 2,040 in July 1987. For the January-July period, 11,436 cars were sold, compared with 12,064 in 1987.

Egan said the profits of the Japanese manufacturers suffered over the past three years while they restructured their operations to cope with the strong yen, and now Jaguar would have to do the same. A 10-cent deterioration in the exchange rate wipes $35 million off the bottom line of Jaguar's profits, he said.

"I don't believe we have ever been cost effective and we have to improve to the level of our rivals. We have to undergo a big internal revolution in order to improve," he stressed. Productivity, which was stuck at four cars per man per year for some time, has now improved to 4.5 cars. Mercedes-Benz, however, achieves 6 cars per worker.

Problems in the U.S. market have forced Jaguar to look elsewhere. United Kingdom sales this year will exceed 14,000, more than double 1986. Sales in Japan rose to over 400 in 1987 and may hit 1,200 this year.

Canadian car sales on the mend

Following a drop of nearly 9 percent in June, Canadian auto sales recovered somewhat in July, though they remained 1.61 percent below the 1987 count.

As a result, the market regained some of the momentum of May's record performance and kept year-to-date figures virtually the same as in 1987.

July's domestic and import car sales totaled 83,001, compared with 84,365 a year earlier. The seven-month total was 644,078, down slightly from 1987's January-July mark of 644,223.

But while year-to-year sales leveled, there was a change in the domestic/import mix, tilting in favor of the domestic automakers. Helped along by incentives, sales of North American-built cars totaled 55,952, 8.46 percent ahead of last year, while imports slipped 17.48 percent to 27,049 units.

Chrysler led the domestic auto sales gainers in July with an 11.73 percent improvement, followed by Ford and General Motors with gains of 9.61 and 6.75 percent, respectively.

Among imported cars, Volkswagen declined 40.85 percent in July, about the same as Hyundai, whose sales dropped 40.31 percent. Nissan dipped 29.10 percent and Toyota 15.33 percent. Among luxury imports, Jaguar suffered a 57.58 percent sales loss while Saab was down 26.35 percent, compared with a year earlier.

GM was a surprise gainer with its Passport Division up 17.85 percent in July. The division has posted a 48.40 percent increase in year-to-date sales and now stands fourth in import sales.

Ford's year-to-date sales for car imports, on the other hand, dropped nearly 48.00 percent.

Truck sales continued strong, with sales of 38,687 domestics and imports in July, compared with 32,728 a year earlier. Overall, domestic and import truck sales were up 16.48 percent, year-to-date.

Domestic truck sales in July were led by Chrysler, whose minivan and Jeep models pushed it 61.12 percent ahead of a year ago.

GM's domestic truck sales in July were up 16.66 percent and Ford's rose 5.28 percent, which contributed to a 21.84 percent increase in total domestic truck sales, compared with last year.

Year-to-date, domestic truck sales were up 18.24 percent.

Among imported trucks, Mazda posted a 73.63 percent gain over a year ago while Nissan was down 32.61 percent and Toyota was down 18.62 percent. Suzuki, leveling out after several large gains, was virtually identical to July 1987's pace.

CANADIAN CAR AND TRUCK SALES

General Motors	27,502	25,789	219,757	219,986
Ford	14,399	13,689	120,083	119,039
Chrysler	12,064	10,797	84,489	87,936
Hyundai	1,790	1,883	7,339	5,781
Volvo	277	241	1,373	1,455
Domestic car total	**55,952**	**51,859**	**440,882**	**434,199**
Import cars				
Toyota	5,533	6,535	41,288	40,349
Honda	4,898	5,272	37,192	30,225
Volkswagen	2,651	4,482	22,024	22,679
General Motors	2,535	2,151	17,146	11,555
Hyundai	2,468	4,128	18,937	32,186
Mazda	2,370	2,187	17,875	15,542
Nissan	2,231	3,147	18,323	21,899
Chrysler	923	1,102	2,581	2,085
Subaru	854	709	4,467	4,001
Ford	633	899	2,974	5,729
Mercedes-Benz	455	383	2,583	2,743
BMW	410	425	2,988	2,877
Suzuki	403	398	4,358	1,807
Volvo	354	453	2,994	3,479
Jaguar	123	290	1,784	1,565
Saab	95	129	881	1,030
Lada	90	72	653	210
Skoda	23	54	240	397
Import car total	**27,049**	**32,782**	**198,905**	**210,824**
TOTAL — ALL CARS	**83,001**	**84,365**	**644,573**	**644,223**
Domestic trucks (including vans)				
GM	13,828	11,851	134,961	95,675
Ford	11,056	10,501	90,404	84,781
Chrysler	9,648	5,998	71,248	45,618
Domestic truck total	**34,530**	**28,349**	**296,613**	**225,477**
Import trucks (including vans)				
Mazda	1,238	713	6,984	6,756
Toyota	1,057	1,299	9,189	8,493
Nissan	1,000	1,464	8,228	10,236
Suzuki	344	334	3,463	1,812
Chrysler	224	366	1,892	1,956
GM	196	25	1,071	296
Volkswagen	82	129	583	363
Lada	16	0	66	73
Import truck total	**4,157**	**4,329**	**31,566**	**30,487**
TOTAL — ALL TRUCKS	**38,687**	**32,728**	**296,119**	**255,934**
TOTAL — CARS, TRUCKS	**121,688**	**117,093**	**942,197**	**900,157**

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GM acknowledges U.S. probe of EDS, Hughes defense pacts

WASHINGTON — General Motors has filed a report with the Securities and Exchange Commission acknowledging that defense contracts held by two subsidiaries are being investigated by the U.S. Justice Department.

The SEC documents disclosing the information involving Electronic Data Systems Corp. and Hughes Aircraft Co. were filed in mid-August. The investigations have been reported in the press previously. The SEC requires publicly traded corporations to file a 10-Q report if the company faces any significant, potential liability.

An EDS spokesman said federal investigators are probing allegations that some companies may have used secret information supplied by consultants to win key contracts. EDS, he said, has been told by federal attorneys that neither it nor any employees are the target of the probe.

Meanwhile, a grand jury in Birmingham, Ala., is investigating charges that Hughes employees did not furnish the Defense Department with all of the information required by the federal government's truth in contracting law. The contract in question was awarded in 1983. A company spokesman said that neither Hughes nor any employee violated any provisions of the law.

House unit approves ATV refunds

WASHINGTON — Makers of all-terrain vehicles would be required to make refunds to consumers under a bill approved by the House Energy and Commerce Committee.

The bill, approved on a voice vote, is aimed at prodding the Consumer Product Safety Commission into a more activist stance. It also contains provisions that would make it easier for consumers and state officials to seek agency help on safety matters.

Critics have charged the commission with delaying action on ATVs and maintain that a commission consent decree with five ATV manufacturers did not go far enough because it did not contain a provision to recall the vehicles or offer refunds to consumers.

Those manufacturers — Honda, Suzuki, Yamaha, Kawasaki and Polaris — have agreed not to sell three-wheeled ATVs that do not meet court-ordered safety standards.

A companion bill is pending in the Senate.

Deadline nears for auto design contest

WYOMISSING, Pa. — Automobile Quarterly is taking entries for its second annual car design contest, with winners to be announced in its February 1989 issue. Entries must be original, unpublished drawings produced between April 1 and Sept. 1 and postmarked by Sept. 2.

Each design must project one of these five existing vehicles 10 years into the future: Honda CRX, Cadillac Brougham, Jaguar XJS, Jeep Wagoneer or Lamborghini Countach.

An independent panel of judges will select one winner in five categories in both the Open (19 years and over) and Scholastic (up to age 18) divisions. Open division winners will receive $250 cash awards; Scholastic winners will get $250 U.S. Savings Bonds.

For entry information, call Martha Teel, managing editor, Automobile Quarterly, (215) 375-5444.

Blue books are the last word on used-car, truck values

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

They are the Bibles of the automotive industry, used by financial institutions, insurance companies new- and used-car dealers and fleet and lease firms to price almost anything that flies, floats or rolls.

Their generic designation is "blue book" because none of their early publishers trademarked the name "blue book" when they began appearing more than 75 years ago.

Today, they are the industry's authority on thousands of used-car and truck values that affect the millions of consumers annually who buy used vehicles, lease new ones, need appraisals by insurance companies on wrecked vehicles or trade in old cars and trucks for new ones.

"Used-car guides provide a point from which two people agree to begin negotiating," said National Automobile Dealers Association Editorial Director James H. Lawrence.

Blue books are sold under titles like Red Book Official Used Car Valuations, Black Book Used Car Market Guide Weekly, Kelley Blue Book Official Guide, NADA Official Used Car Guide, Automotive Market Report and Galves Auto Price List.

Although most consumers are aware that they exist, as trade publications they are not widely circulated among the public.

Yet circulation figures for some are hefty — the NADA Official Used Car Guide boasts 402,000 subscribers and a median subscription price of $27.

Most of the publishers put out more than one price guide. NADA publishes seven on everything from old trucks to used motorcycles, boats and snowmobiles. Red Book publishes 10, including one on farm equipment and another on van conversions.

CIRCULATION	
NADA Official Used Car Guide	402,000
Kelley Blue Book Auto Market Report	80,000
Black Book Weekly	70,000
Red Book Official Used Car Valuations	62,000
Galves Auto Price List	12,000
Automobile Market Report	10,000

Lease guides that fix residual values on cars and trucks are relatively new to the industry. Black Book introduced its lease guide about a decade ago, and Kelley's has been out seven years.

The blue books are printed in a variety of shapes, sizes and colors. For example, an edition of Black Book fits snugly into the palm of the hand. A copy of NADA Used Car Trade-In Guide slides easily into a shirt pocket, while Automotive Market Report has the same dimensions as a sheet of typing paper.

Some price guides are published weekly, and others come out monthly, every eight weeks or six times a year.

Probably the only controversy among their publishers is whether the weekly guides contain more accurate values than the monthly or bimonthly guides. Those who publish the less-frequent books say theirs offer stability. Besides, they argue, vehicle prices do not fluctuate more than $25 or $50 from week to week.

Blue books provide a diversity of information including automobile body types, parts of vehicle identification numbers, weight, manufacturer's suggested retail price and insurance symbols.

Yet the most important figures they provide are suggested retail and wholesale values of used cars; values for average, clean and super-clean used cars; and the amounts banks and other lenders are willing to loan on them.

Methods of fixing values differ among these "Bibles of the automotive industry"

AUTOMOTIVE NEWS/JOE WILDSCHS

The lease guides are invaluable to leasing companies that project the trade-in value of a vehicle several years into the future to calculate the cost of new-car leases to customers today.

The guides offer different information depending on subscribers' needs. For example, Black Book Weekly provides dealers attending an auction with a quick reference of wholesale prices; it doesn't provide an average loan value for a vehicle.

And while NADA Official Used Car Guide provides wholesale and retail prices and average loan values, it doesn't provide vehicle weights.

Red Book Official Used Car Valuations, on the other hand, provides all of the above financial values and more, including weight, transmission type and VIN numbers. But it doesn't fit in a shirt pocket.

How are the values determined by the editors and reporters who work at the guides? Most confess the approach is less than scientific. Yet they deny there is any voodoo involved.

Methods of fixing values differ. They use prices gleaned from auto auctions and discussions with dealers and wholesalers in addition to keeping abreast of economic trends and — most important — experience.

RED BOOK: "Almost anybody who is in touch with the market can nail down a price on a vehicle within a few hundred dollars," said John F. Heffinger, publisher of Red Book.

Heffinger's family owned Red Book until 1968 when the Canadian conglomerate Maclean Hunter purchased the Chicago-based National Market Reports Inc., Red Book's parent company, from them.

Automobile Red Book, with a circulation of 62,000 and priced at $45 annually, claims the longest history among the blue books. A Chicago trade association launched it in 1911, according to Heffinger.

It provides values for cars manufactured beginning in 1981 through the present. Other guide books provide values for cars as old as six or seven years.

In 1983, the company saw a need for its Older Car Red Book, and today it tracks vehicles manufactured before 1981.

"We felt that with cars being financed for five to 10 years, the older cars do have value," said Heffinger. "In Illinois, the average age of vehicles in the state's fleet is 7.5 years. That is a half a year out of our (newer-car) book."

National Market Reports publishes three editions of the Automobile Red Book every six weeks (eight times annually) for three regions of the country: West Coast, East Coast and the Midwest.

Heffinger says editors and reporters arrive at values by studying several sources of news and information including Automotive News, other industry journals, competing guidebooks and reports from auctions and dealers.

"Automotive News editorial pages discuss what sells and what isn't selling," said Heffinger. "And the classified section tells us which vehicles are selling between dealers. If a car sells for $1,500 over invoice and the seller keeps the order card, then that vehicle is hot."

Red Book relies on sales reports collected from auctions to gain a feel for values among makes and models of different manufacturers.

"When General Motors came out with a Monte Carlo, it was targeted at a certain segment of the market where there is competition," Heffinger explained. "We want to see what the price relationships are between different cars in the same segment."

However, he cautioned that relying exclusively on sales reports from auctions can be misleading unless there is someone on site to gather the facts about vehicles that are crossing the auction block.

"Unless you are at the auctions and see the vehicles, you don't know what they are," he said. "Averaging sale prices of 15 Monte Carlos can result in a faulty value because their conditions vary."

Heffinger described price guides as falling into one of two categories: Reporting or projecting values. He described Red Book as a projector of automobile values.

"We all get good information that is essentially historical data," he explained. "Based on the information, we say here is where the car is for the time period on the cover of the book."

Red Book publishes its automobile value guide eight times annually.

Heffinger said values change less frequently than would be expected. And he said there is usually less than a $200 difference between regions.

"The biggest difference in car values is between highly competitive markets in urban areas and rural non-competitive markets," he said.

Red Book's largest subscriber base is the insurance industry, which uses the guide for evaluating total losses of vehicles involved in auto accidents.

Insurance companies that finance cars also use the book to establish how much to lend on vehicles. And Heffinger said Red Book is valuable to banks, credit unions and dealers for the same reason.

"Red Book's finance value is a mathematical calculation of 90 percent of wholesale value," he said. "Those norms are established by the banking industry."

It also provides several digits from a car's VIN number to identify the vehicle, as well as information on engine and transmission type, air conditioning, power steering, power brakes and factory advertised delivered prices.

Like other blue books, it also quotes values on popular options and equipment.

Until 1984, Red Book printed insurance symbols (and still does on vehicles manufactured prior to 1984) on which insurance companies predicated their base premiums. But a rift with the provider of the symbols halted the practice.

National Market Reports now offers an Electronic Red Book. Still in its infancy, the book has five customers — insurance companies — doing a volume of 800 to 1,000 value requests per month.

The company has considered adding a book on older heavy-duty trucks.

BLACK BOOK: Hearst Media Corp. purchased Georgia-based National Auto Research, publisher of Black Book, in 1979 from Atlanta-based Cox Communications, owner of Manheim Auctions.

The original owners launched Black Book Used Car Market Guide Weekly in 1955 as a guide to price ranges of vehicles sold at auctions. The company now has seven vehicle market guides and publishes two other books, the Vehicle Identification Guide and Import Car Fact Book.

Black Book Weekly has about 70,000 subscribers. Editor Johnny Gilbert described it as a price guide that contains 3,655 vehicle descriptions.

see BOOKS, page 30

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BOOKS

FROM PAGE 28

"Our bread-and-butter customers are dealers who do business at auctions," said Gilbert. "A dealer keeps it in his shirt pocket and refers to it when buying or selling a vehicle."

Representatives of financial institutions who rarely leave their offices to attend auto auctions also use the market guide.

National Auto Research employees attend auto auctions nationwide. They report on sale price, vehicle condition, mileage and how clean a vehicle is.

"When the information arrives at the office, we assemble and study it," said Gilbert. "We then make a decision on whether there has been any movement in the market. If the prices on a vehicle are higher than the figure in the Black Book Weekly, then we will raise it."

He said editors do not simply average prices they receive from the company's 50 reporters nationwide. The weather, supply of vehicles at an auction and other factors play a role in determining values.

Black Book Weekly has four regional editions and four categories of vehicles: An extra-clean vehicle shows no wear and has low mileage; a clean car has a few more miles and minimal wear; an average car shows wear, has high mileage and may need new tires; and rough is any vehicle below that standard.

The company publishes wholesale values of vehicles while its sister publication, Black Book Monthly, publishes retail values.

"Loans are 90 percent of clean wholesale," said Gilbert. "Weight and other facts about the car provided by other blue books are not critical to us or our subscribers."

According to Gilbert, Black Book differs from many other market guides because reporters are on site at auctions, appraising vehicles. Even though there are four editions, Gilbert said differences in values across the country are minimal.

"Our primary purpose is to report accurate and timely information to keep the industry's new- and used-car dealers on top of the market," said Gene McDonald, president and publisher.

NADA GUIDES: The NADA Official Used Car Guide is by far the industry leader, with nine regional editions. A majority of subscribers to the monthly publication are dealers and members of the financial community.

Editorial Director James H. Lawrence said NADA launched the guide in 1933 as "NADA's approach to represent all dealers without bias."

Since then, it has grown every year, he said, and NADA has spent a bundle in market research.

Values in the book are based on 15,000 transactions during a 30-day period that include auction and new- and used-car dealer sales reports.

"We receive auction reports and enter that into data banks, along with thousands of dealer sales," said Lawrence. "Then the computer sorts the data. The values in the guide reflect the data."

Average trade-in value listed in the NADA book is the same as wholesale in other books. Loan value is based on 90 percent of average trade-in. Other market data includes average retail price and average loans.

Lawrence said the NADA guide provides subscribers with timely and reasonably accurate market data in addition to a guide to VINs, mileage tables, pictures of models (in special editions four times annually) and a variety of miscellaneous data useful in determining values.

Although Lawrence said there is a trend toward offering electronic values — NADA offers one — he is soft on the future of such "books."

"I can't see the dealer going to an auction carrying a computer in his pocket," he said.

GALVES AUTO PRICE LIST: Harmon Leiman, editor of Galves Auto Price List, said his company began publishing its weekly price guide in 1956. He said 80 percent of the company's subscribers are Eastern seaboard new- and used-car dealers.

Leiman declined to reveal circulation, but industry sources estimate it at roughly 12,000.

The company publishes a weekly used-car market guide and a monthly import-car market guide. Plans to launch a light-truck guide and an older-car price list are under way.

"The truck book is in the offing," said Leiman. "We see a need for it. We conducted a survey and were amazed at how many people wanted the information. There are a lot of old cars on the road and people want market data on them, too."

He said the truck book will include values on vans, utility vehicles, Suburbans and pickups within one ton.

Galves has been in the used-car wholesale business for six decades in New York. The company's core business is buying and selling vehicles wholesale.

Prices in the book are predicated on those sales in addition to input from dealers. Leiman said the company also studies auction reports to research trends and prices.

Generally, Galves publishes lower prices on vehicles than other guide books because wholesalers use it to purchase vehicles.

"We are a buying book specializing in the wholesale market," said Leiman. "Auctions report sales but our prices are established before the sale — they reflect the base wholesale market.

"We don't bother with a lot of symbols and other data," he said. "We are a simplified service for dealers who want to know what the wholesale market is for the Eastern United States."

He said the company publishes the import guide monthly because those prices are relatively stable and there are fewer imports sold.

AUTOMOTIVE MARKET REPORT: Fleet and lease companies and dealers that serve them make up the majority of the 10,000 subscribers to Pennsylvania-based Automotive Market Report.

Started in 1951 by a used-car dealer, the weekly magazine-sized guide reports prices paid for vehicles at auctions.

"We report what has happened instead of projections," said Clyde Hillwig, publisher.

He said automakers base their "guaranteed value programs" on prices in his guide. In the 1960s, Ford launched a marketing strategy to gain a share of the fleet and lease market from Chevrolet, he said.

"Chevrolet had the bulk of the fleet and lease business," said Hillwig. "Ford asked fleet and lease companies to buy their vehicles, telling them they would pay the difference in value between a Ford and a Chevrolet at the end of the lease.

"They continue to base prices for their guaranteed value programs to daily rental companies on the magazine's clean category," he said.

AMR collects weekly sales reports from auctions, then serves up the information in two forms: A recap of prices by region and the actual prices paid for vehicles at auctions.

Hillwig said 14,000 prices are emptied into AMR computers to obtain the value of all clean cars in the order of their price. Median prices on makes and models are selected from the clean category and compared to prices in the previous week's issue to show price increases or declines by zone.

Hillwig said the publication is basically a used-car price guide. Loan value is based on 90 percent of the clean category.

AMR alternates publication of a domestic guide with a foreign-car guide. The guides are biweekly so the company is not behind the market, Hillwig said. If the magazine were produced monthly, the prices would be projections, he said.

"We try to keep people up to date on the current value of cars," he said. "If our subscribers are selling their vehicles to a wholesaler, then they base their prices on Automotive Market Report."

Customers who sell cars to auctions base their prices on a percentage of the AMR clean category, he said.

Hillwig said some leasing companies have an arrangement with auctions whereby they receive 100 percent of the AMR clean category price averaged over a month.

Fleet and lease companies also use the magazine to rate auctions.

KELLEY BLUE BOOK: California-based Kelley Blue Book serves mainly the West Coast, yet the company has 80,000 subscribers nationwide.

"Kelley Blue Book is primarily for car dealers and finance companies, but a lot of the subscriptions are to insurance companies," said Robert Kelley, publisher.

Launched in 1926, the price guide is published six times per year. Kelley said values vary from 2 to 5 percent from one publication to the next.

"There is not an exact price that a used car is worth," he said. "It's not like the stock market. Publishing the book every two months gives the marketplace more stability."

Kelley produces several books including a mobile home guide, motor home guide, a motorcycle guide and its Official Guide for Older Cars.

Values for cars are based on auction reports and opinions of Kelley Blue Book staff members after meetings with dealers and personal contacts with used-car managers.

"Our book gives the used-car manager guidance in appraising his cars," said Kelley.

The guide provides VIN, weight, original list price, wholesale and retail value on used cars and trucks, both domestic and foreign.

Wholesale and retail values are based on clean vehicles fully reconditioned and ready for resale with acceptable mileage.

Kelley Blue Book also has an electronic version of its printed book in addition to an electronic inventory and appraisal service providing current book prices for wholesale and retail market value.

PRICING COMPARISONS

How the used-vehicle price guides stack up

THE VEHICLES: All include factory air conditioning, automatic transmission, power steering and AM-FM stereo; clean condition
- 1987 Ford Escort GL 2-door hatchback, 20,000 miles
- 1986 Chevrolet Cavalier RS 4-door sedan, 30,000 miles
- 1985 Honda Accord LX 4-door sedan, 40,000 miles
- 1984 Dodge Caravan LE, 50,000 miles
- 1983 Toyota Pickup, long bed 4x2, 60,000 miles

THE BOOKS:
- Galves Auto Price List, American and Foreign Editions for week starting June 15, 1988
- Hearst's National Auto Research Black Book Used Car Market Guide, June 1988
- Hearst's National Auto Research Black Book Used Car Market Guide, June 6 East Coast Edition
- NADA Official Used Car Trade-In Guide, June 6, 1988
- NADA Official Used Car Guide, June 1988 Eastern Edition
- Maclean Hunter's National Market Reports, Automobile Red Book Western Edition and The Truck Blue Book, April 1-June 30, 1988 Editions
- Automotive Market Report, June 15, 1988 Domestic Report and June 22, 1988 Import Report
- Kelley Blue Book Auto Market Report, May-June 1988 Western Edition

	1987 Escort		1986 Cavalier		1985 Accord		1984 Caravan		1983 Toyota Pickup	
	Wholesale	Retail	Wholesale	Retail	Wholesale	Retail	Wholesale	Retail	Wholesale	Retail
Galves	$4,300	$ —	$4,800	$ —	$6,800	$ —	$6,050	$ —	$ —	$ —
Black Book Monthly	5,425	6,100	5,350	6,025	7,975	8,950	7,175	8,050	3,375	3,950
Black Book Weekly	5,360	—	5,315	—	7,935	—	N/A	—	3,315	—
NADA Trade-In Guide	5,425	—	5,400	—	7,900	—	6,950	—	2,975	—
NADA Used Car Guide	5,275	6,200	5,525	6,475	7,025	8,050	6,675	7,728	2,900	3,675
National Market Reports	5,270	5,950	5,425	6,300	5,945	6,950	6,652	8,175	5,270	5,950
Automotive Market Report	4,958	—	4,553	—	5,805	—	5,355	—	2,240	—
Kelley Blue Book	5,525	7,225	5,325	6,970	7,600	9,885	8,250	10,715	3,400	4,755

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DEPRECIATION: *Makers may gain or lose as U.S. reviews practices*

WASHINGTON — The way the auto industry is allowed to depreciate production equipment could change as a result of a study undertaken last week by the U.S. Treasury Department. The study — to be completed a year from now — holds the potential for millions of dollars in tax savings or tax losses for automakers.

The Tax Reform Act of 1986 requires the Treasury to study the depreciation practices of a variety of industries to determine if tax rules covering the "useful life" of depreciable assets are accurate.

Tax experts from the auto industry and the auto parts industry met with Treasury Department officials last week to discuss how the study of the auto industry will be conducted. Lowell Dworin, the department's director of depreciation analysis, said his staff will design a questionnaire as the first step in the inquiry and is seeking industry input for the survey.

Treasury's final report will attempt to gauge how quickly automakers' productive assets wear out and whether they retain value once they are scrapped or sold, Dworin said. The Treasury will use the study to recommend how quickly automakers should be allowed to write off the cost of production investments. Dworin indicated depreciation periods could be lengthened or shortened as a result of the study.

Software links Manheim and customer

Manheim Auctions will dispose of 50,000 lease vehicles for the Pennsylvania-based LeMans Group in an agreement that involved the development of computer software to link the two companies.

"This will provide clients of the Lemans Group with an additional service," said Michael Moumousis, vice president of marketing for the auction chain. "It will reduce the time it takes to bring a lease out of service and to the auctions."

The Lemans Group provides computer software and management services to banks and other financial institutions for the management and accounting of leasing portfolios.

Its computer software offers invoicing, payment processing, management of sales and property taxes, accounting, data entry and tracking of residual value claims.

The agreement with Manheim will enable the company's clients to select vehicles for sale on the computer and transmit the data to Manheim overnight. After the sale, information on LeMans' computers will be updated by the auction company.

LeMans expects an increase in the number of financial institutions that will enter the consumer leasing market as a result of tax reform.

It took the companies a year to develop the software and link their computer systems. "The LeMans Group had the lease portfolio and Manheim had the auctions," said Moumousis. "We developed the software together."

Manheim expects a 20 percent recycling of vehicles annually.

AUCTION BRIEFS

CHARLES THOMAS

Leasing firm picks Anglo

American Auto Leasing Corp. of Warminster, Pa., has selected Nashville-based Anglo American Auto Auctions to remarket 200 of its fleet cars in 1988 and 800 in 1989.

"Because we are primarily a regional company, our volume is moderate but our fleet is spread across the country," said Ken Peacock, fleet disposal manager for American Auto Leasing.

Anglo has conducted auctions for the company's vehicles in Arizona, California, Florida, Georgia, Illinois and Michigan.

"We are finding that small to mid-sized leasing companies such as American Auto Leasing place great value on our regional auctions and our reconditioning services," said Dennis Thee, vice president of marketing for Anglo American Auto Auctions.

"As these companies grow and their fleet disposal needs increase, an agreement with Anglo American means they will not have to hire additional staff to handle the load," he said.

Auction expands

State Line Auto Auction Inc. of Waverly, N.Y., opened its fourth auction lane recently. Founded in 1981, State Line has experienced rapid growth with a current weekly consignment of 600 vehicles.

The auction has 28 acres of parking and a 16,000-square-foot facility. In addition to dealer consignments, the company has Ford Credit and several leasing companies as customers for its Friday auction. Facilities include a reconditioning center and transportation service. It is a member of ServNet.

AUCTION DATES

Chrysler Motors

Aug. 30 — Florida Auto Auction of Orlando, Ocoee, Fla.; Hatfield Auto Auction, Hatfield, Pa.; American Auto Auction, Walpole, Mass.; Nashville Auto Auction, Nashville, Tenn.; Denver Auto Auction, Aurora, Colo.; Golden Gate Auto Auction, Fremont, Calif.; and South Seattle Auto Auction, Kent, Wash.

Aug. 31 — Butler Auto Auction, Gibsonia, Pa., and Minneapolis Auto Auction, Plymouth, Minn.

Sept. 1 — Clanton's Auto Auction, Darlington, S.C.; Northway Exchange, Clifton Park, N.Y.; Big Sky Auto Auction Inc., Billings, Mont.; Aptco Auto Auction, Taylor, Mich.; Ark-La-Tex Auto Auction, Shreveport, La.; and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Sept. 2 — Salt Lake Auto Auction, Salt Lake City, and Manheim Auto Auction, Manheim, Pa.

Sept. 6 — Dallas Auto Auction, Grand Prairie, Texas; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; Portland Auto Auction, Portland, Ore.; Riverside Auto Auction, Riverside, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Ford Motor Co.

Aug. 30 — Bay Cities Auto Auction Inc., Hayward, Calif.

Aug. 31 — Metro Auto Auction of Kansas City, Lee's Summit, Mo., and Lakeland Auto Auction, Lakeland, Fla.

Sept. 1 — Nashville Auto Auction, Nashville, Tenn., and Skyline Auto Exchange, Fairfield, N.J.

Sept. 7 — Atlanta Auto Auction, Red Oak, Ga., and Newburgh Auto Auction, Newburgh, N.Y.

Sept. 8 — Dallas Auto Auction, Grand Prairie, Texas, and Minneapolis Auto Auction, Plymouth, Minn.

Sept. 13 — Harrisonburg Auto Auction, Harrisonburg, Va.

Sept. 14 — Concord Auto Auction, Acton, Mass.; Aptco Auto Auction, Taylor, Mich.; and Lakeland Auto Auction, Lakeland, Fla.

General Motors

Aug. 30 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas

Aug. 31 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fremont, Calif.; and Omaha Auto Auction, Omaha, Neb.

Sept. 1 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, St. Louis; and Utah Auto Auction, West Bountiful, Utah

Sept. 7 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Sept. 8 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Colorado Auto Auction, Commerce City, Colo.; Nashville Auto Auction, Nashville, Tenn.; and Southwest Auto Auction, Phoenix, Ariz.

Used Car Sales
Auction Averages

August '88	$8,224
Month ago	$5,776
Year ago	$6,070

Model Breakdown
Auction Averages

	AUGUST 1988	JULY 1988	JUNE 1988
1988	$14,132	$11,408	$12,545
1987	$8,003	$8,407	$8,668
1986	$7,105	$6,830	$7,327
1985	$5,869	$5,881	$5,881
1984	$4,405	$4,378	$4,534
1983	$3,649	$3,718	$3,721
1982	$2,631	$2,464	$2,529
1981	$1,851	$1,952	$1,932
Overall Average	$8,224	$5,955	$5,800

STUDY

FROM PAGE 1

average — primarily due to insufficient profitability. The worst score went to Nissan which, according to the formula, is the sickest of the dozen companies evaluated.

The new analytical approach leads to different conclusions than might be drawn by just comparing the companies' financial data.

Toyota, for example, appears to have the largest financial muscle of the dozen carmakers analyzed because of its cash position. But Toyota's overall ranking suffers because the formula gives the automaker a low score on future prospects because of its sales growth rate and investment as a percentage of sales.

On the other hand, Chrysler shows the least liquidity of the 12 — as measured by the formula — but is well set for the future, the study says.

"Capitalyse" differs from other systems by trying to overcome oddities in national accounting rules and laws in comparing international competitors. The data was pulled from annual reports over the last four years.

The scores are based on a priority-weighted compilation of three basic factors: financial structure, profitability and "prospects." Profitability, which is deemed most important, is weighted by a factor of five. Future prospects and financial strength are assigned factors of four and three, respectively.

The financial structure score is based on analysis of three criteria: capital, liquidity and cash flow as a percentage of debt.

The profitability score is derived from yield on sales, owned capital and total capital. Future prospects are based on the rate of sales growth over the last four years; sales as a percentage of inventory and marketing costs; and investments as a percentage of sales.

Chrysler finished number one in "prospects," Ford ranked first in profitability, and Toyota was tops in financial strength.

According to the magazine: "Ford and Chrysler are in almost all respects so markedly ahead of the industry averages they they leave all of their competitors far behind."

Chrysler's high ranking of 45.7 percent above the average of the 12 resulted from a combination of healthy prospects and its high relative profitability.

Honda ranked just over the industry average despite a measure of financial strength and a good record of profitability. It did poorly in the prospects analysis because recent sales growth rate, inventory/marketing costs and investment levels were judged below average.

Four makers came out below average in the overall scoring: GM, VW, Renault and Nissan.

GM stood just above average in the financial structure category d spite registering a minus result in cash flow as a percentage of capital.

But the world's largest carmaker was well below the 12-company standard in profitability — reflecting earnings as a percentage of sales and capital. GM's prospects also looked sour under scrutiny. The reason: poor sales growth and low sales as a percentage of inventory/marketing costs.

Even lower was VW, Europe's sales leader for the past three years. VW's big problem is its low margins — something the company is trying to address by cutting costs and improving sales mix.

Chrysler scored 73.8 percent over the industry average in the tabulation of "prospects" — the best single score in any of the three main categories.

It ranked second only to Fiat in volume growth rate; second to BMW in sales as a proportion of inventory and marketing costs; and first in investment as a proportion of sales.

Chrysler finished just below the 12-company average in the assessment of financial structure. Its weakest point is the lowest liquidity rating of all manufacturers compared.

"It doesn't mean Chrysler has problems paying," said Seyfried. "This compares Chrysler with 11 other very successful auto manufacturers."

Ford finished second at 39.8 percent above industry average. It's greatest strength is profitability, finishing tops in the category with the best pretax earnings ratio last year and second best over the past four years.

Ford has the second-strongest financial structure after Toyota, and is rated well ahead of the industry average in the "prospects" category.

Third-place Daimler-Benz finished 20.3 percent above industry average, scoring best on its record of profitability.

Though the company doesn't break out its passenger-car earnings, many analysts believe it had been the world's most profitable carmaker up until the dollar plunge.

Toyota placed fourth in the standings and rated far and away as the financially strongest automaker. The German auditors pegged it No. 1 in owned capital as a percentage of overall capital, liquidity and capital as a percentage of debt.

But like the two other Japanese makers, Toyota was assessed a below-average ranking for "prospects," falling below the industry average in sales growth rate and investment as a percentage of sales.

Renault pulled out of the red last year, but its staggering debt structure left it in 11th place among the dozen companies. Its financial structure and profitability rated the worst of the 12, even though its prospects score was higher than GM and Honda.

Nissan earned last place by doing poorly in all three categories. Its biggest downfall is a shaky outlook for the future.

The analysis judged Nissan far below the industry average in investment as a percentage of sales, and in its record of sales growth.

But the results in no way suggest Nissan is about to go under, says Seyfried.

"When you are starting a system there are things you can't really explain," he said. "Nissan earns money and nobody expects it to go bankrupt."

FINANCIAL STRUCTURE

	% Owned Capital	Owned & Long Term Borrowed Capital as % of Fixed Assets	Cash Flow as % of Borrowed Capital	Total, +/– Average
Toyota	62.8	149.1	28.9	+53.8
Ford	41.4	99.0	29.7	+29.8
Daimler-Benz	21.8	155.5	23.2	+15.4
Honda	44.4	115.1	20.6	+11.8
BMW	32.0	103.7	23.9	+ 9.9
General Motors	38.0	125.4	17.8	+ 3.2
Chrysler	32.6	87.9	19.5	– 5.4
Fiat	28.8	136.1	15.6	– 5.6
Peugeot	27.5	98.9	19.1	– 6.7
VW	26.8	101.1	18.5	– 8.1
Nissan	36.9	115.3	0.5	–45.9
Renault	–2.1	91.8	9.5	–52.3
Average	32.6	114.9	18.9	

PROFITABILITY

	Pretax profit as % of sales 1987	Pretax profit as % of sales Last 4 years	After Tax Profit as % of Owned Capital	Yield vs. Total Capital Last 4 Years	Total, +/– Average
Ford	10.3	8.7	25.0	15.7	+59.2
Chrysler	8.3	9.8	19.8	16.1	+54.0
Peugeot	8.8	5.1	32.9	13.1	+35.9
Daimler-Benz	7.3	8.7	17.5	14.2	+32.2
Toyota	7.8	9.6	8.5	14.9	+30.8
Honda	5.9	8.4	11.1	16.4	+21.5
Fiat	7.8	7.8	17.5	8.2	+16.6
BMW	4.7	6.0	11.4	12.1	– 6.1
General Motors	3.5	4.1	10.7	7.9	–33.6
VW	2.1	2.8	5.1	7.2	–53.4
Nissan	2.2	3.0	1.4	6.3	–56.5
Renault	2.4	–3.6	0.0	3.4	–98.6
Average	5.9	5.9	13.4	11.4	

PROSPECTS

	Dollar Sales Growth (%) Last 4 Years	Sales Rate as % of Inventory & Marketing Costs	Investment as % of Sales	Total, +/– Average
Chrysler	14.4	839.6	24.4	+73.8
BMW	11.8	1349.9	15.1	+54.9
Fiat	18.0	229.7	16.0	+33.8
Ford	13.1	668.1	12.9	+22.9
Daimler-Benz	13.3	348.7	12.7	+ 9.1
VW	5.8	637.8	16.2	+ 4.2
Peugeot	9.1	437.6	9.5	–13.9
Toyota	3.4	697.1	11.3	–18.7
Renault	11.2	434.0	5.4	–19.4
General Motors	5.0	332.3	12.3	–25.3
Honda	5.2	506.3	8.9	–28.3
Nissan	– 1.2	427.0	– 0.3	–87.2
Average	9.0	575.7	12.0	

TRANSPLANT

FROM PAGE 1

plants as the basis for comparison, the results show the Japanese to be significantly worse in black hiring — 13 percentage points worse for the 51 Japanese auto parts plants studied, 14 points worse for Nissan in Tennessee, 16.5 points worse for Honda in Ohio and 23.7 points worse for Mazda in Michigan.

The research, however, falls short of lauding the American manufacturers, suggesting that high levels of black hirings in greenfield plants were in part a result of worker recall rights under UAW contracts. And, in its conclusions, the study says newer American auto plants can be expected to follow the Japanese lead and limit the number of blacks in their workforces.

The researchers, sociologist Robert E. Cole and urban geographer-sociologist Donald R. Deskins Jr., suggest that Japanese manufacturers systematically located their U.S. plants in rural areas with "very low black populations" in comparison to developed industrial areas that were the traditional centers of American manufacturing.

But their study adjusted for those factors and compared the percentages of blacks within 26-mile commuting distances of the plants with the percentages of blacks hired at the plants. Those comparisons found substantial differences between new domestic plants and the Japanese transplants.

BLACK WORKER HIRING BY JAPANESE TRANSPLANTS

	A Blacks within commuting distance of plants (%)	B Blacks employed in plants (%)	C A-B difference
GM-U.S. greenfield sites	16.6	25.4	+ 8.8
51 Japanese auto parts plants	12.6	8.4	– 4.2
Nissan	19.3	14.0	– 5.3
Honda	10.5	2.8	– 7.7
Mazda	29.0	14.1	–14.9

The findings come less than two weeks after Michio Watanabe, leader of Japan's ruling political party, made derogatory statements about blacks, reviving the memory of similar comments made by Japan's previous prime minister, Yasuhiro Nakasone. Earlier this month, current Prime Minister Noboru Takeshita apologized to the Congressional Black Caucus for the Watanabe statement.

Spokesmen for Mazda, Nissan and Honda either dispute the findings or deny that they indicate discrimination.

A Honda spokesman said that the company has had an agreement with local Ohio community leaders in Union and Logan counties to hire locally. "Commuting radius has nothing to do with the way we planned to build in the community," he said.

Bucky Kahl, Nissan director of human resources, said that Nissan chose to locate in Smyrna after "a careful search. The company was looking for a talented and dedicated workforce, easy access to suppliers, access to markets and a supportive business climate."

Kahl said that in the standard metropolitan statistical area designated by the Equal Employment Opportunity Commission as potentially supplying the Smyrna workforce, blacks represent 8-9 percent.

But he said Nissan chose to include Nashville in the selection area, which changed the percentage of available blacks to 17.2 percent. Of the production workers, who are recruited locally, 16.9 percent are black, he said.

When salaried workers, who are recruited nationally, are included, the total black workforce at Nissan is 14.4 percent, the spokesman said.

A Mazda spokesman said, "Currently, the total black population at Mazda is 14 percent — well within the guidelines indicated by the standard metropolitan statistical area, but a little below what we'd like it to be."

The spokesman said Mazda would like to hire more blacks in skilled trades but they are not available in the labor pool.

The Mazda spokesman said, however, that the company is "far exceeding its objectives in hiring black officials and managers. We're way above the EEOC guidelines."

An EEOC spokesman said that using standard metropolitan statistical areas is only one step and that "the appropriate labor pool for each plant is a case by case decision."

Cole said EEOC guidelines are often based on "the experience of firms in the local labor market" and that EEOC laborshed guidelines are not satisfactory. Hence, he used another method — a "gravity model" — to determine the laborshed for the plants studied. Cole's study focused on the population living within an average 26-mile commute of the auto plants.

Though they constitute about 11 percent of the U.S. labor force, blacks made up about 17.2 percent of the workforce in the Big 3 in 1984, the study says.

The authors wrote that if the auto industry fails to continue to provide opportunities for blacks, the result will be a polarization of American society and a burgeoning of the permanent underclass.

Their study showed that the percentage of black workers at greenfield sites — 25.4 percent — is actually higher than the percentage of blacks in the commuting area, 16.6 percent. But the authors suggest that disparity will disappear as workers retire and new employees are hired locally.

The greenfield plants studied were GM plants built since 1980: Detroit-Hamtramck; Fort Wayne, Ind.; Fairfax, Kan.; Wentzville, Mo.; Lake Orion, Mich.; Shreveport, La.; Oklahoma City; and Saturn in Spring Hill, Tenn.

Also studied were seven Japanese assembly plants, focusing on the three with full workforces at the time of the study: Mazda Motor Manufacturing (U.S.A.) Corp. in Flat Rock, Mich.; Nissan Motor Manufacturing Co. U.S.A., in Smyrna, Tenn.; and Honda of America Manufacturing Inc. in Marysville, Ohio.

The study also considered 51 Japanese auto parts plants.

The authors said they assumed that all the whites and blacks in the laborshed were "equally available" to work at the plants. But Cole said that — in reality — fewer white workers would choose to apply for a job at an auto plant, based on other opportunities available.

The study also looked at 21 Big 3 plants built before 1980 and 31 plants that had been extensively modernized since 1980.

The percentage of blacks within the 26-mile commuting distance was highest at Big 3 traditional plants — 19.8 percent — and lowest at the Japanese assembly plants — 12.8 percent — with the greenfield sites coming in at 16 percent.

The authors pointed out that in a county with 50,000 available workers, "The GM greenfield sites at 16 percent may be viewed as 'only' 3.2 (percentage points) above the 12.8 percent of the Japanese OEM plants. But that represents a 25 percent higher potential black employment . . . an extra 1,600 potential black jobs. For an assembly plant employing 5,000 workers, that would mean an extra 160 expected black jobs."

DOMESTIC SALES

	Aug. 11-20, 1988	Aug. 11-20, 1987
Eagle	1,272	565
Chrysler	5,908	10,830
Plymouth	8,034	6,487
Dodge	10,771	8,318
Chrysler Motors	25,985	26,200
Ford	40,852	45,853
Mercury	14,424	16,295
Lincoln	4,908	4,759
Ford Motor Co.	60,184	66,907
Buick	15,538	20,150
Cadillac	6,713	10,840
Chevrolet	31,798	46,688
Oldsmobile	18,784	28,063
Pontiac	15,563	21,146
General Motors	88,394	126,887
Volkswagen	—	1,594
Honda	9,256	7,563
Nissan	4,182	4,380
Toyota	1,429	1,188
Mazda	1,015	—
U.S. Industry Total	190,445	234,719

New Montero a key to Mitsubishi dealer rise

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

CORONADO, Calif. — Mitsubishi Motor Sales of America will use the new Montero four-door sport-utility vehicle to fuel greater growth in its dealer network.

Richard D. Recchia, executive vice president and chief operating officer, projects annual sales of the new 1989 model at 12,000 units, with two-door versions accounting for an additional 5,000. Four-door V-6 Monteros will carry price tags ranging from $17,099 to $18,389, while two-door models are priced from $12,299 to $15,399.

The new models go on sale Sept. 5.

"We believe that instead of buying a four-door sedan, many prospects will decide to 'stand-out from the crowd' by purchasing a four-door/four-wheel-drive vehicle that reflects his or her distinctiveness, as well as adventurous spirit," Recchia said.

"Based on the profile of buyers in this market and based on the fact that our principal competition will be the Jeep Cherokee and the Isuzu Trooper, we anticipate that the median age of our buyers will be 37 years with relatively high demographic characteristics, with 75 percent of our buyers being male, 60 percent college graduates and 85 percent married," he said.

Recchia: "We believe that instead of buying a four-door sedan, many prospects will decide to 'stand-out from the crowd' by purchasing a four-door/four-wheel-drive vehicle that reflects his or her distinctiveness, as well as adventurous spirit."

The introduction of Montero, along with the earlier debuts of Galant and Mirage and the anticipated launch of the Eclipse from Diamond-Star Motors Corp. in January, has created a renaissance in terms of Mitsubishi product offerings in the United States, Recchia said.

"Accordingly, because of the strength of our product offering and because of the availability of additional volume from Diamond-Star, Mitsubishi is now in the process of a major expansion of our dealer network," Recchia said.

Mitsubishi now has 193 full-line dealers and 14 truck-only outlets. Plans call for 235 dealers by the end of 1988 and 350 by the close of 1989, with most of the new points opened in the Midwest and Northeast.

"Then in 1990, as Diamond-Star reaches full capacity, MMSA will add an additional 50 dealers, ending the 1990 calendar year with a total of 400 dealers in 130 markets," he said.

"Our total sales volume for cars and trucks during that period is forecast to be approximately 200,000 units for 1989 and over 240,000 units for 1990."

Recchia said the company is constructing new regional offices in Orlando, Fla., and Dallas that will complement the current regional facilities in Bridgeport, N.J., and Los Angeles.

He said the firm also is finalizing plans for the opening of a fifth region. It will be headquartered in Chicago and will be in operation in January. A parts depot under construction in Atlanta is scheduled to be open next spring.

Dull days: Car sales decline 19%

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

Lacking the stimulus of last year's incentives, this year's mid-August domestic car sales declined almost 19 percent.

Deliveries for Aug. 11-20 totaled 190,445 cars, 18.86 percent below the 234,719 sold during the year-ago period.

The daily selling rate fell to 21,161 from 26,080 last year. There were nine selling days in both periods.

Four of the U.S. automakers reported decreases for the mid-August period, while sales rose for two transplant companies.

General Motors' sales of 88,394 cars dipped 30.34 percent from the 126,887 delivered in the Aug. 11-20 period of 1987.

Ford Motor Co.'s sales dropped 10.05 percent to 60,184 vs. 66,907 last year.

Chrysler Motors' sales were almost unchanged at 25,985 cars, 0.82 percent below the 26,200 sold in the comparable nine days of 1987.

Nissan reported 4,182 cars sold in mid-August, 4.52 percent below the year-earlier period's 4,380.

Honda sales jumped 22.39 percent to 9,256 units vs. 7,563 last year.

Toyota posted an increase of 20.29 percent. Its car sales of 1,429 compared with 1,188 during mid-August 1987.

Mazda sold 1,015 cars in this year's 10-day span. The company had not begun producing cars in the United States during the comparable period of 1987.

Belt use is 43%, NHTSA study finds

WASHINGTON — Safety belt use by drivers has reached a record high 43 percent.

Secretary of Transportation James Burnely said NHTSA studies in 19 U.S. cities found that 43.4 percent of drivers are now wearing safety belts. In 1982, before NHTSA began a nationwide campaign to encourage belt use and state adoption of mandatory belt-use laws, 11 percent of drivers used safety belts.

Burnley said, "Among front-seat passenger-vehicle occupants (passenger cars, light trucks and vans), safety belts saved about 4,000 lives in 1987. From 1983 through 1987, safety belts have saved nearly 11,000 lives — 6,900 due to belt-use laws."

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As announced in its Aug. 1 bulletin to all its dealers, and as reported in USA today and in the Wall Street Journal of Aug. 2, Rusty Jones "will no longer extend any warranties...related to Rusty Jones products, including anti-rust, gloss, fabric, vinyl/leather, and sound treatments...such products are being sold 'as is'."

Chief reason for this decision "was the introduction in January 1987 of limited six and seven year rust preventive warranties on virtually all domestic automobiles."

Smart dealers everywhere are profiting by wising up car buyers to the fine-print facts on the 6/60-7/70 warranties: that the 6-7 year provision covers only "outer-body perforation," merely ONE year for other rust...that the 6/60-7/70 warranties stop when inner-body rust often starts, at only ONE year.

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PRODUCTION

Car output climbs 13% to 123,797

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

Last week's targeted domestic auto production of 123,797 increased 13.36 percent over the prior week's 109,208 and was 5.61 percent more than the year-ago week's 117,220.

So far this year, 4,483,516 cars have been built, 4.70 percent less than the 4,704,707 completed last year at this point.

Last week's scheduled auto production was shared as follows: General Motors, 53.60 percent; Ford Motor Co., 23.34 percent; Chrysler Motors, 8.56 percent; Honda of America Manufacturing Inc., 6.04 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.51 percent; New United Motor Manufacturing Inc., 2.63 percent; Nissan Motor Manufacturing Co. U.S.A., 2.32 percent.

Truckmakers scheduled output of 78,728 units last week, 5.98 percent more than the previous week's 74,289 and 21.41 percent more than the year-ago week's 64,844.

Year-to-date, 2,689,273 trucks have been assembled, 8.60 percent more than the 2,476,345 built last year at this time.

GM's Detroit-Hamtramck and Orion Township, Mich., plants reopened last week after being shut down for model changeover.

Chrysler's Jefferson Avenue plant in Detroit resumed output today after being idle for model changeover.

As reported earlier, Ford's Lorain, Ohio, plant remains idle for changeover to the new Thunderbird and Cougar models. The plant is slated to resume output in early October.

Chrysler's Newark, Del., facility remains closed for model changeover until mid-October.

GM slated overtime last Saturday at Buick City in Flint, Mich., and at Wilmington, Del.

Ford's Edison, N.J., plant was slated for overtime last Saturday.

Daily overtime is scheduled this week at all Ford plants except Lorain and Edison.

Chrysler's St. Louis and Toledo, Ohio, plants were slated for overtime last Saturday.

Canadian cars move up 25%

Canadian automakers scheduled production of 20,818 cars last week, 25.70 percent more than the prior week's 16,562 and 67.00 percent more than the year-ago week's 12,466.

The year-ago week's output was affected by downtime for model changeover.

So far this year, 708,518 cars have been assembled, 43.64 percent more than the 493,261 built last year at this point.

Targeted truck output of 20,002 last week increased 6.15 percent over the previous week's 18,843 and was 29.58 percent more than the year-ago week's 15,436.

Year-to-date, 592,626 trucks have been built, 10.47 percent more than the 536,462 completed last year at this time.

Volvo's plant in Halifax, Nova Scotia, resumed output today. †The plant had been idle for vacation.

U.S. CAR	Week Ended Aug. 27, 1988	Week Ended Aug. 29, 1987	Week Ended Aug. 20, 1988	Aug. to Date	Jan. 1 to Aug. 27, 1988	Jan. 1 to Aug. 29, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	0	0	0	0	53,889	32,997
Sundance	1,300	1,554	392	4,505	67,180	61,762
Reliant	0	3,091	0	0	56,260	76,427
Caravelle	0	641	0	0	9,087	32,468
Gran Fury	200	121	154	515	15,582	3,908
Total Plymouth	1,500	5,407	546	5,020	201,958	207,562
LeBaron K	0	987	0	0	7,912	47,724
LeBaron J	1,300	2,271	690	2,708	48,111	75,174
LeBaron GTS	100	776	0	380	6,105	26,467
N. Yorker E-Class	0	1,771	0	0	0	53,475
N. Yorker C-Class	1,700	266	1,366	5,231	68,464	414
Fifth Avenue	800	1,198	926	2,529	18,323	33,538
Total Chrysler	3,900	8,069	2,982	10,857	149,215	236,792
Omni	0	0	0	0	52,802	28,363
Daytona	1,300	1,525	631	2,670	47,634	37,247
Shadow	1,300	1,735	492	4,278	65,934	63,587
Aries	0	2,681	0	0	54,570	71,566
Dodge 600	0	528	0	0	8,549	29,042
Dynasty	2,300	139	1,901	6,746	66,112	0
Lancer	100	445	0	280	5,908	16,550
Diplomat	200	389	385	828	13,196	7,054
Total Dodge	5,200	7,442	3,399	14,802	314,505	253,409
CHRYSLER MOTORS	10,600	20,918	6,927	30,739	665,678	713,757
Escort	7,109	6,996	9,318	33,698	254,453	246,459
Mustang	4,100	4,457	3,396	13,023	131,686	140,242
Tempo	3,168	0	2,145	11,436	121,929	99,830
Taurus	6,085	5,714	7,620	28,422	257,999	273,126
Thunderbird	0	2,263	0	0	90,246	104,341
Total Ford Div.	20,462	19,430	22,479	86,579	856,293	863,998
Lynx	0	0	0	0	0	21,352
Topaz	1,191	0	862	4,585	46,044	32,858
Cougar	0	2,233	0	0	69,686	92,583
Sable	2,056	1,916	2,483	9,433	88,196	87,353
Total Mercury	3,247	4,149	3,345	14,018	203,926	234,146
Continental	1,727	0	1,293	4,944	29,883	9,610
Mark VII	863	695	647	2,468	16,075	18,120
Lincoln	2,595	3,469	1,946	7,436	84,862	91,184
Total Lincoln	5,185	4,164	3,886	14,848	130,820	118,914
Total L-M Division	8,432	8,313	7,231	28,866	334,746	353,060
FORD MOTOR CO.	28,894	27,743	29,710	115,445	1,191,039	1,217,058
Skyhawk	480	1,093	346	943	10,894	19,278
Skylark/Somerset	1,599	1,454	777	2,660	30,832	41,026
Century	3,750	3,144	2,739	7,632	71,955	113,493
Regal (rwd)	0	647	0	0	0	30,436
Riviera	75	0	2	77	3,719	8,501
Electra	1,231	1,887	1,160	4,326	55,625	59,525
LeSabre (fwd)	3,445	4,464	2,570	9,845	84,944	91,436
LeSabre (rwd)	50	112	89	434	6,558	6,142
Reatta	220	0	168	605	6,060	0
Total Buick	10,850	12,801	7,851	26,522	270,587	369,837
Cimmaron	0	134	0	0	3,693	7,742
Eldorado	269	0	214	483	23,893	12,720
Seville	192	0	108	300	14,788	10,534
Brougham (rwd)	915	1,661	628	2,423	20,748	45,028
Deville (fwd)	1,045	813	0	1,045	98,332	94,549
Allante	0	0	0	0	1,135	3,441
Total Cadillac	2,421	2,608	950	4,251	162,587	174,014
Cavalier	6,102	2,439	6,926	23,320	235,052	209,194
Camaro	1,738	2,973	688	2,426	56,713	83,161
Celebrity	3,605	4,125	3,621	12,555	118,992	200,431
Corsica/Beretta	9,278	7,551	9,335	35,781	267,758	213,793
Monte Carlo	0	1,759	0	0	0	45,391
Caprice	4,218	2,100	3,900	16,322	137,470	124,315
Corvette	440	162	450	1,792	14,538	18,286
Total Chevrolet	25,381	21,109	24,920	92,196	830,523	894,571
Calais	2,711	2,112	1,373	4,590	69,840	74,481
Firenza	0	456	0	0	5,230	3,214
Cutlass Ciera	318	0	198	516	14,067	99,968
Cutlass Supreme	2,480	1,703	1,341	3,821	94,301	50,315
Toronado	213	0	109	322	10,531	10,127
88 (fwd)	2,871	1,079	2,971	11,067	101,091	111,907
88 (rwd)	255	0	226	928	8,098	10,656
Olds 98	1,089	3,860	1,014	3,820	48,945	44,286
Total Oldsmobile	9,937	9,210	7,232	25,064	352,103	413,548
Sunbird	2,978	384	1,110	6,384	69,208	60,872
Grand Am	4,800	4,793	3,830	11,689	150,021	159,165
Firebird	1,223	1,628	482	1,705	39,318	54,649
Grand Prix	4,060	0	3,677	10,420	82,336	0
Pontiac 6000	2,145	2,129	2,130	7,473	50,411	52,400
Bonneville	2,425	2,527	2,255	8,842	72,845	84,391
Safari/Parisienne	135	164	117	515	5,314	6,735
Fiero	0	0	191	1,159	13,260	20,689
Total Pontiac	17,766	11,625	13,792	48,187	482,713	438,901
GENERAL MOTORS	66,355	57,353	54,745	196,220	2,098,513	2,290,871
HONDA	7,477	5,039	7,241	29,733	240,861	219,771
Civic	2,613	274	2,572	10,128	68,982	71,648
Accord	4,864	4,765	4,669	19,605	171,879	148,123
MAZDA†	4,351	0	4,600	17,011	76,706	0
NISSAN	2,870	2,591	2,809	11,459	70,452	87,731
NUMMI	3,250	3,576	3,176	13,009	104,672	132,390
Corolla	1,200	755	1,133	4,698	38,274	27,870
Nova	2,050	2,821	2,043	8,311	66,398	104,520
VOLKSWAGEN	0	0	0	0	35,596	43,129
Golf/GTI	0	0	0	0	30,042	34,775
Jetta	0	0	0	0	5,553	8,354
Total Cars, U.S.	123,797	117,220	109,200	413,616	4,483,516	4,704,707
Total Cars, Canada	20,818	12,466	16,562	55,694	708,518	493,261
U.S., Canada Cars	144,615	129,686	125,770	469,300	5,192,034	5,197,968
U.S., Canada Cars and Trucks	243,345	209,966	218,902	820,617	8,473,933	8,210,775

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended Aug. 27, 1988	Week Ended Aug. 29, 1987	Week Ended Aug. 20, 1988	Aug. to Date	Jan. 1 to Aug. 27, 1988	Jan. 1 to Aug. 29, 1987
Eagle	0	—	0	0	0	—
Premier	946	—	148	1,094	40,078	—
CHRYSLER MOTORS	946	109	148	1,094	40,078	3,617
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	3,626	—	3,676	12,847	118,471	—
Topaz	1,813	—	1,875	6,330	44,052	—
Crown Victoria	2,804	—	2,313	8,180	83,777	—
Grand Marquis	2,956	—	2,357	8,433	84,200	—
FORD MOTOR CO.	11,199	3,884	10,221	35,770	330,500	300,181
Celebrity	682	—	680	1,703	14,674	—
Cutlass Ciera	2,721	—	2,194	6,372	161,526	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	0	29,675	—
Regal	3,920	—	2,064	6,325	100,964	—
GENERAL MOTORS	7,323	7,892	4,938	14,400	306,839	173,538
Civic	1,350	—	1,255	4,420	24,885	—
Accord	0	—	0	0	1,828	—
HONDA	1,350	356	1,255	4,420	26,713	9,283
VOLVO	0	225	0	0	4,388	6,642
Total Cars, Canada	20,818	12,466	16,562	55,694	708,518	493,261

U.S. TRUCK☆	Week Ended Aug. 27, 1988	Week Ended Aug. 29, 1987	Week Ended Aug. 20, 1988	Aug. to Date	Jan. 1 to Aug. 27, 1988	Jan. 1 to Aug. 29, 1987
Caravan	2,200	—	1,447	6,214	80,987	—
Dakota	1,800	—	1,818	6,089	68,323	—
Mini-Ram Van	100	—	72	280	9,019	—
Pickups	1,800	—	1,808	6,085	46,801	—
Total Dodge	5,900	7,496	5,145	18,668	185,130	174,451
Cherokee	4,200	—	3,921	11,083	116,704	—
Commanche	1,000	—	930	2,651	29,652	—
Grand Wagoneer	300	—	346	944	9,159	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	295	646	6,878	—
Total Jeep	5,700	4,583	5,492	15,324	162,393	137,137
Voyager	2,100	—	1,405	5,966	57,463	—
Total Plymouth	2,100	—	1,405	5,966	57,463	—
CHRYSLER MOTORS	13,700	12,078	12,042	39,958	404,986	311,588
Aerostar	4,774	—	4,390	17,361	131,250	—
Bronco	821	—	635	1,997	35,651	—
Bronco II	2,945	—	2,813	11,371	84,883	—
Econoline	4,809	—	4,546	17,293	153,921	—
Heavy trucks	1,090	—	1,317	5,313	43,578	—
Light trucks	8,134	—	8,047	31,927	319,316	—
Ranger	7,104	—	6,290	27,156	231,357	—
Total Ford Div.	29,677	25,720	28,038	112,418	1,000,956	966,658
FORD MOTOR CO.	29,677	25,720	28,038	112,418	1,000,956	966,658
Astro	2,987	—	2,991	12,000	115,587	—
Blazer	459	—	164	623	17,216	—
Mediums/Heavies	420	—	388	2,591	13,163	—
P-Model	891	—	945	2,560	26,821	—
Pickups	6,485	—	6,484	26,420	227,681	—
S-10	6,940	—	6,991	25,328	200,841	—
S-10 Blazer	1,440	—	1,794	6,895	106,665	—
Sportsvan/Van	1,817	—	1,814	7,342	61,857	—
Suburban	1,190	—	493	1,683	46,252	—
Total Chevrolet	22,629	15,590	22,044	85,442	816,083	752,127
Jimmy	135	—	42	177	4,999	—
Mediums/Heavies	680	—	716	2,483	26,099	—
P-Model	129	—	67	302	3,611	—
Pickups	1,995	—	2,013	7,622	70,283	—
S-15	1,355	—	1,386	5,076	45,118	—
S-15 Jimmy	380	—	580	4,189	30,229	—
Safari	773	—	796	3,085	29,434	—
Suburban	592	—	132	724	20,413	—
Vandura/Rally Vans	563	—	564	2,059	23,211	—
Total GMC	6,582	5,081	6,278	25,717	253,397	253,909
GENERAL MOTORS	29,211	20,680	28,322	111,159	1,069,480	1,006,036
NAVISTAR	2,000	1,488	1,725	7,690	56,804	48,040
NISSAN	1,390	2,128	1,412	5,625	64,097	56,315
AM GENERAL*	450	450	450	1,800	15,210	9,810
MISCELLANEOUS*	2,300	2,300	2,300	9,200	77,740	77,900
Total Trucks, U.S.	78,728	64,844	74,299	287,850	2,689,273	2,476,345

CANADIAN TRUCK	Week Ended Aug. 27, 1988	Week Ended Aug. 29, 1987	Week Ended Aug. 20, 1988	Aug. to Date	Jan. 1 to Aug. 27, 1988	Jan. 1 to Aug. 29, 1987
Caravan	3,372	—	3,270	11,458	92,282	—
Mini-Ram Van	204	—	213	723	8,645	—
Ram Wagon	548	—	597	2,198	15,944	—
Ram Van	1,394	—	1,480	5,749	42,458	—
Total Dodge	5,518	7,337	5,560	20,128	159,329	286,255
Voyager	2,568	—	2,486	8,494	81,877	—
Total Plymouth	2,568	—	2,486	8,494	81,877	—
Wrangler	1,248	—	1,110	4,260	31,950	—
Total Jeep	1,248	778	1,110	4,260	31,950	22,100
CHRYSLER MOTORS	9,334	8,115	9,156	32,882	273,156	286,355
FORD MTR. (lt. trks.)	3,648	1,090	3,613	12,432	107,233	97,209
Light trucks	3,264	—	3,601	10,019	98,688	—
Vans	1,360	—	466	1,826	36,931	—
Total Chevrolet	4,624	—	4,067	11,845	135,619	—
Light trucks	1,536	—	1,482	4,456	49,844	—
Vans	590	—	255	845	19,449	—
Total GMC	2,126	—	1,737	5,303	69,293	—
GENERAL MOTORS	6,750	5,998	5,804	17,148	204,912	144,720
NAVISTAR	270	224	270	1,005	7,325	6,178
Total Trks., Canada	20,002	15,436	18,843	63,467	592,626	536,462
U.S., Canada Trks.	98,730	80,280	93,132	351,317	3,281,899	3,012,807

—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Automotive News

September 5, 1988

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Daewoo chief won't bend knee to GM

His moves ruffle Detroit's feathers

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — Free-wheeling Daewoo Group Chairman Kim Woo-Choong has struck a deal to sell his Opel-based cars to Czechoslovakia and is also courting the Hungarians. In the process, he may be charting a course through stormy waters with his partner, General Motors.

While trying to open the Eastern Bloc to his cars, Kim has also floated the idea of taking the company public, has fought GM on using an Australian-sourced 2-liter engine in export versions of the LeMans and has lost market share at home to rivals Kia and Hyundai, who are introducing new models at a faster rate.

Although officials from both companies paint a rosy picture of the Daewoo-GM relationship, strains are beginning to surface as the Korean conglomerate tries to flex its muscles at home and abroad.

GM finds itself in an unusual position with Kim. As head of one of Korea's largest conglomerates, or chaebol, as they are called, his relationship with the U.S. automaker is confined to joint ownership of the Daewoo Motor unit.

That hasn't put a damper on Kim's auto activities. Earlier this year, he signed a joint-venture arrangement with Suzuki, another GM partner, through the parent company, Daewoo Corp., to produce minicars and minivans in Korea.

And he has been traveling the globe making other deals as well.

The Czechs reportedly have accepted Kim's offer to buy 7,000 LeMans units starting early next year. GM officials in Europe said they are aware of the deal and that

see DAEWOO, page 51

AUTOMOTIVE NEWS/JOE WILSEENS

Reuss: GM is considering a three-crew, two-shift approach at plants producing hot-selling models

GM hopes to make its point

Reuss maps program to hike car-truck market share

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — General Motors expects to improve its car and truck market shares by at least one percentage point in the 1989 model year as industry sales reach 15 million for the fifth year in a row.

"I think we're going to have another good year," said Lloyd Reuss, GM executive vice president in charge of North American automotive operations. "You hear a lot of people talking about a recession, but I don't see one coming during the 1989 model year."

Reuss said GM expects to gain a percentage point of market share in cars and one to 1½ points in trucks in 1989.

All but four of GM's remaining assembly plants will be running on double shifts under the company's aggressive production schedules for 1989, and its truck plants are scheduled at or near capacity for the year, he said.

GM has no immediate plan to convert any car plants to truck production, though that is included in future contingency plans, he said.

Instead, the company will look for ways to boost truck capacity within existing facilities, mainly through productivity improvements.

Reuss said GM is considering for the future a three-crew, two-shift approach at plants producing hot-selling models, similar to one it has pioneered in Europe.

"It is an approach whose time has come," Reuss said, though he said it is unlikely it will be implemented in 1989. "We can't afford to have these big facilities not utilized at a high percentage of the time."

He predicted 1989-model-year car sales will be about 10 million units and trucks will be at least 5 million units. That would be slightly less than in the 1988 model year, which will probably surpass the 15-million mark, Reuss said.

Reuss predicted GM's car market share will reach 38 percent in 1989, compared to the 37 percent it is achieving for this calendar year and the 36 percent for the current model year.

Meanwhile, GM has gained 2.3 percentage points' penetration in light trucks in the 1988 model year. GM's truck share has been running at about 32½ percent.

Reuss said GM's production schedules are extremely aggressive, particularly in the fourth quarter of 1988. Production schedules for the rest of the 1989 model year are expected to be equally as aggressive, he said.

see REUSS, page 51

10-deal chain owes millions; in bankruptcy

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

CAMDEN, N.J. — A New Jersey dealer with 10 outlets has filed for bankruptcy as General Motors' financial arm has pressed for payment of $26 million and accused the dealer of selling $2.5 million worth of cars out of trust.

Richard T. Pepe of Vineland, N.J., and his wife, Virginia, who owns four of the dealerships, have filed for protection from creditors citing more than $50 million in liabilities against $54 million in assets.

Most of the debts are owed to lenders who floor-planned vehicles for the chain.

Affidavits submitted by General Motors Acceptance Corp. officials say the Pepes have total obligations of $26,903,746.47 and charge that two checks for about $900,000 were returned due to insufficient funds.

GMAC accused the Pepes of selling more than $2.5 million worth of cars out of trust without remitting the proceeds, court records said.

Other multimillion-dollar creditors include Midlantic National Bank in Pennsauken, N.J., and Chrysler Credit Corp.

The filing comes at a time when other large dealers are facing growing financial pressures.

The Pepes "have depleted all working capital and have no reasonable prospect of obtaining working capital to continue and, for all intents and purposes, they are insolvent," the GMAC affidavits said.

Pepe is one of New Jersey's largest dealers, with annual sales estimated at more than 10,000 vehicles, said Charles E. Walton, president of the 760-member New Jersey Automobile Dealers Association.

"The whole retail community is sad and disappointed to ever see a deficiency like this. It doesn't do the industry any good," Walton said.

"As a trade group, we're hoping Mr. Pepe can work out a reorganization plan that will satisfy his lenders, and we'll help any way we can," he said.

GMAC officials declined to comment on the case.

And Janise Kohnke, a spokeswoman for Richard Pepes' management company, Brookfield Management, said Pepe has been advised not to comment by his attorney, Kenneth Pagliughi.

The Pepes own 10 stores, all of which are in New Jersey. They include Pepe Olds-Pontiac-GMC

see BANKRUPT, page 50

RENEGADE

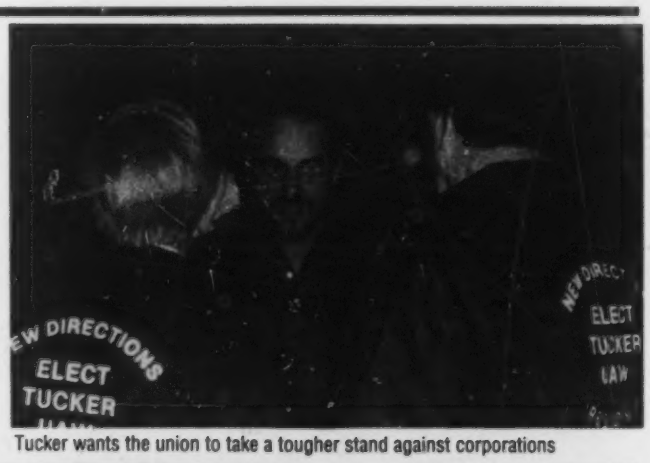
Tucker wins bitter 2-year fight for top post in UAW Region 5

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

TULSA, Okla. — Dissident UAW leader Jerry Tucker, who wants the union to take a tougher stand against corporations and mount more aggressive organizing drives, has won a powerful position in the UAW — the directorship of Region 5.

His victory spotlights an even wider gap between what management and top UAW international leadership say is their "new spirit of cooperation" and the way that many

see TUCKER, page 54



Tucker wants the union to take a tougher stand against corporations

Board changes bring new era at Toyota

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — On paper, the latest reshuffling of Toyota Motor Corp.'s board of directors looks like the usual biannual affair. However, the subtle changes this time pave the way for a new generation to take over Japan's largest automaker.

Board members outside the Toyoda family are required to step down when they reach 65 as a way of bringing in new blood. The recent changes do, indeed, reduce the average age of the directors from 57.8 to 55.7 years. While the difference is only two years, it represents a change of generations.

The Old Guard that led the company in its march to dominance in the Japanese market is leaving.

see TOYOTA, page 49

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NHTSA won't probe Samurai rollovers — Page 2
GM car prices, 1989 vs. 1988 — Page 6
Q&As with transplant exec — Pages 30-36

Autoworking Olympian

Workers at General Motors' press metal plant in Pontiac, Mich., took time for a send-off celebration for fellow worker Gary Morgan, who is heading for the Summer Olympics in Seoul, South Korea, this month.Morgan, 28, is considered an Olympic medal contender in racewalking. He won the 20-kilometer race at the Olympic trials in July. From 6 a.m. to 2:30 p.m. daily, Morgan is an electrician at the plant, where he has worked for 10 years. After work, he heads for the park to work out for two hours or more. He walks 8-12 miles daily at seven to eight minutes per mile. Ironically, Morgan's coach of the past two years, Frank Alongi, works for Ford Motor Co. Alongi, a production development engineer, was an Olympic runner in 1948 and 1952 for Italy and coached two fellow runners to gold medals.Morgan said making the top 10 among the 40 to 50 Olympic competitors is a realistic goal. But with hot weather, he feels he has a shot at a medal. He has been racewalking for eight years, finishing ninth at the world championships in Rome last year and 16th in the 1984 Olympic trials.

AUTOMOTIVE NEWS/JOE WILSSENS

'89 CAFE up, but how high?

NHTSA: At least 0.5-mpg hike set

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Automakers know they are in for at least a 0.5 mpg increase in the fuel economy standards for the 1989 model year. How much more beyond that, however, will be decided at a NHTSA hearing next week.

The agency said it will set the limit between 26.5 and 27.5 mpg, the first increase in corporate average fuel economy since the agency rolled the standard back to 26.0 mpg in 1986.

If Transportation Secretary James Burnley and Vice President George Bush had their way, the standard would be abolished altogether.

Where NHTSA finally decides to set the limit could determine whether or not some makers will be liable for millions of dollars in penalties, and whether they can even afford to offer certain models.

Yet, General Motors and the Automobile Importers of America, which have petitioned NHTSA to keep the law at 26 mpg or lower, are confident NHTSA will set a 1989 CAFE standard that keeps them both out of trouble.

Congress set CAFE at 27.5 mpg beginning with the 1985 model year, but it allows NHTSA to set a standard that is "feasible." Using that authority, NHTSA rolled back the standard to 26.0 mpg for the 1986-88 model years.

Under the law, an automaker must pay $5 for each car it manufactures for each tenth-of-a-mile it falls short of the standard.

"In our case that would be $20 million if we fell one-tenth of a mile per gallon short," said Mark Kemmer in GM's Washington office. "If we are off by half a mile per gallon, we are talking $100 million. That's not going to happen because GM will not be put in a position of willful unlawful conduct," he said.

Kemmer said GM will tell NHTSA a CAFE standard higher than 26.5 mpg may force the automaker to curtail the production of some large cars and high-performance engines, or it could result in the company increasing its foreign sourcing.

see CAFE, page 49

Big 3, NADA, UAW fill politicians' coffers

By Laura Mait
SPECIAL CORRESPONDENT

WASHINGTON — As the Republican and Democratic parties enter the final stretch of the 1988 election campaign, contributions from automobile manufacturers and dealers favor Republican candidates.

Midyear Federal Election Commission records on political action committee contributions show dealers and manufacturers together donated $782,280 to Republicans vs. $621,612 to Democrats.

Meanwhile, true to tradition, the UAW outspent total dealer and industry donations to Republicans by donating $782,500 to Democratic candidates.

Although auto dealers gave more to Republicans, some key Democrats were also beneficiaries of dealer largesse. Both the National Automobile Dealers Association and the Auto Dealers and Drivers for Free Trade had given about $468,000 to candidates as of July. A good deal more money will undoubtedly be spent before the votes are counted this fall.

NADA's Dealers Election Action Committee split its money between 166 Republicans and 123 Democrats, with Republicans getting $275,250.

One of its largest contributions, $6,000, went to the campaign of vice presidential candidate Sen. Lloyd Bentsen, D-Texas, who also chairs the Senate Finance Committee.

The Auto Dealers and Drivers for Free Trade PAC favored Republicans even more by donating $322,550 to 187 Republicans while assisting just 89 Democrats.

Rep. Dan Rostenkowski, D-Ill., chairman of the House Ways and Means Committee, netted the largest of the group's donations with $7,500. His committee and the Senate Finance Committee played the leading roles in passing this year's omnibus trade bill.

Sen. Daniel Inouye, D-Hawaii, a possible successor to Senate majority leader Robert Byrd, D-W Va., received $7,000 from that PAC.

The committee also pumped $5,000 into the campaign of Sen. Robert Dole, R-Kan., for his unsuccessful quest for the Republican presidential nomination.

Manufacturers gave money a little more evenhandedly, although the gave slightly more to Republicans than to Democrats.

The Civil Involvement Program/General Motors contributed $66,680 to 104 Republican candidates as opposed to $54,533 given to 75 Democrats.

One of its largest donations, $3,500, went to Sen. John Danforth, R-Mo., the tireless advocate of increased vehicle safety.

Both Ford and Chrysler gave more to Democrats than to Republicans. The Ford Motor Co. Civic Action Fund gave $54,450 to 85 Republicans and $61,283 to 84 Democrats.

Ford also gave generously to Danforth, donating $5,000. In addition, the company joined the Auto Dealers and Drivers for Free Trade in its support of Rostenkowski, giving $4,000.

Chrysler Corp.'s Political Support Committee also favored the Democrats. Under the leadership of Chairman Lee Iacocca, who supports items on the Democratic agenda such as mandatory health care, fuel economy requirements and tougher trade policies, the company gave $148,083 to 164 Democrats and just $63,350 to 83 Republicans.

Its most vigorous support went to Danforth with $8,000, followed by Sen. Donald Riegle, D-Mich., a member of the Commerce and Finance committees, who received $7,100, and Bentsen with $6,000.

The UAW outspent all dealer and manufacturer donations to Republican candidates by giving $782,500 to Democrats.

The union gave $5,000 apiece to every Democratic presidential candidate except Sen. Joseph Biden of Delaware and former Sen. Gary Hart of Colorado. The party's eventual nominee, Michael Dukakis, however, declined all PAC money, including the $5,000 offered by the UAW.

It also donated $15,000 to both Rep. Jim Chapman, D-Texas, and Rep. Robert Clement, D-Tenn., and gave $10,000 apiece to the Senate campaigns of Sen. Jeff Bingaman, D-N.M.; Rep. Wayne Dowdy, D-Miss.; and Democrats Richard Licht of Rhode Island; Leo McCarthy of California and John Wickes of Indiana.

The UAW contributed $10,000 to the House campaigns of Rep. John Bryant, D-Texas; Rep. Alphonso Michael Espy, D-Miss.; Rep. Martin Frost, D-Texas; Rep. Richard Gephardt, D-Mo.; Rep. James Hayes, D-La.; Rep. Dennis Hertel, D-Mich.; Rep. Peter Kostmayer, D-Pa.; Rep. Nancy Pelosi, D-Calif.; Rep. Louise Slaughter, D-N.Y.; and Democratic candidates Phillip Cryts of Missouri and Douglas Stephens of Illinois.

ACTIVITIES OF AUTO-RELATED POLITICAL ACTION COMMITTEES

	Total Spent	— Democrats — Recipients	— Democrats — Total	— Republicans — Recipients	— Republicans — Total
NADA Dealers Election Action Committee	$468,863	123	$193,613	166	$275,250
Auto Dealers and Drivers for Free Trade PAC	468,650	89	146,100	187	322,550
GM Civic Involvement Program	121,213	75	54,533	104	66,680
Ford Motor Co. Civic Action Fund	115,733	84	61,283	85	54,450
Chrysler Corp. Political Support Committee	211,433	164	148,083	83	63,350
UAW Voluntary Community Action Program	793,900	247	782,500	5	11,400

INDEX

Around the world	52-53
Auction dates	39
Classifieds	40-47
Engineering	16-18
News briefs	8
Obituaries	50
Opinion	10
Personnel	47-48
Production	55
Truck industry	12

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GM affiliate sets up dealer tv programming

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

General Motors dealers who are subscribers of Automotive Satellite Television Network will have a programming choice in January when the automaker launches its own dealership training programs over the GM Dealer Satellite Network.

The new series is a televised version of GM University of Automotive Retailing, and will include sessions on sales, service and parts management.

Electronic Data Systems, a subsidiary of GM, has a 30-percent interest in ASTN, with rights to market ASTN to GM dealers and televise its own programs of importance to them.

ASTN and the GM network share rooftop satellite dishes and other cable equipment. "GM talks to its dealers over the system," said ASTN president Michael Smart. "I have no problem with GM presenting programs that are of interest to its dealers. GMAC has done it."

Marketing Educational Services, formed in 1969 as a part of the General Motors Institute's continuing education department, was acquired by the Troy, Mich.-based Sandy Corp. last year. It will use GM, EDS and Sandy Corp. photographic facilities to create the programs and link them to a satellite of another GM subsidiary, Hughes Electronics Corp., for distribution to dealers.

Smart said the agreement with EDS prohibits GM from offering programs competitive to ASTN. He was unaware of the kinds of educational sessions that Marketing Educational Services will offer dealers but conceded there could be a conflict.

"I'm not concerned as long as the programs are complementary and not competitive," he said. "The key is whether it is GM-specific. I would have a problem if the programs were something dealers of other manufacturers wanted to see."

Marketing Educational Services and EDS spokesmen said the sessions are indeed tailored specifically to GM dealers.

ASTN, now two years old, offers generic programs useful to all dealers and special programs for automotive companies. It has 3,600 dealer subscribers, charging them $4,620 annually.

GM's television network has 1,900 GM dealers, who will be asked to pay $2,340 annually for the Marketing Educational Services sessions.

Robert J. Bennett, vice president of Sandy Corp. and president of Marketing Educational Services, said the educational segments will be interspersed with interviews of GM executives and news that affects GM dealers.

Bennett said the programs may be televised simultaneously with programs offered by ASTN. He said the network will offer 12 sessions per month. GM will televise a promotional pilot video for the series Sept. 6-8.

AUCTION DATES

Chrysler Motors

Sept. 6 — Dallas Auto Auction, Grand Prairie, Texas; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; Portland Auto Auction, Portland, Ore.; Riverside Auto Auction, Riverside, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Sept. 7 — Columbus Fair Auto Auction, Obetz, Ohio; A.D.E. of Birmingham, Birmingham, Ala.; and Southern Auto Auction, Warehouse Point, Conn.

Sept. 8 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Southwest Auto Auction, Phoenix, Ariz.

Sept. 9 — St. Louis Auto Auction, Bridgeton, Mo.

Sept. 13 — Florida Auto Auction of Orlando, Ocoee, Fla.; American Auto Auction, Walpole, Mass.; Denver Auto Auction, Aurora, Colo.; Nashville Auto Auction, Nashville, Tenn.; South Seattle Auto Auction, Kent, Wash.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Sept. 14 — Minneapolis Auto Auction, Plymouth, Minn., and Butler Auto Auction, Gibsonia, Pa.

Sept. 15 — Clanton's Auto Auction, Darlington, S.C.; Northway Exchange, Clifton Park, N.Y.; Aptco Auto Auction, Taylor, Mich.; Salt Lake Auto Auction, Salt Lake City; Ark-La-Tex Auto Auction, Shreveport, La.; and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Sept. 16 — Manheim Auto Auction, Manheim, Pa.

Sept. 20 — Dallas Auto Auction, Grand Prairie, Texas; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; Hatfield Auto Auction, Hatfield, Pa.; Riverside Auto Auction, Riverside, Calif.; and Southern Auto Auction, Warehouse Point, Conn.

Ford Motor Co.

Sept. 7 — Atlanta Auto Auction, Red Oak, Ga., and Newburgh Auto Auction, Newburgh, N.Y.

Sept. 8 — Dallas Auto Auction, Grand Prairie, Texas, and Minneapolis Auto Auction, Plymouth, Minn.

Sept. 13 — Harrisonburg Auto Auction, Harrisonburg, Va.

Sept. 14 — Concord Auto Auction, Acton, Mass.; Aptco Auto Auction, Taylor, Mich.; and Lakeland Auto Auction, Lakeland, Fla.

Sept. 15 — Baltimore-Washington Auto Exchange, Baltimore; Texas Hobby Auto Auction, Houston; and Southwest Auto Auction, Chandler, Ariz.

Sept. 20 — South Seattle Auto Auction, Kent, Wash.

Sept. 21 — Wednesday Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; and Southern California Auto Auction, Fontana, Calif.

Sept. 22 — Greater Chicago Auto Auction, Chicago; Denver Auto Auction, Aurora, Colo.; Skyline Auto Exchange, Fairfield, N.J.; and St. Louis Auto Auction, Bridgeton, Mo.

General Motors

Sept. 7 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Golden Gate Auto Auction, Fremont, Calif.

Sept. 8 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Colorado Auto Auction, Commerce City, Colo.; Nashville Auto Auction, Nashville, Tenn.; and Southwest Auto Auction, Phoenix, Ariz.

Sept. 13 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; Harrisonburg Auto Auction, Harrisonburg, Va.; South Seattle Auto Auction, Kent, Wash.; and Manheim Auto Auction, Manheim, Pa.

Sept. 14 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Riverside Auto Auction, Riverside, Calif.; and Omaha Auto Auction, Omaha, Neb.

Sept. 15 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; and St. Louis Auto Auction, Bridgeton, Mo.

Sept. 20 — A.D.E. of Birmingham, Moody, Ala.; Florida Auto Auction of Orlando, Ocoee, Fla.; and National Auto Dealer Exchange, Bordentown, N.J.

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San Antonio Auto Auction (div. of GECAA), 1500 Ackerman Rd., San Antonio, Texas 78219. Sale every Weds. Contact: Frank Post or Michael Milikien, 512-661-4200.

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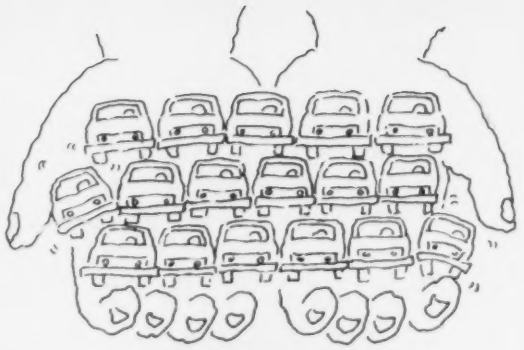

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Auction Averages

August 88	$6,102
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Model Breakdown
Auction Averages

	AUGUST 1988	JULY 1988	JUNE 1988
1988	$13,008	$11,408	$112,545
1987	8,008	8,407	8,668
1986	7,016	6,830	7,327
1985	5,880	5,881	5,801
1984	4,316	4,378	4,534
1983	3,626	3,718	3,721
1982	2,544	2,464	2,529
1981	1,865	1,952	1,932
Overall Average	$ 6,102	$ 5,855	$ 5,800

Shutdowns wane; auto output up

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

With almost all plants back in action after shutdowns for model changeover and vacations, scheduled car and truck output last week was the highest since downtime began seven weeks ago.

Domestic auto production was targeted at 133,737 cars last week, 6.47 percent more than the prior week's 125,606 and 6.27 percent more than the year-ago week's 125,852.

So far this year, 4,619,062 cars have been built, 4.28 percent less than the 4,825,408 completed last year at this point.

Companies split last week's scheduled output as follows: General Motors, 52.09 percent; Ford Motor Co., 22.99 percent; Chrysler Motors, 12.11 percent; Honda of America Manufacturing Inc., 5.47 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.25 percent; Nissan Motor Manufacturing Co. U.S.A., 2.15 percent; and New United Motor Manufacturing Inc., 1.94 percent.

Last week's estimated truck production of 77,407 rose 1.25 percent over the previous week's 76,455 and increased 14.59 percent over the year-ago week's 67,550.

Year-to-date, 2,764,407 trucks have been assembled, 8.03 percent more than the 2,559,043 built last year at this time.

Ford's Lorain, Ohio, plant remains idle until early October for model changeover.

Ford scheduled overtime next Saturday at its truck plant in Lorain.

All car and truck plants are closed today for the Labor Day holiday.

Week's totals rise in Canada

Last week's scheduled Canadian auto production totaled 19,041, which is 2.80 percent more than the prior week's 18,523 and 34.40 percent more than the year-ago week's 14,167.

The year-ago week's car and truck output was affected by shutdowns for model changeover.

So far this year, 725,264 cars have been built, 42.08 percent more than the 510,479 completed last year at this point.

Truckmakers targeted 18,570 units to be assembled last week, 3.89 percent more than the previous week's 17,875 and 26.63 percent more than the year-ago week's 14,665.

Year-to-date, 609,069 trucks have been produced, 10.10 percent more than the 553,188 assembled last year at this time.

Workers walked off the job Aug. 26 at Volvo's Halifax, Nova Scotia, plant over wages and other considerations.

Friday that negotiations were still under way and that this is the first strike in the history of Volvo's Canadian operations.

General Motors' Oshawa (No. 1), Ontario, plant remains idle until January for model changeover. When the plant reopens, it will assemble the new GM-10 Chevrolet Lumina.

U.S. CAR	Week Ended Sept. 3, 1988	Week Ended Sept. 5, 1987	Week Ended Aug. 27, 1988	Aug. Est.	Jan. 1 to Sept. 3, 1988	Jan. 1 to Sept. 5, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	900	0	0	540	54,789	32,997
Sundance	1,500	1,686	1,349	5,514	68,709	63,316
Reliant	1,300	3,127	0	780	57,560	79,518
Caravelle	0	590	0	0	9,067	33,009
Gran Fury	200	250	313	748	15,875	4,129
Total Plymouth	3,900	5,653	1,662	7,582	206,020	212,969
LeBaron K	0	989	0	0	7,912	48,711
LeBaron J	1,600	2,449	1,620	3,988	50,331	77,645
LeBaron GTS	100	808	156	505	6,261	27,243
N. Yorker E-Class	0	1,776	0	0	0	55,046
N. Yorker C-Class	1,500	731	1,849	6,280	70,113	780
Fifth Avenue	900	2,318	961	3,230	19,384	36,136
Total Chrysler	4,100	9,071	4,586	14,003	154,001	245,561
Omni	900	0	0	540	53,502	28,363
Daytona	1,600	1,603	1,608	3,938	49,542	38,772
Shadow	1,700	1,811	1,575	5,573	67,909	65,322
Aries	1,600	2,678	0	960	56,170	74,147
Dodge 600	0	515	0	0	8,549	29,570
Dynasty	2,000	143	2,594	8,240	68,406	339
Lancer	100	489	108	348	6,016	16,995
Dip'omat	300	480	224	1,032	13,520	7,543
Total Dodge	8,200	7,719	6,109	20,631	323,614	261,051
CHRYSLER MOTORS	16,200	22,443	12,357	42,216	683,635	735,575
Escort	7,946	8,639	7,053	38,410	262,343	255,151
Mustang	4,172	4,584	3,572	14,998	135,310	144,670
Tempo	3,443	0	2,911	13,245	125,115	99,830
Taurus	7,335	7,109	6,030	32,768	265,279	280,262
Thunderbird	0	2,548	0	0	90,246	106,905
Total Ford Div.	22,896	22,880	19,566	99,421	878,293	886,818
Lynx	0	0	0	0	0	21,352
Topaz	1,325	0	1,066	5,255	47,244	32,858
Cougar	0	2,558	0	0	69,686	95,126
Sable	2,334	2,359	1,956	10,733	90,430	89,690
Total Mercury	3,659	4,917	3,022	15,988	207,360	239,026
Continental	1,189	0	1,676	5,606	31,021	9,610
Mark VII	757	699	826	2,885	16,795	18,818
Lincoln	2,251	3,493	2,492	8,684	87,010	94,686
Total Lincoln	4,197	4,192	4,994	17,175	134,826	123,114
Total L-M Division	7,856	9,109	8,016	33,164	342,186	362,140
FORD MOTOR CO.	30,752	31,989	27,582	132,584	1,220,479	1,248,958
Skyhawk	480	655	541	1,292	11,435	19,922
Skylark/Somerset	1,780	1,200	1,632	3,761	32,645	42,458
Century	4,335	3,037	3,914	10,397	76,454	116,331
Regal (rwd)	0	563	0	0	0	31,083
Riviera	273	238	78	244	3,995	8,731
Electra	1,229	1,946	1,320	5,152	56,943	61,411
LeSabre (fwd)	2,925	4,665	3,965	12,120	88,389	95,920
LeSabre (rwd)	235	131	59	584	6,802	6,260
Reatta	224	0	179	696	6,243	0
Total Buick	11,481	12,435	11,688	34,249	282,906	382,116
Cimmaron	0	152	0	0	3,693	7,942
Eldorado	320	321	251	657	24,195	13,046
Seville	243	395	209	463	15,048	10,920
Brougham (rwd)	915	1,770	791	2,848	21,537	46,689
Deville (fwd)	1,544	2,679	294	1,220	99,125	95,818
Allante	12	68	0	7	1,147	3,513
Total Cadillac	3,034	5,385	1,545	5,195	164,745	177,928
Cavalier	6,378	3,544	6,667	27,712	241,995	213,185
Camaro	2,300	2,056	1,761	3,709	59,036	84,141
Celebrity	3,600	4,253	3,603	14,713	122,590	204,791
Corsica/Beretta	9,195	7,189	11,184	43,204	278,859	217,261
Monte Carlo	0	1,611	0	0	0	47,207
Caprice	4,033	2,941	3,846	18,370	141,131	126,619
Corvette	440	0	452	2,068	14,990	18,448
Total Chevrolet	25,946	21,594	27,513	109,896	858,601	911,652
Calais	3,020	1,707	2,707	6,398	72,856	76,735
Firenza	0	282	0	0	5,230	3,495
Cutlass Ciera	645	0	471	1,056	14,865	99,968
Cutlass Supreme	3,280	1,518	2,765	6,074	97,866	52,002
Toronado	134	280	211	400	10,663	10,398
88 (fwd)	2,875	3,880	3,003	12,924	104,098	113,139
88 (rwd)	255	0	220	1,046	8,318	10,656
Olds 98	1,087	1,690	1,192	4,575	50,135	48,356
Total Oldsmobile	11,296	9,357	10,569	32,474	364,031	423,343
Sunbird	2,702	1,075	2,478	7,505	71,410	61,742
Grand Am	4,800	3,561	4,807	14,576	154,828	163,958
Firebird	1,615	1,122	1,256	2,707	40,966	56,007
Grand Prix	4,060	0	3,434	12,230	85,770	25
Pontiac 6000	2,150	2,337	2,147	8,765	52,563	54,618
Bonneville	2,425	2,704	2,307	10,179	75,152	87,230
Safari/Parisienne	135	164	133	594	5,447	6,705
Fiero	0	0	0	1,159	13,260	20,689
Total Pontiac	17,887	10,963	16,562	57,715	499,396	450,974
GENERAL MOTORS	69,644	59,734	67,877	239,528	2,169,679	2,346,013
HONDA	7,320	6,226	7,198	33,846	247,902	226,045
Civic	2,469	40	2,567	11,563	71,405	71,470
Accord	4,851	6,186	4,631	22,283	176,497	154,575
MAZDA†	4,351	0	4,699	19,970	81,405	0
NISSAN	2,870	2,685	2,652	12,963	73,104	90,322
NUMMI	2,600	2,775	3,241	14,560	107,263	135,366
Corolla	960	719	1,154	5,228	39,188	28,725
Nova	1,640	2,056	2,087	9,332	68,075	106,641
VOLKSWAGEN	0	0	0	0	35,595	43,129
Jetta	0	0	0	0	5,553	8,354
Total Cars, U.S.	133,737	125,852	125,606	495,667	4,619,062	4,825,408
Total Cars, Canada	19,041	14,167	18,523	64,814	725,264	510,479
U.S., Canada Cars	152,778	140,019	144,129	560,481	5,344,326	5,335,887
U.S., Canada Cars and Trucks	248,755	222,234	238,459	964,984	8,717,802	8,448,118

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended Sept. 3, 1988	Week Ended Sept. 5, 1987	Week Ended Aug. 27, 1988	Aug. Est.	Jan. 1 to Sept. 3, 1988	Jan. 1 to Sept. 5, 1987
Eagle	0	—	0	0	0	—
Premier	1,221	—	946	1,827	41,299	—
CHRYSLER MOTORS	1,221	100	946	1,827	41,299	3,726
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	2,215	—	3,009	13,559	120,069	—
Topaz	1,000	—	1,336	6,453	44,575	—
Crown Victoria	2,804	—	2,369	9,407	86,146	—
Grand Marquis	2,956	—	2,486	9,737	86,686	—
FORD MOTOR CO.	8,975	4,802	9,200	39,156	337,476	304,722
Celebrity	181	—	535	1,665	14,708	—
Cutlass Ciera	3,339	—	2,736	8,390	164,880	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	0	29,675	—
Regal	4,000	—	3,707	8,512	104,751	—
GENERAL MOTORS	7,520	8,810	6,978	18,567	314,014	185,595
Civic	1,325	—	1,274	5,139	26,134	—
Accord	0	—	0	0	1,828	—
HONDA	1,325	230	1,274	5,139	27,962	9,569
VOLVO	0	225	125	125	4,513	6,867
Total Cars, Canada	19,041	14,167	18,523	64,814	725,264	510,479

U.S. TRUCK☆	Week Ended Sept. 3, 1988	Week Ended Sept. 5, 1987	Week Ended Aug. 27, 1988	Aug. Est.	Jan. 1 to Sept. 3, 1988	Jan. 1 to Sept. 5, 1987
Caravan	1,900	—	2,401	7,555	63,088	—
Dakota	2,000	—	2,014	7,503	70,537	—
Mini-Ram Van	100	—	46	286	9,065	—
Pickups	2,000	—	2,020	7,505	49,021	—
Total Dodge	6,000	7,902	6,481	22,849	191,711	181,946
Cherokee	3,600	—	4,491	13,534	120,595	—
Commanche	800	—	987	3,118	30,439	—
Grand Wagoneer	0	—	332	976	9,191	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	212	778	7,090	—
Total Jeep	4,600	4,651	6,022	18,406	167,315	150,727
Voyager	1,800	—	2,317	7,263	59,480	—
Total Plymouth	1,800	—	2,317	7,263	59,480	—
CHRYSLER MOTORS	12,400	12,553	14,820	48,518	418,506	332,673
Aerostar	4,738	—	4,499	19,929	135,713	—
Bronco	897	—	755	2,469	37,482	—
Bronco II	2,422	—	2,927	12,806	87,287	—
Econoline	4,996	—	4,585	20,067	158,693	—
Heavy trucks	1,110	—	1,047	5,936	44,645	—
Light trucks	9,780	—	7,882	37,543	328,844	—
Ranger	5,751	—	7,045	30,548	237,049	—
Total Ford Div.	29,694	28,259	28,740	129,297	1,029,713	994,888
FORD MOTOR CO.	29,694	28,259	28,740	129,297	1,029,713	994,888
Astro	3,100	—	3,070	13,943	118,770	—
Blazer	375	—	366	755	17,498	—
Mediums/Heavies	420	—	488	2,911	13,651	—
P-Model	875	—	886	3,080	27,691	—
Pickups	6,550	—	6,504	30,369	234,250	—
S-10	5,650	—	5,247	27,025	204,798	—
S-10 Blazer	3,250	—	1,378	8,783	109,853	—
Sportsvan/Van	1,820	—	1,816	8,433	63,676	—
Suburban	990	—	982	2,069	47,034	—
Total Chevrolet	23,030	15,599	20,737	97,368	837,221	774,088
Jimmy	85	—	93	186	5,042	—
Mediums/Heavies	680	—	610	2,821	26,709	—
P-Model	120	—	124	369	3,726	—
Pickups	1,920	—	1,845	8,624	72,053	—
S-15	1,325	—	1,247	5,763	46,335	—
S-15 Jimmy	865	—	426	4,774	31,160	—
Safari	755	—	784	3,549	30,200	—
Suburban	385	—	392	755	20,598	—
Vandura/Rally Vans	563	—	564	2,398	23,775	—
Total GMC	6,698	4,938	6,085	29,239	259,596	259,045
GENERAL MOTORS	29,728	20,537	26,822	126,607	1,096,819	1,033,133
NAVISTAR	1,485	1,311	1,910	8,491	58,199	49,449
NISSAN	1,350	2,140	1,413	6,458	65,470	58,440
AM GENERAL*	450	450	450	2,070	15,660	10,260
MISCELLANEOUS*	2,300	2,300	2,300	10,580	80,040	80,200
Total Trucks, U.S.	77,407	67,550	76,455	332,021	2,764,407	2,559,043

CANADIAN TRUCK	Week Ended Sept. 3, 1988	Week Ended Sept. 5, 1987	Week Ended Aug. 27, 1988	Aug. Est.	Jan. 1 to Sept. 3, 1988	Jan. 1 to Sept. 5, 1987
Caravan	2,624	—	3,269	12,929	94,803	—
Mini-Ram Van	181	—	199	827	8,821	—
Ram Wagon	584	—	562	2,562	16,542	—
Ram Van	1,704	—	1,380	6,757	44,148	—
Total Dodge	5,093	6,927	5,410	23,076	164,314	273,840
Voyager	2,315	—	2,582	9,897	84,206	—
Total Plymouth	2,315	—	2,582	9,897	84,206	—
Wrangler	1,248	—	1,302	5,063	33,252	—
Total Jeep	1,248	692	1,302	5,063	33,252	22,878
CHRYSLER MOTORS	8,656	7,619	9,294	38,036	281,772	296,718
FORD MTR. (lt. trks.)	2,898	1,949	1,754	12,277	108,237	99,301
Light trucks	3,232	—	2,987	11,681	101,643	—
Vans	1,376	—	1,527	2,819	38,474	—
Total Chevrolet	4,608	—	4,514	14,500	140,117	—
Light trucks	1,568	—	1,650	5,513	51,526	—
Total GMC	2,142	—	2,046	6,508	71,355	—
GENERAL MOTORS	6,750	4,872	6,560	21,008	211,472	150,768
NAVISTAR	266	225	267	1,162	7,588	6,401
Total Trks., Canada	18,570	14,665	17,875	72,482	609,069	553,188
U.S., Canada Trks.	95,977	82,215	94,330	404,503	3,373,476	3,112,231

—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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Danger lurks in Taiwan's auto boom

Market too small to feed all players

By Jesse Snyder
AUTOMOTIVE NEWS STAFF REPORTER

TAIPEI, Taiwan — Eu Cha Wen works at the San Yang Industries assembly plant, installing weatherstripping on the Republic of China's version of the Honda Civic.

In his early 20s and not long out of school, he makes $700 a month (about $3.20 an hour). Not many years ago, workers like Eu would be more likely to own a San Yang motorcycle than a San Yang Civic.

But with the cost of a Civic under a year's pay thanks to higher wages, increased foreign competition and manufacturing efficiencies, cars are not so far out of reach, especially considering the phenomenal 35 percent personal savings rate of the average Taiwanese.

Taiwan's middle class has discovered the auto. With more than half the island's 19.5 million population already licensed to drive and seven million motorcycles and motorbikes already on the roads, demand for cars is skyrocketing.

Imported auto sales may triple this year and capture 40 percent of Taiwan's total new-car market, but local manufacturers still expect double-digit growth in domestic sales of about 200,000 units.

Even the virtual evaporation of Taiwan's budding whole-car export industry has not dented the enthusiasm of domestic manufacturers. There has been a 30 percent appreciation of the New Taiwan dollar against the U.S. dollar.

see TAIWAN, page 34

AUTOMOTIVE NEWS/JOE WILSSENS

Lane: Olds will do an exclusive model only if it has significant volume

Olds' split personality

Division wants cars to attract all ages

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

BRIGHTON, Mich. — Oldsmobile is attempting to do what some General Motors insiders and Oldsmobile dealers say may be impossible — keep 11 million loyal customers while luring young new ones.

Last week Oldsmobile showed off its 1989 products and unveiled an expensive ad campaign targeted at both "the younger, more contemporary buyer" and "the established, older Oldsmobile owner."

But will it work?

Can a single car division sell a futuristic Cutlass Supreme to a 35-year-old woman and a stretched, traditionally styled Toronado to a businessman in his mid-50s?

Oldsmobile's top executives publicly say it can be done, but within the division, the debate continues. And the debate appears to be impacting product plans.

Oldsmobile recently scrapped plans for the Silhouette, a futuristic-looking, four-passenger vehicle built off of the GM10 platform but smaller than Oldsmobile's version, the Cutlass Supreme.

The move has sent Oldsmobile back to the drawing board in search of a model exclusive to the division. However, an exclusive model no longer appears to be at

see OLDSMOBILE, page 68

Ford, Nissan choose Ohio for joint van plant

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

Ford Motor Co. and Nissan Motor Co. are expected to announce today that they will share production of a front-wheel-drive passenger van to be built by Ford in Avon Lake, Ohio.

Ford Executive Vice President Philip E. Benton Jr. was scheduled to make an announcement at 8 a.m. in Ford's Ohio Truck Works plant in Avon Lake, near Cleveland. Nissan President Yutaka Kume will make a similar announcement at about the same time in Tokyo. Ohio Gov. Richard Celeste was expected to join him.

Although the automakers declined to give details in advance of today's announcement, industry and union sources familiar with the project provided information. Job One is planned for Oct. 1, 1991.

Bodies for the medium-size van will be built in a new plant at the Avon Lake site. The vehicles will then be assembled in the plant that currently builds bodies for Ford's Econoline and Club Wagon vans, sources said.

The project also will include a new body shop for the Econoline/Club Wagon, which will continue to be shipped to Lorain, Ohio, for final assembly. A new paint shop in Avon Lake will serve both the Econoline/Club Wagon and Nissan-Ford van. Total investment will be about $2 billion, according to a union source.

Today's announcements will cap a 17-month study on the venture. Plans call for the van to be sold through Nissan and Lincoln-Mercury dealerships in the United States. It will be the first U.S. vehicle-sharing arrangement between the two countries' respective No. 2 automakers and will add another link to the growing ties between them.

The van will be larger than a Aerostar minivan but smaller than the Econoline, union sources said. A four-wheel-drive version may be offered later, a union source said.

While the joint venture van is a new vehicle for Lincoln-Mercury, auto analyst George Peterson, president of California-based AutoPacific Group and a former employee of both Nissan and Ford, says it is a replacement for Nissan's current rear-wheel-drive van. When Nissan introduced that vehicle two years ago, it said the van was an interim model.

Peterson said that Ford insisted on the front-drive configuration and concluded that was the reason why the U.S. automaker went with Nissan on the project rather than Mazda, which is set to introduce its own rear-drive van, known as the MPV, this fall.

He also expects the new model to be one of the first major projects

see FORD-NISSAN, page 70

OLYMPIC GOLD: *Rivals steal some of Buick's glitter*

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

What is the official car of the U.S. Olympic team? Though Buick paid $2.25 million to obtain that status, other carmakers — including another General Motors division — will bask in the Olympic spotlight, too.

Automakers such as Hyundai Motor America, American Isuzu Motors and some GM divisions are using their sponsorship of the telecasts of the Summer Olympic Games on NBC to link themselves to the games without paying for the much-coveted official vehicle status.

For example, ads being run by Hyundai, Isuzu and Chevrolet all use logos with Olympic rings and the NBC peacock symbol while promoting themselves as "proud sponsor of the 1988 Summer Olympic Games on NBC." The rings and logo are remarkably similar to the logo used by Buick and Jeep, the official truck/sport-utility vehicle of the U.S. Olympic team. The official logo has the USA symbol at the top of the rings.

"It does tend to diminish the effectiveness of the official car status," said Jay W. Qualman Jr., Buick general director of advertising. "Most people have trouble differentiating the two."

He added: "Other GM divisions asked us if they could (use the NBC/Olympics logo) and we told them they could. But it's still disappointing to pay all this money and see other people using the (NBC/Olympics) logo," Qualman said.

Buick was the official car of the games in 1984 and was faced with similar promotions from competitors, including Ford and Nissan.

Leon Rosen, American Isuzu manager of national marketing services, said the official Olympic sponsorship is not worth the cost, and the NBC television sponsorship gives the importer the same prestige for a lower price.

"The cost of the official Olympic sponsorship was not worth it. We got to use the rings. We're not bashful about it, we'll go

see OLYMPICS, page 69

Buick — official car of the Olympics

States challenge Chevy, GMC ad fee

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

The legality of Chevrolet and GMC Truck's new mandatory advertising charges on dealer invoice is being challenged in two Midwestern states, and a dealer association source says more states could follow suit this year.

The Ohio Automobile Dealers Association and three member dealers have filed what they hope will become a class-action lawsuit on behalf of 290 GMC Truck and Chevrolet dealers in Ohio over the division's one percent mandatory charge for advertising.

The suit, which was filed Sept. 8 in U.S. District Court in Columbus, Ohio, could take up to two months for class-action certification.

Meanwhile, Michigan Attorney General Frank J. Kelley told Chevrolet last month that the division's new mandatory advertising charge violates a 1981 Michigan law protecting dealers from such practices and the state would take "legal remedies"

see TAX, page 67

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hot Corrado
led for U.S.
Page 2

GM eyes parts link
with Nissan
Page 3

GM300 line
will debut in '90
Page 4

GOAL SET

Campbell stresses dedication to job

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

FLINT, Mich. -- Lewis Campbell, one of General Motors' newest vice presidents, was curious about what made the world's great leaders great.

So he studied them — Winston Churchill, Dwight Eisenhower, Mohandas Gandhi, the Kennedys and others.

Surprisingly, he found they had little in common. The one common thread they did share was what Campbell describes as a "fanatical dedication" to a simple belief.

In his new job as manager of the Flint Automotive Division of the Buick-Oldsmobile-Cadillac Group, the 42-year-old manufacturing engineer wants to instill in the 28,000 employees who work for him a fanatical dedication to customer satisfaction.

AUTOMOTIVE NEWS/JOE WILSSENS

Campbell: quality and costs top his list of areas for continued improvement

Campbell attributes the success of the Chevrolet Corsica and Beretta program to that fanatical dedication.

Campbell was named a manufacturing manager of the Chevrolet-Pontiac-GM of Canada Group as the Corsica and Beretta were in the works. It was his first job involving automotive assembly.

A graduate of Duke University with a bachelor's degree in me-

see CAMPBELL, page 68

GM's truck share rises, but cars slip

By Michelle Krebs and Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTERS

DETROIT — General Motors has gained on its competitors in the truck market but again has lost ground in car market share in the past six months, a slump that GM and analysts say is temporary.

For the first eight months of the calendar year, GM's share of the U.S. car market has eroded by a point to 36.49 percent, from 37.49 percent a year ago. Car share has been dropping month by month since February, and hit 33.99 percent in August, the lowest point since November 1987 when market share sunk to 32.70 percent after the Oct. 19, [illegible] Wall Street crash.

GM's age-[illegible]rivals, Ford Motor Co. and Ch[illegible]ler Motors, have gained car share at GM's expense. Ford's share has risen to 21.73 percent from 20.19 percent a year ago; Chrysler's share has edged up to 11.43 percent from 10.73 percent.

The Japanese makers also made fractional gains in the first eight months of the year, while the European luxury makes have lost nearly a point of car share.

But on a less glum note, GM's eight-month share of the total vehicle market is 35.84 percent, compared with 35.66 percent in 1987.

GM sold 191,437 more vehicles in the first eight months than it did in the year-ago period. More than three-fourths of the increased deliveries have come from GMC and Chevrolet trucks. GM's light-truck sales are up nearly 15 percent over year-ago levels, and GM's share of light trucks has risen nearly 3 points to 34.44 percent.

Ford and Chrysler showed only fractional increases in light-truck share, while the Japanese have lost more than 4 points of market share.

Despite GM's drop in car share, the automaker is expected to regain the ground it lost to close 1988 with a higher market share than it had at the end of 1987.

Auto analysts generally concur with Lloyd Reuss, GM executive vice president in charge of North American automotive operations, who recently predicted that GM would end 1988 with 37 percent of the car market.

The slip in car share is blamed, in part, to GM's slow launch of the GM10 series, particularly the Oldsmobile Cutlass Supreme, and the lack of a four-door, which debuts as a 1990 model. Sedans now make up nearly 70 percent of the car market, according to a study by auto analyst Maryann Keller of Furman Selz Mager & Dietz.

Keller said the lack of a four-door model is particularly damaging at this time of year when automakers are taking fleet orders, which generally are for sedans.

In addition, GM has cut back on rebates in recent months. Keller said GM appears to be testing the waters to see how much incentive it needs on cars as it waits to launch the new 1989s.

GM has yet to match Ford's latest corporate-wide round of incentives, which have been in place for two weeks. "GM appears to be trying to decide what the appropriate level of discount for underlying demand is," Keller said. "Maybe now they need bigger incentives than what they have had."

GM may be trying to launch its 1989 line without incentives as it did last year. However, Reuss said in a recent interview that he expects incentives to be in place throughout the 1989 model year.

GM also has kept its inventory in check during the summer. GM's days' supply of inventory has been

Complete monthly details, Page 24

running at about 60 to 65 during the summer, at a time of year when automakers are building inventory for the new model year launch.

Ann Knight, auto analyst for PaineWebber Inc., said GM has been caught in a "downward public perception spiral."

"I think what is going on is a round of negative press on the company. It's made people look at GM's cars more critically than they otherwise would have," she said.

Ron Glantz, auto analyst for Montgomery Securities, agreed: "GM's quality has improved quite a bit. It takes a couple of years for that information to spread. They do have the most aggressive product program, their new product is a lot better and there is residual loyalty to GM."

Further erosion in car market share, analysts caution, could be dangerous to GM in the long run.

"A company cannot afford to ignore the issue of market share loss," Keller said.

GM eyes parts link with Nissan

By Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTER

NASHVILLE, Tenn. — General Motors is contemplating a $20 million joint venture with a Nissan-owned subsidiary to manufacture air conditioner parts in Springfield, Tenn. However, the question of whether to do business with a non-union partner appears to be holding up the deal.

California-based Calsonic International, a unit of Calsonic Corp., Japan, has begun construction of a new 150,000-square-foot plant in Springfield, 30 miles north of Nashville. Calsonic Corp. is the newly adopted name for Nihon Radiator Co. of Tokyo, which has $1.6 billion in annual sales. Nissan Motor Co. Ltd. is the majority shareholder in the 50-year-old corporation.

If an agreement is reached, the joint venture would be a 50-50 partnership between the U.S. and Japanese manufacturers, according to Kentaro Arai, Calsonic International president and chief executive officer. Arau said the plant will serve GM's Saturn Corp. in nearby Spring Hill, Tenn.

A GM spokeswoman, meanwhile, said any discussion of a joint venture with Calsonic at this time is "purely speculative" and declined further comment. She also said the company has no current plans to use Calsonic as a Saturn supplier.

Calsonic and GM are already involved in a joint venture overseas. Calsonic-Harrison, a venture between the Japanese company and GM's Harrison Radiator Division, manufactures air conditioning compressors in Japan.

"GM has not decided if it will be a partner yet. There are many problems on their side," Arai noted. "But I hope it will come to be."

Arai said GM's decision to participate also appears to be hanging on profit issues within the corporation, as well as union relations.

Calsonic does not have UAW representation at its American plants. Calsonic officials believe GM is concerned that a joint venture with a non-union automotive company could create a problem with its labor relations.

Calsonic manufactures radiators, exhaust systems, heaters and air conditioning components in Shelbyville and McMinville, Tenn. The company also operates a metal stamping plant as a joint venture with Yorozu Manufacturing Corp., Japan.

The operations have principally supplied Nissan Motor Manufacturing Corp. U.S.A.'s car and truck production in Smyrna, 40 miles away.

While the UAW has so far been unsuccessful in its bid to organize Nissan's factory, GM has granted the union a prominent role in launching its Saturn plant nearby.

Arai said Calsonic's facility in Springfield will begin production of air conditioning components in June or July 1989. He said the facility would be "very technologically advanced," but did not offer specifics. Approximately 150 workers will be employed there, he added.

In the past five years, Calsonic has built three plants as part of a manufacturing hub in Shelbyville. It also persuaded Yorozu to build its joint-venture plant in Morrison, Tenn.; purchased a small country inn and restaurant in Tennessee; and financed a $2 million walking horse arena in Shelbyville.

INDEX

Around the world	40-42
Auction dates	58
Classifieds	59-67
Coming events	28
Inventories	70
News briefs	8
Obituaries	6
Opinion	10
Personnel	44
Production	71
Sales, car	24
Sales, truck	14
Truck industry	14

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Walbro boss beat raid, saved company town

By Edmund Fitzgerald
AUTOMOTIVE NEWS STAFF REPORTER

CASS CITY, Mich. — At a diner in Michigan's Thumb area, Walbro Chairman Bert Althaver knows everyone and everyone knows him.

"I wouldn't want to say this is a company town . . ." Althaver said. But across the room, his wife is having lunch. At another table, son Brian, an overseas manager for Walbro, is in the midst of a purchasing confab.

In this small town there are farms and there is Walbro. Many of the locals hold stock in Walbro, which is the town's largest employer — 450 of its 2,250 population. And nowadays, everyone can glad-hand Althaver.

But a year ago this month, Walbro was up to its neck in a hostile takeover attempt by a New York conglomerate. Rumors were that if the company were sold, it might also be moved.

Instead, this $110 million maker of automotive fuel systems and small-engine carburetors is sinking its roots deeper. Walbro recently signed to supply the fuel injection systems for Australia's Orbital Engine Co. in that company's two-stroke engine deal with Ford Motor Co. About 55 percent of Walbro's sales are automotive-related.

It was the company's versatility that made Walbro an attractive takeover target.

UIS Inc., New York City, is in the business of taking over businesses. Its 14 companies — half of them auto suppliers — top $500 million in annual revenues. UIS President Andrew Pietrini had said, "Walbro fits perfectly with our automotive group of companies."

Suffice it to say Althaver, 57, had other ideas. On Aug. 31, 1987, because its Walbro holdings had reached 5 percent, UIS was forced by U.S. Securities and Exchange Commission regulation to inform Walbro that it had been secretly buying up stock.

"It came out of the blue," Althaver said. "Their president called and said they were interested in buying two-thirds of our stock, and I said, 'No, thank you.' "

UIS tendered an offer to buy 60 percent of Walbro's 3.5 million outstanding shares at $27.25 per share.

Althaver wrote the stockholders and asked them to keep the faith. Many are Cass City locals who have been owners since Walbro's founding. When Althaver's father-in-law, Wally E. Walpole, opened the doors in 1954, working capital was in short supply and the townfolk anted up $25,000.

During the takeover attempt, Althaver said, "I had people coming up who said, 'I wish I could buy more stock, but I don't have the money.' "

One guy in town, who obviously did have the money, bought $100,000 worth of shares during the fight.

John Haire, owner of the Cass City Chronicle, said there was "a unanimity of support" for Walbro, and the town's stockholders signed pledges not to sell.

On the executive end, Althaver readied for a fight. He canceled vacation plans and took a crash course in corporate raids.

"I did nothing else for eight weeks," he said. Walbro hired a law firm that specializes in takeovers — Wachtell, Lipton, New York. "They do this kind of thing *every* day," Althaver said.

The outside appraisal came from Goldman Sachs, New York. It agreed that Walbro was

see WALBRO, page 54

August sales trail '87 as imports sag

But 8-month total shows big gain

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Light-truck sales in the United States during August fell just short of last year's monthly high, as weakness in the import segment continued to pull the overall industry level down.

Foreign-based manufacturers retailed 72,875 light trucks in August, down 15.43 percent from 86,172 a year ago.

Domestic manufacturers retailed 337,165 light duties, up 2.90 percent from 327,666 a year earlier.

The domestics' market share increased to 82.22 percent during the month, up from 79.18 percent a year earlier. The imports' share declined to 17.78 percent from 20.82 percent a year ago.

Overall, industry sales of 410,040 light-duty vehicles last month fell just short of the 413,838 for like 1987. However, sales of 3,353,893 light trucks for the first eight months of calendar 1988 continued to maintain a sizable lead over the 3,179,979 sold in the 1987 period, keeping the industry on course for another record year.

All domestic truck manufacturers except Dodge reported sales gains in August.

Jeep scored the highest monthly gain on sales of 20,898 units, up 33.27 percent from 15,681 a year earlier. Ford with 117,487 sales was up 2.50 percent from 114,622 a year ago.

Ford has been selling trucks at maximum capacity for most of the year and is currently running into a supply problem. It only has 30 to 45 days' supply in most of its lines, according to Edward E. Hagenlocker, and general manager of Ford truck operations.

Chevrolet's sales of 115,458 light duties during August were up 4.56 percent from 110,428 a year ago.

Chevrolet has substantially narrowed Ford's lead on a year-to-date basis from what it was at this time last year, but Chevrolet still trails Ford by 94,003 units.

Ford retailed 1,005,702 light trucks during the first eight months against 911,699 for Chevrolet.

Ford's eight-month total was up 6.05 percent from 948,358 last year, while Chevrolet's eight-month total was up 14.23 percent from 798,104 a year ago.

GMC continued to show strong gains with sales of 30,198 light trucks in August, up 5.83 percent from last year. Its eight-month total was 243,499, a 16.74 percent increase.

Chrysler Motors' August truck sales of 53,124 declined from 58,400 a year earlier. The company's eight-month sales of 537,234 light trucks still maintained a strong lead over 480,425 in the year earlier period. The figures include only Dodge and Plymouth trucks.

Chrysler, like Ford, has run into a supply problem on some vehicles like full-sized vans, which has adversely affected its sales.

LIGHT-DUTY TRUCK SALES

	August 1988	August 1987	8 Mos. 1988	8 Mos. 1987
Vans	15,427	14,673	129,016	123,801
Aerostar	14,327	14,624	127,621	112,247
Club Wagon	1,149	1,572	17,841	18,250
Ranger	27,925	23,304	211,914	221,705
Bronco	3,751	3,493	35,535	32,309
Bronco II	11,699	12,072	84,475	81,614
Pickups	43,209	44,884	399,300	358,432
Ford	**117,487**	**114,622**	**1,005,702**	**948,358**
Vans	10,082	10,437	90,666	74,884
Sportsvan	590	974	9,401	8,290
Astro	13,559	12,437	115,152	102,919
S-10	23,992	21,687	169,131	159,552
S-10 Blazer	16,962	17,245	115,687	104,022
El Camino	0	1,826	420	10,075
Blazer	1,738	2,476	18,264	19,624
Suburban	5,113	5,181	45,074	38,000
Pickups	43,422	38,165	347,904	280,738
Chevrolet	**115,458**	**110,428**	**911,699**	**798,104**
Vans	4,163	5,976	40,939	48,132
Ram Wagon	1,441	2,119	17,518	21,352
Voyager	12,465	10,917	135,863	91,410
Caravan	13,269	11,473	146,411	96,881
Mini Ram Van	1,607	976	14,224	9,211
Ram 50	4,192	6,290	40,293	47,475
Raider	483	2,311	4,451	13,230
Ramcharger	1,684	2,025	13,281	16,214
Dakota	8,207	9,531	66,007	71,526
Pickups	5,613	6,782	58,247	64,994
Chrysler	**53,124**	**58,400**	**537,234**	**480,425**
Vans	4,217	2,957	33,246	25,980
Safari	2,952	2,623	24,165	22,001
S-15	4,910	5,414	35,955	34,498
S-15 Jimmy	3,992	3,764	27,863	24,686
Jimmy	582	652	5,133	5,379
Caballero	0	227	80	1,275
Suburban	1,733	1,493	15,664	12,762
Pickups	11,188	10,866	97,453	77,365
P Model	438	393	2,914	3,641
W-4	186	146	1,046	990
GMC	**30,198**	**28,535**	**243,499**	**208,577**
Wrangler	2,465	2,114	27,636	19,796
Wagoneer	677	997	5,744	8,284
Cherokee	13,196	8,249	95,503	69,610
Grand Wagoneer	1,316	1,289	9,094	8,751
Comanche	3,244	2,988	27,267	26,234
J-10/J-20	0	44	221	1,041
Jeep	**20,898**	**15,681**	**165,465**	**133,718**
Toyota	23,208	27,115	170,219	212,743
Nissan	16,875	18,042	114,848	148,397
Mazda	7,675	20,484	66,670	92,440
Isuzu	9,689	8,233	56,451	61,595
Mitsubishi	2,874	4,055	30,143	34,021
Suzuki	12,208	7,905	49,756	59,182
Subaru	0	66	9	1,118
Range Rover	346	272	2,198	1,301
Imports	**72,875**	**86,172**	**490,294**	**610,797**
Industry Total	**410,040**	**413,838**	**3,353,893**	**3,179,979**

Compiled by Karen Dettowski

Product, computers make news at Mack

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Mack Trucks has introduced a lighter version of its MR heavy-duty refuse truck, a new series of air-ride suspension systems and a long compound transmission with more versatile power-takeoff operation.

The company also has completed the first phase of its Macknet electronic distributor communications system.

The initial PC-based phase connects about 200 domestic Mack dealers to the company's world headquarters in Allentown, Pa. It permits distributors to prepare and submit warranty claims to the home office, check on the status of warranty claims, submit truck orders, use the company's truck locator service and track the status of new-truck orders.

Frank C. Marth, Mack's information manager, customer services, said the computer-based communications have improved the company's speed and accuracy in serving customers.

The second phase of the Macknet system will include a parts stock ordering capability that will link its dealer network with all five of its distribution centers.

Also, there will be a parts locator service that will enable a dealer to search instantly for parts needs through stocks at his regional distribution center and all Mack distribution locations as well. An emergency parts-ordering function also will be part of Phase II.

Other system enhancements in the future will include a computerized sales book, an electronic mail system and a life-cycle cost comparison program for customers' use.

The Macknet system was provided by General Electric Information Services.

On the product side, Mack's new MR version is 1,100 pounds lighter than previous comparably spec'd MR models without losing strength or integrity, according to officials.

The lighter model has front-axle capacities of up to 20,000 pounds and rear-axle capacities up to 44,000 pounds.

A new 20,000-pound taperleaf front suspension was specially designed to accommodate the static loads typical in front-loader refuse operations.

Mack displayed the new vehicle at Waste Expo in Washington with a big illustration indicating its 16,940-pound chassis weight. The vehicle was weighted with 10 gallons of fuel and no driver.

A number of light-weight aluminum components were used to achieve the vehicle's weight reduction. They include aluminum fuel tanks and air reservoirs, lighter-gauge cab roof and grille.

Mack's new taperleaf front spring arrangement is a big contributor to the weight reduction, along with the use of two, 925-ampere cold-cranking batteries in place of the standard four-battery arrangement.

Mack's new T2070 long compound transmission has four side-mounted PTO openings and permits both engine and gear-dependent PTO operation.

That allows the user to run the vehicle at the desired road speed, while operating the PTO-driven equipment at optimum speeds independent of vehicle speed.

The ability to drive the PTOs at either engine or gear-dependent speeds at the same time is useful to vehicle operators in the construction, refuse and other specialty markets, according to Jerry Hodel, Mack's manager of engineering sales.

"For example, an operator whose vehicle is equipped with this new transmission can simultaneously run a winch, lift a body and move the truck at desired speeds by using both end speed and any one of the forward or reverse gear ratios," Hodel said.

Mack calls its new series of lighter air-ride suspension systems the Air Leaf. They have a base weight of 841 pounds.

Officials said they have a stronger main support member that is 1⅞-inch thick at the axle attachment point for a 38,000-pound unit and 1⅝-inch thick for the 34,000-pound unit.

Case frame hangers are also used for added strength and, through the use of drop-in shims, torque rods can be adjusted and axles easily realigned if necessary.

The new suspensions are available in three capacities: 36,000 pounds, 40,000 pounds and 46,000 pounds. They also feature three spacings: 52-inch, 54-inch and 60-inch.

The Air Leaf suspensions are available on R, MH and RW models for use with the Mack 34,000-pound, 38,000-pound and 44,000-pound rear axles.

Orders for heavy trucks show increase of 23% for month

New orders for heavy trucks surged to their third highest level in 10 years during July.

The annualized rate of 205,000 was topped only by 211,000 in March 1979 and 238,000 in March 1984, according to David Healy, automotive analyst for Drexel Burnham Lambert.

July's orders were up 23 percent from July 1987 and lifted the three-month average of order rates to 171,000 from 163,000 the previous three months.

Healy said he doubts that July's booming order rate will be sustained.

"But it remains to be seen whether orders are shifting to a new higher level or whether July's surge was a fluke and the truck business will revert to its pattern of recent months," he said.

Healy said it was possible that more new trucks were being ordered partly because of the increased difficulty of shipping commodities by barge.

"Low river levels in this drought-affected summer also seem to be lifting truck traffic, so it's becoming difficult to sort out how much of the increase in the tonnage carried by truck is due to the strong economy and how much to stranded river barges," he added.

The American Trucking Associations' index of truck tonnage carried was up 14 percent year-to-year in June and 11 percent for the first half of 1988.

TRUCKING TRENDS

JOSEPH BOHN

In any event, strong traffic trends are a precursor of strong truck orders and sales.

Meanwhile, Healy revised his projection of medium-truck sales for 1988 due to weaker sales and orders.

He is now looking for 155,000 medium-truck sales for the year, down from an earlier projection of 159,000.

Healy said medium-truck sales in the first quarter, which ran at an annualized rate of 182,000, were distorted by some unusually large fleet orders, inflating his earlier expectations for the year.

Associates deal

Western Star Trucks Inc., Mississauga, Ontario, and Associates Commercial Corp. of Canada Ltd. signed an agreement whereby Associates will provide wholesale and retail financing to Western Star's Canadian dealers.

Western Star custom designs and manufactures Class 8 heavy trucks, retailed by more than 150 North American dealerships.

It also markets trucks to Australia and New Zealand through a licensing agreement and to other countries.

Oshkosh wins contract

Oshkosh Truck Corp., Oshkosh, Wis., was awarded a $97.9 million option to produce 584 trucks on an existing U.S. Army contract.

Production of the trucks will begin in May 1989 and run through October 1989.

SALES

DOMESTIC CAR SALES

	Aug. 21, to Aug. 31, 1988	Same Period, 1987	Aug. 1988	Same Month, 1987	Jan. 1 to Aug. 31 1988	Same Period, 1987
Alliance	39	1,303	114	2,303	3,921	18,670
Eagle	0	162	0	292	1,392	2,800
Premier	1,289	0	3,347	0	25,640	0
Total Eagle	1,328	1,465	3,461	2,595	30,953	21,470
Horizon	3,378	387	8,651	1,236	43,594	38,272
Sundance	2,712	2,565	7,697	6,776	59,923	54,795
Turismo	0	626	0	1,526	1,115	14,630
Reliant	2,810	2,002	7,024	4,646	79,150	64,014
Caravelle	284	1,239	650	2,783	11,479	25,634
Gran Fury	285	278	745	755	9,783	5,333
Total Plymouth	9,469	7,097	24,767	17,722	205,044	202,678
Laser	0	0	0	0	0	4,308
LeBaron K	682	2,079	1,703	5,431	17,667	40,986
LeBaron J	2,821	5,224	7,530	11,697	72,931	49,177
LeBaron GTS	674	970	1,624	2,389	11,764	23,020
Fifth Avenue	709	2,675	1,463	6,560	29,240	32,639
New Yorker C	2,896	0	6,630	0	47,960	0
New Yorker E	31	1,965	69	4,741	14,334	39,070
Total Chrysler	7,813	12,913	19,039	30,818	193,896	189,200
Omni	3,085	268	7,938	898	41,836	30,798
Shadow	2,565	2,396	7,156	6,523	63,069	52,354
Charger	0	547	0	1,346	1,022	18,310
Daytona	2,287	1,636	6,030	4,230	53,795	25,021
Aries	2,442	2,372	6,478	4,794	70,689	60,964
Lancer	463	695	1,013	1,767	7,656	17,572
Diplomat	566	556	1,305	1,445	14,901	8,304
Dynasty	1,922	0	4,588	0	47,740	0
Dodge 600	274	1,443	591	3,018	10,528	24,840
Total Dodge	13,604	9,913	35,099	24,021	311,236	238,163
CHRYSLER MOTORS	32,214	31,388	82,366	75,156	741,129	651,511
Escort	13,742	14,552	34,962	39,422	260,850	264,452
Mustang	4,084	4,108	11,511	12,537	122,882	123,075
Tempo	8,783	5,181	24,193	15,152	195,061	160,429
Taurus	8,432	12,042	25,912	33,549	266,901	239,004
Thunderbird	3,819	5,063	10,288	14,270	89,295	86,674
Probe	3,467	0	8,812	0	35,096	0
Crown Victoria	3,149	2,527	7,760	7,814	80,460	82,732
Total Ford Div.	45,476	43,493	123,438	122,744	1,050,545	958,366
Lynx/Tracer	1,841	3,075	4,875	7,665	40,790	46,252
Topaz	3,156	1,794	7,950	4,630	60,921	46,760
Sable	2,634	4,131	9,510	11,135	86,500	67,808
Cougar	3,449	4,790	9,890	12,803	79,754	77,189
Marquis	0	0	0	0	0	2,510
Grand Marquis	3,247	3,299	8,477	9,931	78,860	77,511
Total Mercury	14,327	17,089	40,702	46,164	346,845	318,030
Continental	1,353	333	3,164	989	26,714	9,516
Lincoln	3,789	4,677	9,111	10,689	82,422	80,608
Mark VII	655	923	1,606	2,236	14,403	17,797
Total Lincoln	5,797	5,933	13,883	13,916	123,539	107,921
Total L-M Division	20,124	23,022	54,585	60,080	470,384	425,951
FORD MOTOR CO.	65,600	66,515	178,023	182,824	1,520,929	1,384,317
Skyhawk	771	1,451	1,771	3,843	18,689	25,982
Somerset/Skylark	1,991	2,516	5,525	6,786	43,413	49,348
Century	5,521	6,142	12,374	15,350	81,097	100,703
Regal	4,995	1,186	11,206	4,063	83,019	35,788
LeSabre	4,448	6,175	9,996	17,844	97,748	97,770
Reatta	149	0	380	0	2,337	0
Electra	3,932	3,217	8,644	8,467	57,150	51,508
Riviera	171	306	455	832	6,130	12,898
Total Buick	21,978	20,993	50,351	57,185	389,583	373,997
Cimarron	162	556	484	1,488	4,750	9,373
Allante	122	82	250	224	2,413	1,544
Seville	611	431	1,571	1,041	14,360	14,839
DeVille	5,272	7,011	12,498	17,320	102,546	98,738
Brougham	1,782	2,771	4,499	6,720	28,607	36,219
Eldorado	1,249	644	3,000	1,592	20,558	13,857
Total Cadillac	9,198	11,495	22,302	28,390	173,234	174,570
Chevette	0	123	0	363	205	16,345
Nova	3,231	5,137	7,920	14,029	76,324	108,865
Cavalier	8,845	8,968	25,417	24,806	209,893	214,409
Camaro	2,671	3,953	7,797	11,090	68,893	89,661
Celebrity	6,480	8,186	17,727	23,101	174,357	219,785
Corsica/Beretta	9,337	11,164	28,040	30,272	288,341	134,630
Monte Carlo	556	2,044	1,744	5,884	25,459	43,739
Caprice	4,148	7,137	12,349	19,039	117,410	123,374
Corvette	572	616	1,741	1,827	17,069	17,052
Total Chevrolet	35,840	47,328	102,735	130,411	977,951	967,860
Firenza	153	642	437	1,609	7,517	11,404
Calais	3,319	3,792	9,351	10,684	74,063	74,674
Cutlass Ciera	8,839	10,374	23,688	26,322	165,288	174,060
Cutlass Supreme	4,314	2,106	9,834	6,199	72,965	72,632
Olds 88	3,648	6,989	9,136	19,469	113,500	123,932
Olds 98	2,414	2,813	6,444	7,390	51,019	47,377
Toronado	450	280	1,165	852	11,314	12,280
Total Oldsmobile	23,137	26,996	60,055	72,525	495,666	516,359
Fiero	767	1,286	2,026	3,384	19,621	33,469
Pontiac 1000	0	59	0	154	154	4,482
Sunbird	2,194	2,489	5,985	6,932	56,889	59,150
Firebird	1,591	2,378	4,539	6,757	42,559	56,083
Grand Am	5,368	5,684	14,396	18,372	157,617	150,567
Pontiac 6000	2,612	3,459	6,482	9,009	66,098	82,119
Grand Prix	3,746	338	9,054	860	62,681	10,760
Bonneville H	2,319	0	5,578	0	75,913	0
Paris./Safari	236	4,124	553	11,119	4,809	72,464
Total Pontiac	18,833	19,817	48,613	56,587	488,341	469,094
GENERAL MOTORS	106,986	126,629	284,056	345,096	2,524,775	2,501,880
HONDA	14,699	13,757	33,486	29,741	247,487	210,839
Civic	6,399	4,547	13,677	9,535	73,690	68,648
Accord	8,300	9,210	19,809	20,206	173,797	142,191
MAZDA	1,508	0	3,232	0	20,260	0
NISSAN	6,651	6,281	13,794	12,856	73,912	88,063
TOYOTA	2,778	1,744	5,069	3,500	39,074	25,071
*VOLKSWAGEN	0	2,559	0	4,799	24,939	45,313
DOMESTIC TOTAL	232,436	248,873	600,026	653,974	5,192,505	4,906,994
IMPORT TOTAL			281,989	308,647	2,073,730	2,049,832
INDUSTRY TOTAL			882,015	962,621	7,266,235	6,956,826

*—U.S.-built Volkswagen models sold after June 30, 1988, are included in import totals.

Imports, domestics share 8% dip

By Philly Murths
AUTOMOTIVE NEWS STAFF REPORTER

A normal run of incentives could not boost August's deliveries of U.S.-built and imported cars to meet the year-ago total.

Combined sales of domestic and imported cars dropped 8.37 percent to 882,015, compared with last August's 962,621 deliveries, when there was an infusion of cut-rate financing plans and hefty rebates.

Domestic car sales without captives slid 8.25 percent, or 53,948 units, to 600,026 compared with last year's 653,974. Four of the seven domestic carmakers, Chrysler Motors, Honda, Toyota and Nissan, reported increases. Those carmakers reported domestic sales gains in the final 10-day sales period, too.

MARKET SHARES, AUGUST 1988

	Total Sales	Pct. of Total
SUBCOMPACT	97,000	11.00
COMPACT	164,041	18.60
INTERMEDIATE	236,010	26.76
STANDARD	98,578	11.18
SPECIALITY	4,397	0.50
IMPORT	281,989	31.96
TOTAL	882,015	100.00

IMPORTED CAR SALES

	August 1988	August 1987	8 Mos., 1988	8 Mos., 1987
Acura	12,448	10,317	84,815	70,155
Alfa Romeo	386	523	3,433	4,575
Audi	3,220	2,694	16,601	32,143
BMW	6,563	8,057	47,262	58,915
Chevrolet	11,078	15,335	85,918	87,823
Chrysler	762	1,070	7,442	8,393
Daihatsu	1,152	0	7,545	0
Dodge	4,656	6,171	37,477	40,986
Ford	6,575	5,172	47,698	10,529
Eagle	1,473	1,382	10,500	8,320
Honda	20,602	23,472	165,842	182,871
Hyundai	25,119	26,850	191,772	184,378
Isuzu	3,197	5,874	17,382	27,179
Jaguar	1,645	2,084	13,081	14,148
Maserati	30	66	590	654
Mazda	20,872	20,756	156,096	130,365
Mercedes-Benz	6,799	7,483	57,745	60,003
Mercury	1,756	2,482	10,138	9,537
Mitsubishi	7,606	6,351	48,486	47,482
Nissan	29,986	33,747	245,669	279,878
Peugeot	573	793	4,589	6,086
Plymouth	4,270	5,760	33,933	37,207
Pontiac	4,642	9,510	40,803	18,813
Porsche	1,247	2,137	11,390	17,012
Saab	4,019	4,657	26,876	31,498
Sterling	930	1,426	6,582	9,317
Subaru	14,516	17,745	101,711	109,695
Toyota	58,466	61,451	401,546	357,513
*Volkswagen	14,272	11,002	99,297	88,135
Volvo	9,625	10,080	68,015	80,951
Yugo	3,504	4,200	23,496	35,271
TOTAL	281,989	308,647	2,073,730	2,049,832

*—Volkswagen totals include U.S.-built models sold after June 30, 1988.

Sales charts compiled by Karen Delkowski

Import-car sales also fell 8.64 percent to 281,989, compared with 308,647 a year ago.

The Big 3's share of the U.S. car market declined in August. With their captives, they took 65.72 percent of the market, compared with 67.53 percent in August 1987.

General Motors' share including captives dropped 4.44 percentage points to 33.99 percent compared with 38.43 percent a year ago. Ford Motor Co. boosted its share 1.34 percentage points to 21.13 compared with 19.79 percent in 1987. Chrysler Motors' share with captives rose to 10.60 percent, compared with 9.31 percent in 1987.

Foreign carmakers took a 34.28 percent share compared with 32.48 percent in August 1987. Japanese carmakers held 25.44 percent compared with 23.46 percent last August. The Europeans' share slipped to 5.99 percent compared with 6.23 percent in 1987, and the Korean share inched up to 2.85 percent, from 2.79 percent.

For the month, Chrysler's domestic car sales rose 9.59 percent, while Ford's slipped 2.63 percent and GM's plummeted 17.69 percent.

Honda, Nissan and Toyota reported solid domestic gains. Honda delivered 12.59 percent more U.S.-built cars. Nissan was up 7.30 percent, and Toyota jumped 44.83 percent.

Mazda, which was not producing cars at its Flat Rock, Mich., plant, a year ago, reported sales of 3,232 U.S.-built cars in August.

Regarding imports, Honda's Acura Division had a 20.66 percent sales gain compared with last year, although deliveries of Honda's imported Civics and Accords fell 12.23 percent.

Audi's August sales rebounded and were 19.52 percent ahead of last year's comparable August sales.

U.S. CAR SALES BY MARKETING UNITS

	August 1988	Percent Share	August 1987	Percent Share	8 Mos., 1988	Percent Share	8 Mos., 1987	Percent Share
Alfa Romeo	386	0.04	523	0.05	3,433	0.05	4,575	0.07
American Honda	66,536	7.54	63,530	6.60	498,144	6.86	463,865	6.67
BMW	6,563	0.74	8,057	0.84	47,262	0.65	58,915	0.85
Buick	50,351	5.71	57,185	5.94	389,583	5.36	373,997	5.38
Cadillac	22,302	2.53	28,390	2.95	173,234	2.38	174,570	2.51
Chevrolet	113,813	12.90	145,746	15.14	1,063,869	14.64	1,055,683	15.17
Chrysler	19,801	2.24	31,888	3.31	201,338	2.77	197,593	2.84
Daihatsu	1,152	0.13	0	0.00	7,545	0.10	0	0.00
Dodge	39,755	4.51	30,192	3.14	348,713	4.80	279,149	4.01
Eagle	4,934	0.56	3,977	0.41	41,453	0.57	29,790	0.43
Ford	130,013	14.74	127,916	13.29	1,098,243	15.11	968,895	13.93
Hyundai	25,119	2.85	26,850	2.79	191,772	2.64	184,378	2.65
Isuzu	3,197	0.36	5,874	0.61	17,382	0.24	27,179	0.39
Jaguar	1,645	0.19	2,084	0.22	13,081	0.18	14,148	0.20
Lincoln	13,883	1.57	13,916	1.45	123,539	1.70	107,921	1.55
Maserati	30	0.00	66	0.01	590	0.01	654	0.01
Mazda	24,104	2.73	20,756	2.16	176,356	2.43	130,365	1.87
Mercedes	6,799	0.77	7,483	0.78	57,745	0.79	60,003	0.86
Mercury	42,458	4.81	48,646	5.05	356,983	4.91	327,567	4.71
Mitsubishi	7,606	0.86	6,351	0.66	48,486	0.67	47,482	0.68
Nissan	43,780	4.96	46,603	4.84	319,581	4.40	367,941	5.29
Oldsmobile	60,055	6.81	72,525	7.53	495,666	6.82	516,359	7.42
Peugeot	573	0.06	793	0.08	4,589	0.06	6,086	0.09
Plymouth	29,037	3.29	23,482	2.44	238,977	3.29	239,885	3.45
Pontiac	53,255	6.04	66,097	6.87	529,144	7.28	487,907	7.01
Porsche	1,247	0.14	2,137	0.22	11,390	0.16	17,012	0.24
Saab	4,019	0.46	4,657	0.48	26,876	0.37	31,498	0.45
Sterling	930	0.11	1,426	0.15	6,582	0.09	9,317	0.13
Subaru	14,516	1.65	17,745	1.84	101,711	1.40	109,695	1.58
Toyota	63,535	7.20	64,951	6.75	440,620	6.06	382,584	5.50
Volvo	9,625	1.09	10,080	1.05	68,015	0.94	80,951	1.16
VWoA	17,492	1.98	18,495	1.92	140,837	1.94	165,591	2.38
Yugo	3,504	0.40	4,200	0.44	23,496	0.32	35,271	0.51
TOTAL	882,015	100.00	962,621	100.00	7,266,235	100.00	6,956,826	100.00
TOTAL GM	299,776	33.99	369,943	38.43	2,651,496	36.49	2,608,516	37.49
TOTAL FORD	186,354	21.13	190,478	19.79	1,578,765	21.73	1,404,383	20.19
TOTAL CHRYSLER	93,527	10.60	89,539	9.30	830,481	11.43	746,417	10.73
TOTAL JAPANESE	224,426	25.44	225,810	23.46	1,609,825	22.15	1,529,111	21.98
TOTAL EUROPEAN	52,813	5.99	60,001	6.23	403,896	5.56	484,021	6.96
TOTAL KOREAN	25,119	2.85	26,850	2.79	191,772	2.64	184,378	2.65

Big 3 totals include their captive imports.
Percent share may contain error of one or two points due to rounding.

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AROUND THE WORLD

Europe's July car sales slip 2.7%

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — European new-car sales took another dip in July, but are still running ahead of 1987's record pace.

The Fiat Group has strengthened its hold on first place ahead of the Volkswagen Group, the sales leader for the past three years.

For the second time since January 1987, sales in Europe declined in July. The previous lapse was in April of this year.

Sales of 1,010,000 for July were down 2.7 percent, according to 17-nation industry estimates compiled by Automotive News. But year-to-date sales of 7,853,400 were 4.3 percent ahead of 1987 despite predictions of a downturn early in the year.

The outlook for the rest of the year remains relatively bullish. The British statistical group Automotive Industry Data predicted recently that 1988 sales will reach 12.4 million in 17 European markets where a record 12.26 million cars sold last year.

The group anticipates a second-half slowdown but said that "no sharp dip is expected that could totally wipe out the strong advance of the first half."

Fiat Group clings to the No. 1 position on the strength of the still buoyant Italian market, where its share is 60 percent. Fiat and Alfa-Lancia sales totaled 1,236,700, a 15.7 share of the overall Western European market in the first seven months.

The Italian group was up 7.7 percent for the year and up 3.7 percent in July. Among Europe's Big 6 automakers, only Fiat and Peugeot S.A. showed gains for the month.

Second-place Volkswagen lost ground to Fiat during July. Combined seven-month sales for the Volkswagen, Audi and Seat brands were 1,156,200, good for 14.7 percent of the total market and 1.3 percent ahead of last year's pace.

But the VW Group dropped 8.7 percent in July alone largely because of an even bigger overall decline in the West German domestic market.

Peugeot S.A., Europe's fastest-growing full-line maker, has gained more than one percentage point in market share in the past 12 months and now holds 12.7 percent on sales of 1,000,400 through July. Combined Peugeot and Citroen sales were up 14.2 percent for the year and improved 3.8 percent in July, the biggest gain among Europe's volume manufacturers.

Ford followed in fourth place with sales of 875,300 through July, an 11.1 percent market share. General Motors was fifth with 10.6 percent on sales of 831,700. Renault was next with a 10.3 percent share and unit volume of 806,800.

With its new 5 and 7 series, BMW has shown the biggest advance among European specialty manufacturers this year. Sales for the West German maker rose 14.9 percent through July, and market share increased to 2.7 percent. In July, BMW passed Toyota to move into Europe's top 10 in year-to-date sales.

The Japanese market share in Europe has held steady at 10.9 percent in 1988 as combined volume has increased 3.3 percent. Nissan remained number one among Japanese makes with sales of 216,900 through seven months, a 2.8 percent share and a sales increase of 5.4 percent. Toyota, Mazda and Mitsubishi have all suffered declines in Europe during 1988.

Only West Germany was down among the major national markets. Germany was off 13.8 percent in July.

In line with forecasts, seven-month sales in West Germany, Europe's largest market, were down 3.2 percent to 1,711,500 units, while sales increased 8.3 percent in Italy, 6 percent in France, 10.1 percent in the United Kingdom and 14.1 percent in Spain.

There are signs that Spain's phenomenal two-year growth binge is slowing. July sales were flat when compared with the same month in 1987. However, analysts still expect Spanish sales, which totaled 649,400 through July, to soar well over one million units for the first time this year.

EUROPEAN SALES

Manufacturer	7 months 1988	1988 share*	7 months 1987	Change 88 vs 87
Fiat Group**	1,236,700	15.7	1,148,800	+ 7.7
VW-Audi-Seat	1,156,200	14.7	1,141,000	+ 1.3
PSA***	1,000,400	12.7	876,100	+14.2
Ford	875,300	11.1	872,300	+ 0.3
General Motors****	831,700	10.6	819,600	+ 1.5
Renault	806,800	10.3	793,200	+ 1.7
Mercedes-Benz	272,300	3.5	204,000	+ 2.9
Austin Rover	250,100	3.2	236,100	+ 5.9
Nissan	216,900	2.8	205,700	+ 5.4
BMW	210,300	2.7	183,000	+14.9
Toyota	205,600	2.6	206,900	0.6
Volvo	152,100	3.0	161,000	1.8
Mazda	151,000	1.9	141,900	+ 6.4
Mitsubishi	91,200	1.2	94,700	– 3.7
Honda	85,700	1.1	70,000	+ 8.4
Others	305,100	3.9	306,400	– 4.2
Total	7,853,400	100.0	7,530,000	+ 4.3

* Total does not add up to 100 percent because of rounding
** Includes Alfa Romeo
*** Peugeot, Citroen, Talbot
**** Opel, Vauxhall, Isuzu, GM-U.S./Canada

NEW-CAR SALES BY COUNTRY IN EUROPE

Country	Jan.-July, 1988	Change on 1987
West Germany	1,711,500	– 3.2
Italy	1,436,900	+ 8.3
France	1,282,700	+ 6.0
United Kingdom	1,158,300	+10.1
Spain	649,400	+14.1
Netherlands	346,400	–13.3
Belgium-Luxembourg	312,800	+ 7.2
Switzerland	207,900	+ 6.8
Sweden	200,600	+ 8.4
Austria	161,400	+ 4.6
Portugal	115,700	+52.0
Finland	109,000	+13.5
Denmark	60,000	–25.1
Norway	44,100	–39.8
Ireland	43,900	+ 9.4
Greece	32,800	+ 4.8
Total	7,853,400	+ 4.3

Volvo profits rise 9% for quarter

GOTHENBURG, Sweden — Volvo Group said its operating income in the second quarter of 1988 rose 9 percent to a record 2.18 billion kroner ($335.72 million).

Improved second-quarter results partially offset first-quarter setbacks that were caused by production losses resulting from a three-week strike by white-collar workers in January and February.

Operating income for the first six months of 1988 declined 11 percent to 3.267 billion kroner ($503.12 million). Sales for the first half rose 3.17 percent to 45.759 billion kroner ($7.05 billion).

The company estimated that the strike cut first-half earnings by 1.1 billion kroner ($170 million).

Volvo said first-half net income was 23.90 kroner ($3.68) per share, compared with 26.90 kroner ($4.14) per share in the first half of 1987.

The company said its truck business remains strong. It blamed a decline in car group results on decreased penetration in the U.S. market caused by exchange rate fluctuations.

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A brief listing of the extensive activities planned includes opening addresses by Roger Smith and Raymond Levy, Chairmen and CEO's of GM and Renault respectively, and Tadashi Kume, President and CEO of Honda; a gala banquet at the Detroit Institute of Arts featuring jazz great Dizzy Gillespie; and a special reception at one of the nation's most exciting landmarks, the Air & Space Museum.

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For additional details please contact Raymond Champagne at SAE World Headquarters, 412/776-4841.

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AUCTION DATES

Chrysler Motors

Sept. 13 — Florida Auto Auction of Orlando, Ocoee, Fla.; American Auto Auction, Walpole, Mass.; Denver Auto Auction, Aurora, Colo.; Nashville Auto Auction, Nashville, Tenn.; South Seattle Auto Auction, Kent, Wash.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Sept. 14 — Minneapolis Auto Auction, Plymouth, Minn., and Butler Auto Auction, Gibsonia, Pa.

Sept. 15 — Clanton's Auto Auction, Darlington, S.C.; Northway Exchange, Clifton Park, N.Y.; Aptco Auto Auction, Taylor, Mich.; Salt Lake Auto Auction, Salt Lake City; Ark-La-Tex Auto Auction, Shreveport, La.; and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Sept. 16 — Manheim Auto Auction, Manheim, Pa.

Sept. 20 — Dallas Auto Auction, Grand Prairie, Texas; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; Hatfield Auto Auction, Hatfield, Pa.; Riverside Auto Auction, Riverside, Calif.; and Southern Auto Auction, Warehouse Point, Conn.

Sept. 21 — A.D.E. of Birmingham, Birmingham, Ala., and Columbus Fair Auto Auction, Obetz, Ohio

Sept. 22 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Southwest Auto Auction, Phoenix, Ariz.

Sept. 23 — St. Louis Auto Auction, Bridgeton, Mo.

Sept. 27 — Florida Auto Auction of Orlando, Ocoee, Fla.; American Auto Auction, Walpole, Mass.; Denver Auto Auction, Aurora, Colo.; Nashville Auto Auction, Nashville, Tenn.; South Seattle Auto Auction, Kent, Wash.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Sept. 28 — Minneapolis Auto Auction, Plymouth, Minn., and Butler Auto Auction, Gibsonia, Pa.

Sept. 29 — Clanton's Auto Auction, Darlington, S.C.; Northway Exchange, Clifton Park, N.Y.; Big Sky Auto Auction Inc., Billings, Mont.; Aptco Auto Auction, Taylor, Mich.; Ark-La-Tex Auto Auction, Shreveport, La.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Salt Lake Auto Auction, Salt Lake City

Ford Motor Co.

Sept. 13 — Harrisonburg Auto Auction, Harrisonburg, Va.

Sept. 14 — Concord Auto Auction, Acton, Mass.; Aptco Auto Auction, Taylor, Mich.; and Lakeland Auto Auction, Lakeland, Fla.

Sept. 15 — Baltimore-Washington Auto Exchange, Baltimore; Texas Hobby Auto Auction, Houston; and Southwest Auto Auction, Chandler, Ariz.

Sept. 20 — South Seattle Auto Auction, Kent, Wash.

Sept. 21 — Wednesday Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; and Southern California Auto Auction, Fontana, Calif.

Sept. 22 — Greater Chicago Auto Auction, Chicago; Denver Auto Auction, Aurora, Colo.; Skyline Auto Exchange, Fairfield, N.J.; and St. Louis Auto Auction, Bridgeton, Mo.

Sept. 27 — Bay Cities Auto Auction Inc., Hayward, Calif.

Sept. 28 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.; and Salt Lake Auto Auction, Salt Lake City

Sept. 29 — Interstate Auto Auction, Mercer, Pa., and Nashville Auto Auction, Nashville, Tenn.

Used Car Sales
Auction Averages

August 88	$6,019
Month ago	$5,994
Year ago	$6,054

Model Breakdown
Auction Averages

	AUGUST 1988	JULY 1988	JUNE 1988
1988	$12,473	$11,408	$112,545
1987	$7,919	$8,407	$8,668
1986	$6,891	$6,830	$7,327
1985	$5,819	$5,881	$5,801
1984	$4,308	$4,378	$4,534
1983	$3,583	$3,718	$3,721
1982	$2,479	$2,464	$2,529
1981	$1,887	$1,952	$1,932
Overall Average	$6,019	$5,855	$5,800

General Motors

Sept. 13 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; South Seattle Auto Auction, Kent, Wash.; and Manheim Auto Auction, Manheim, Pa.

Sept. 14 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Riverside Auto Auction, Riverside, Calif.; and Omaha Auto Auction, Omaha, Neb.

Sept. 15 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; and St. Louis Auto Auction, Bridgeton, Mo.

Sept. 20 — A.D.E. of Birmingham, Moody, Ala.; Florida Auto Auction of Orlando, Ocoee, Fla.; and National Auto Dealer Exchange, Bordentown, N.J.

Sept. 21 — Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Indianapolis Auto Auction, Indianapolis

Sept. 22 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; Nashville Auto Auction, Nashville, Tenn.; and Colorado Auto Auction, Commerce City, Colo.

Sept. 27 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas

Sept. 28 — Puget Sound Auto Auction, Auburn, Wash.; Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fremont, Calif.; and Omaha Auto Auction, Omaha, Neb.

Sept. 29 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah

Oct. 4 — Harrisonburg Auto Auction, Harrisonburg, Va.; Florida Auto Auction of Orlando, Ocoee, Fla.; and A.D.E. of Birmingham, Moody, Ala.

Oct. 5 — Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; Golden Gate Auto Auction, Fremont, Calif.; and Indianapolis Auto Auction, Indianapolis

Oct. 6 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; Southwest Auto Auction, Phoenix, Ariz.; Mid Ark Auto Auction, North Little Rock, Ark.; and Colorado Auto Auction, Commerce City, Colo.

Oct. 11 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; South Seattle Auto Auction, Kent, Wash.; and Manheim Auto Auction, Manheim, Pa.

Oct. 12 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Omaha Auto Auction, Omaha, Neb.; and Riverside Auto Auction, Riverside, Calif.

NADA unveils guidelines for ads

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Admitting that dealer advertising at times offends people, Jimmy Payton, president of the National Automobile Dealers Association, asked the group's 20,000-plus members to adhere to a set of association-developed ad guidelines.

Payton said the guidelines are needed because "some of our advertising offends people. Our research shows that consumers do find our advertising confusing, sometimes misleading, sometimes deceptive. The impression we give customers of our industry comes in part through our advertising."

In announcing the guidelines last week at NADA's Washington Conference, Payton said the move addresses concerns about the poor reputation car dealers have, even though most dealers as individuals are well-known and respected members of their communities.

The NADA recommendations cover availability of vehicles, what should be included in advertised prices, how advertised trade-in allowances should be presented, and how conditional offers should be made. The guidelines also discuss the use of retail terms, such as APR (annual percentage rate), invoice and rebate.

Payton said the advertising guidelines are based on work already done by various city and state dealer associations.

"We would suggest that if your state or local association does not have any guidelines for your members to follow — and you would like to set up a program to monitor dealer advertising — these guidelines can be of help to you," he said.

Payton cited several instances of dealers being fined for false advertising by state consumer protection agencies. "If we don't do a better job of regulating ourselves we are going to find there are folks who are going to do it for us."

Payton also unveiled a series of association advertisements that will run in USA Today, heralding the civic accomplishments of dealership employees across America.

He said the advertising campaign will expand if dealers contribute financially to the effort. NADA is asking its members to contribute $100 each. Vehicle manufacturers are also being asked to contribute, he said.

In commenting on Washington issues, Payton said the trade bill passed this year "doesn't do everything that we would have liked for it to have done," but added, "we have no main objection to the trade bill as every punitive clause is now hedged by a discretionary escape clause which makes the bill more palatable to us."

"On tax issues we have been successful in keeping the gas-guzzler tax out of the technical amendments bill, so we feel reasonably safe that the gas-guzzler tax is behind us for this year," Payton said. "It could have been devastating to parts of our business. There are many moderately priced vehicles including four-door sedans, station wagons and light-duty pickups, which may have been eliminated from the market place if the gas-guzzler tax had been put in place. NADA lobbied that issue very hard and has beaten it back for this year, but make no mistake — it will be back again," he said.

Payton said there are a host of mandated employee benefit issues looming on the horizon, including increased minimum wage, parental leave and mandatory health care. He said NADA would fight these.

"Again automobile dealers are not against health benefits, most of us already have health-benefit packages for our employees. We try to furnish them the very best packages that we can afford."

But, he said there is no need for government control over these benefits. "These measures are an example of unwarranted, unwanted and unneeded government intrusion into the relationship between you and your employees," Payton said.

"Hazardous waste is another matter that we have been concerned with this year. No matter who becomes president, environmental issues are a priority with the American people. We are going to have to do our part to help.

"That means that in the next Congress we are going to be hearing things about the disposal of waste oil, body shop chemicals and other materials, cleaning materials that we use in washing our cars; anything that affects the ground water and our environment. Our job is to step up to the responsibility to clean up our environment, but to oppose unrealistic or punitive regulations that could put us out of business and create joblessness in our communities," Payton said.

The association's chief counsel, William Newman, told the dealers that NADA has petitioned NHTSA for a second look at the agency's anti-tampering regulations for odometers. Newman said NADA wants NHTSA to allow dealers to exercise power of attorney for a vehicle seller, when the seller cannot be present to sign an odometer disclosure. Although NHTSA earlier rejected dealer arguments on this matter, NADA is preparing a cost/benefit analysis to show the financial harm the new regulations could cause dealers.

FORD-NISSAN

FROM PAGE 1

for Nissan Research & Development in Ann Arbor, Mich. Nissan Design International, located near San Diego, Calif., is said to have designed the vehicle.

Nissan, in addition to doing the design and engineering work, will also provide the tooling. But the assembly will be handled by Ford with no permanent Nissan staff on site.

No money will change hands, a union source said. Ford will "repay" Nissan for the design and tooling by giving it half the production.

With Ford producing a Japanese-developed vehicle in the United States, the project will apparently provide a new twist to the growing interdependence between U.S. and Asian automakers.

The Ford Probe, which is based on a Mazda platform, is built by Mazda along with the Mazda MX-6 in Flat Rock, Mich. Other U.S. assembly plants are owned jointly by domestic and Japanese companies — Toyota and General Motors in Fremont, Calif., and Chrysler Motors and Mitsubishi in Normal, Ill.

Ohio Truck currently employs about 1,370 workers. Ford has guaranteed at least 1,300 more new jobs by Job One, a union source said. The plant has no workers on layoff now and is hiring new help off the street.

Ford is said to be pushing for the team labor concept, where workers share tasks and job classifications are reduced. The local has agreed to discuss alternative production methods but has made no changes in its current contract, which expires in 1990.

Ford has also agreed to give the union a voice in the design of the new complex, particularly in such areas as cafeterias and locker rooms. Ford has also said it will build a technical training center on the site for skilled and semi-skilled tradesmen.

The company has also agreed to look into the possibility of providing health and welfare services, which may include day-care services and gymnasiums, union sources said.

In April 1987, the two companies said they would explore the potential for producing a vehicle together. The study moved to a second stage in February of this year. At the time Nissan said it had ruled out the possibility of building the van at its plant in Smyrna, Tenn.

A final decision had been expected this spring. But Ford recently said that questions about sourcing, profitability and other issues had postponed the conclusion.

In July, Ford exercised an option to to buy 108 acres adjacent to the Avon Lake plant.

The state of Ohio has offered a $22 million package for roads, sewers and other infrastructure improvements.

Neither company currently has a product in the fwd minivan segment. For Lincoln-Mercury, the project will also mean the entry of a truck-like vehicle to its lineup — products that have been the domain of Ford Division.

Both Ford and Nissan currently sell rear-drive compact vans — the Ford Aerostar and Nissan Van. With front-drive entries, they will enter an increasingly popular segment that has been dominated by Chrysler Motors' Dodge Caravan and Plymouth Voyager.

Sources have said that the vehicle will be powered by a 3-liter V-6 engine.

The announcement also marks another tie between Ford and Nissan, who have begun cooperating on a number of projects around the globe.

This year, Ford began selling a Ford-badged version of the Nissan Patrol, a light truck, in Australia. And Nissan dealers there recently started selling a version of Ford's Falcon pickup truck.

The companies have also talked about joining forces on a future car program in Australia, where a government restructuring plan has limited the number of models that can be sold.

In Europe, Ford and Nissan are looking into the possibility of jointly producing a utility vehicle. A decision is expected early next year.

For Ford, the Avon Lake plant will promise additional truck capacity at a time when the company has been straining to meet demand. Ford Division announced last week that it again expects to sell every truck it can build in the coming model year.

Ford has expanded truck-building capacity by more than 100,000 units since last year.

Automotive News Staff Reporter Louise Kertesz contributed to this story.

DOMESTIC DAYS' SUPPLIES

	Sept. 1, 1988	Aug. 1, 1988	Sept. 1, 1987
Alliance	143	161	115
Eagle	—	—	157
Premier	128	116	—
Total Eagle	129	118	119
Horizon	38	73	28
Sundance	58	53	47
Turismo	—	—	59
Reliant	54	79	128
Caravelle	91	131	86
Gran Fury	41	23	51
Total Plymouth	50	65	74
LeBaron K	52	78	64
LeBaron J	46	50	87
LeBaron GTS	73	105	128
Fifth Avenue	118	95	67
New Yorker C	84	79	—
New Yorker E	176	136	130
Total Chrysler	68	70	89
Omni	45	75	32
Shadow	62	56	50
Charger	—	—	61
Daytona	46	47	86
Aries	53	78	114
Lancer	106	133	122
Diplomat	68	68	53
Dynasty	72	46	—
Dodge 600	102	133	76
Total Dodge	57	64	78
CHRYSLER MTRS.	61	68	83
Escort	63	59	52
Mustang	54	52	45
Tempo	52	53	46
Taurus	47	43	54
Thunderbird	80	97	51
Probe	46	31	—
Crown Victoria	58	47	48
Total Ford Div.	57	54	51
Lynx/Tracer	131	106	55
Topaz	53	49	62
Sable	44	49	71
Cougar	51	71	44
Grand Marquis	37	31	32
Total Mercury	57	57	52
Continental	38	26	45
Lincoln	66	65	48
Mark VII	91	72	48
Total Lincoln	62	60	48
Total L-M Division	58	57	51
FORD MOTOR CO.	57	55	51
Skyhawk	75	98	78
Somerset/Skylark	50	53	74
Century	53	68	80
Regal	90	115	66
LeSabre	73	72	52
Reatta	186	160	—
Electra	60	85	69
Riviera	59	51	60
Total Buick	68	81	57
Cimarron	76	81	54
Allante	85	66	199
Seville	79	66	71
DeVille	47	56	39
Brougham	56	74	56
Eldorado	72	80	49
Total Cadillac	56	70	47
Chevette	—	252	69
Nova	106	116	52
Cavalier	54	46	59
Camaro	74	81	66
Celebrity	77	67	70
Corsica/Beretta	59	33	57
Monte Carlo	70	73	116
Caprice	90	64	47
Corvette	80	70	110
Total Chevrolet	70	54	62
Firenza	101	120	106
Calais	57	60	43
Cutlass Ciera	46	64	47
Cutlass Supreme	111	126	88
Olds 88	88	69	40
Olds 98	53	56	48
Toronado	62	71	64
Total Oldsmobile	66	73	50
Fiero	86	96	71
Pontiac 1000	—	—	84
Sunbird	52	49	51
Firebird	62	70	52
Grand Am	51	45	45
Pontiac 6000	65	61	90
Grand Prix	74	62	109
Bonneville H	93	70	—
Paris./Safari	86	99	83
Total Pontiac	65	58	64
GENERAL MTRS.	67	64	59
HONDA	14	11	8
MAZDA	37	34	—
NISSAN*	50	46	38
TOYOTA	28	17	66
VOLKSWAGEN	—	—	80
DOM. TOTAL	59	58	57
Subcompact	44	45	—
Compact	47	47	—
Intermediate	64	63	—
Standard	67	63	—
Speciality	92	87	—

*Automotive News estimate.

Inventory lowest in 23 months

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

The Sept. 1 stockpile of U.S.-built cars was the lowest in 23 months, despite August new-car sales that trailed year-ago totals by 8.25 percent.

Still, the industry's inventory of 1,315,919 unsold cars equaled a 59-day supply at the beginning of the month, very near the idealized target of a 60-day supply.

One month earlier, on Aug. 1, there were 1,406,740 domestic units in stock, a 58-day supply.

One year earlier, on Sept. 1, 1987, there were 1,436,835 units in stock, equal to a 57-day supply.

At the beginning of this month, Chrysler Motors, with a 61-day supply, accounted for 14.05 percent of the industry total, compared with 16.31 percent one month earlier.

Ford Motor Co., with a 57-day supply, accounted for 28.63 percent of the Sept. 1 total vs. 28.42 percent of the Aug. 1 total. General Motors, with a 67-day supply, accounted for 53.35 percent of the industry total on Sept. 1, compared with 52.39 percent on Aug. 1.

U.S.-built Honda models accounted for 1.29 percent of the stockpile on Sept. 1, vs. 0.95 percent one month earlier; Nissan had 1.94 percent vs. 1.33 percent; Toyota, 0.40 percent vs. 0.31 percent; and Mazda, 0.34 percent vs. 0.29 percent.

There were wide variances by market class on Sept. 1.

The largest days' supply of unsold automobiles was again the specialty class dominated by GM. The class, made up of Buick Reatta, Pontiac Fiero, Cadillac Allante and Chevrolet Corvette, stood at a 92-day supply on Sept. 1, up from an 87-day supply on Aug. 1.

The days' supply increased because of reduced daily selling rates in August as the number of units in stock for that class remained virtually unchanged from the month-earlier total.

Among the standard-sized models, there was a 67-day supply on Sept. 1 compared with a 63-day supply one month earlier. The unit total declined to 243,793 from 249,872 on Aug. 1.

However, the stock of unsold standard models accounted for 18.53 percent of total inventory on Sept. 1, compared with 17.76 percent one month earlier.

Tightest inventories at the beginning of the month were in the subcompact and compact classes.

Unsold subcompact cars remained in the shortest supply with a 44-day supply on Sept. 1 compared with a 45-day supply one month earlier. The industry total was 210,438 units, equal to 15.99 percent of all unsold cars, up slightly from 208,573 units which equaled 14.83 percent of all unsold domestic-made cars on Aug. 1.

The total number of unsold compact cars declined to 284,448 units on Sept. 1 from 312,600 on Aug. 1, equaling 21.62 percent of the inventory, and a 47-day supply.

Unsold intermediates equaled a 64-day supply on Sept. 1, virtually unchanged from the 63-day supply on August 1, although the unit total dropped to 562,209, or 42.72 percent of the industry total.

PRODUCTION

Truck output sets record for August

U.S. truck production for August totaled 334,266, the highest ever for that month. The total surpassed the previous August record of 299,363, set in 1987.

Last month's truck output was 39.36 percent more than July's 239,863.

Truckmakers scheduled production of 71,735 units last week, 9.82 percent below the previous week's 79,546 but 17.45 percent more than the year-ago week's 61,076.

Year-to-date, 2,838,281 trucks have been assembled, 8.39 percent more than the 2,618,603 completed last year at this point.

August car production of 498,043 was the highest for that month since 1984 when 557,060 cars were built.

The August total was 35.55 percent more than July's 367,431 and 20.57 percent more than the year-ago month's 413,076.

Last week's production schedule called for 118,235 cars, 13.55 percent below the prior week's 136,771 but 9.23 percent more than the year-ago week's 108,245.

So far this year, 4,740,331 cars have been built, 3.90 percent below the 4,932,743 assembled last year at this time.

Companies split last week's scheduled production as follows: General Motors, 50.88 percent; Ford Motor Co., 22.34 percent; Chrysler Motors, 13.79 percent; Honda of America Manufacturing Inc., 4.93 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.92 percent; New United Motor Manufacturing Inc., 2.20 percent; and Nissan Motor Manufacturing Co. U.S.A., 1.94 percent.

GM said it will close its Doraville, Ga., plant today for two weeks to change operating plans and job assignments. The plant assembles the Oldsmobile Cutlass Supreme, which had an 111-day inventory on Sept. 1.

Ford's Lorain, Ohio, plant is idle for model changeover until October. Ford slated overtime next Saturday at Wixom and Wayne, Mich.; and Kansas City, Mo.

Canada follows on record path

Canadian truckmakers set an August record with assembly of 72,029, surpassing the previous peak of 65,386 built in 1984.

August truck output was more than double July's 34,647, when several plants were idle for changeover, and was 34.84 percent more than the year-ago month's 53,417.

Last week's estimated truck production of 16,973 was 5.59 percent below the previous week's 17,978 but 23.48 percent more than the year-ago week's 13,745.

Car production for August of 64,996 was the highest for that month since the the 1985 total of 89,702.

Last month's car build was 80.93 percent more than July's 35,923 and more than double the year-ago month's 27,573 when several plants were closed for changeover.

Automakers scheduled production of 16,509 cars last week, 8.35 percent below the prior week's 18,013 but 34.99 percent more than the year-ago week's 12,230.

U.S. CAR	Week Ended Sept. 10, 1988	Week Ended Sept. 12, 1987	Week Ended Sept. 3, 1988	Aug. Total	Jan. 1 to Sept. 10, 1988	Jan. 1 to Sept. 12, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	1,000	243	1,246	699	56,135	33,097
Sundance	1,500	1,312	1,665	5,585	70,374	64,902
Reliant	1,600	2,745	1,651	886	59,511	82,245
Caravelle	0	509	0	33	9,087	33,499
Gran Fury	100	188	249	800	16,024	4,279
Total Plymouth	4,200	4,997	4,811	8,003	211,131	218,022
LeBaron K	0	799	0	0	7,912	49,600
LeBaron J	1,600	1,890	1,896	4,145	52,227	79,794
LeBaron GTS	100	652	158	603	6,419	27,951
N. Yorker E-Class	0	1,016	0	0	0	56,522
N. Yorker C-Class	1,600	777	1,922	6,507	72,135	2,011
Fifth Avenue	700	1,913	994	3,294	20,178	38,054
Total Chrysler	4,000	7,047	4,970	14,549	158,871	253,932
Omni	1,000	251	1,234	719	54,836	28,463
Daytona	1,600	1,600	1,919	4,092	51,461	40,375
Shadow	1,600	1,510	1,886	5,685	69,695	66,933
Aries	1,600	2,225	1,895	1,084	58,065	76,225
Dodge 600	0	446	0	0	8,549	29,985
Dynasty	2,000	117	2,384	8,384	70,790	382
Lancer	100	398	154	410	6,170	17,484
Diplomat	200	345	303	1,024	13,723	7,923
Total Dodge	8,100	6,892	9,775	21,398	333,289	267,770
CHRYSLER MOTORS	16,300	18,936	19,556	43,950	703,291	755,718
Escort	6,425	7,242	8,506	38,630	269,328	262,553
Mustang	3,610	4,359	4,212	14,966	138,960	149,082
Tempo	3,134	151	3,187	13,065	127,993	100,546
Taurus	6,369	6,711	7,621	32,855	271,934	286,966
Thunderbird	0	2,215	0	0	90,246	109,140
Total Ford Div.	19,538	20,678	23,526	99,516	898,461	908,287
Lynx	0	0	0	0	0	21,352
Topaz	1,266	49	1,187	5,204	48,372	33,084
Cougar	0	2,240	0	0	69,686	97,328
Sable	2,021	1,384	2,319	10,685	92,436	91,080
Total Mercury	3,287	3,673	3,506	15,889	210,494	242,844
Continental	1,194	0	1,458	5,780	32,484	9,610
Mark VII	600	557	724	2,876	17,362	19,379
Lincoln	1,795	2,803	2,186	8,667	88,740	97,485
Total Lincoln	3,589	3,360	4,368	17,323	138,586	126,474
Total L-M Division	6,876	7,033	7,874	33,212	349,080	369,318
FORD MOTOR CO.	26,414	27,711	31,400	132,728	1,247,541	1,277,605
Skyhawk	462	849	483	1,364	11,900	20,931
Skylark/Somerset	940	1,137	1,410	3,420	33,215	43,025
Century	3,756	2,414	4,292	10,384	80,167	118,693
Regal (rwd)	0	450	0	0	0	31,521
Riviera	333	176	287	228	4,342	8,971
Electra	979	1,634	1,217	5,153	57,910	62,968
LeSabre (fwd)	184	3,554	216	12,120	85,864	99,385
LeSabre (rwd)	2,860	106	2,925	571	12,352	6,379
Reatta	181	0	239	910	6,439	0
Total Buick	9,695	10,322	11,069	34,150	292,189	391,873
Cimmaron	0	144	0	0	3,693	8,064
Eldorado	348	263	321	652	24,544	13,372
Seville	262	297	232	452	15,299	11,321
Brougham (rwd)	732	1,008	798	2,836	22,152	48,099
Deville (fwd)	1,808	2,380	1,392	1,110	100,781	97,521
Allante	32	116	12	0	1,179	3,629
Total Cadillac	3,182	4,208	2,755	5,050	167,648	182,006
Cavalier	6,274	3,620	6,645	28,629	248,536	216,695
Camaro	1,972	1,694	2,055	3,661	60,763	85,696
Celebrity	2,520	3,400	3,514	14,627	125,024	208,192
Corsica/Beretta	7,488	5,780	9,196	43,319	286,348	222,923
Monte Carlo	0	1,435	0	0	0	48,394
Caprice	3,296	2,422	3,713	18,370	144,107	129,299
Corvette	360	512	451	2,075	15,361	18,960
Total Chevrolet	21,910	18,863	25,574	110,681	880,139	930,159
Calais	2,900	1,968	2,367	5,783	75,103	78,115
Firenza	0	396	0	0	5,230	3,735
Cutlass Ciera	740	0	794	1,109	15,754	99,968
Cutlass Supreme	3,200	1,335	3,432	6,130	101,218	53,209
Toronado	110	203	130	401	10,769	10,676
88 (fwd)	2,300	3,270	2,754	12,852	106,277	118,328
88 (rwd)	120	0	200	1,013	8,383	10,656
Olds 98	866	1,467	1,099	4,598	51,013	47,684
Total Oldsmobile	10,236	8,639	10,776	31,886	373,747	430,965
Sunbird	2,129	892	2,508	7,607	73,345	63,017
Grand Am	4,200	3,612	4,827	14,595	159,055	166,559
Firebird	1,324	1,077	1,349	2,507	42,024	56,822
Grand Prix	3,348	0	4,052	12,171	89,110	0
Pontiac 6000	2,072	1,814	2,305	8,840	54,790	56,521
Bonneville	1,940	2,175	2,546	10,251	77,213	89,478
Safari/Parisienne	124	138	147	601	5,563	6,853
Fiero	0	85	0	1,159	13,260	20,774
Total Pontiac	15,137	9,793	17,734	57,731	514,380	460,024
GENERAL MOTORS	60,160	51,825	67,908	239,498	2,228,103	2,395,027
HONDA	5,830	5,184	7,318	33,814	253,730	230,736
Civic	1,979	37	2,821	11,551	73,536	71,505
Accord	3,851	5,147	4,697	22,263	180,194	159,231
MAZDA†	4,635	0	4,404	20,121	86,093	0
NISSAN	2,296	1,975	2,898	12,987	75,428	92,487
NUMMI	2,600	2,614	3,287	14,945	110,550	138,041
Corolla	960	698	1,173	5,352	40,361	29,344
Nova	1,640	1,916	2,114	9,593	70,189	108,697
VOLKSWAGEN	0	0	0	0	35,595	43,129
Golf/GTI	0	0	0	0	30,042	34,775
Jetta	0	0	0	0	5,553	8,354
Total Cars, U.S.	118,235	108,245	136,771	498,043	4,740,331	4,932,743
Total Cars, Canada	16,509	12,230	18,013	64,996	740,745	522,066
U.S., Canada Cars	134,744	120,475	154,784	563,039	5,481,076	5,454,809
U.S., Canada Cars and Trucks	223,452	195,296	252,308	969,334	8,944,807	8,638,898

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended Sept. 10, 1988	Week Ended Sept. 12, 1987	Week Ended Sept. 3, 1988	Aug. Total	Jan. 1 to Sept. 10, 1988	Jan. 1 to Sept. 12, 1987
Eagle	0	—	0	0	0	—
Premier	1,020	—	966	1,674	42,064	—
CHRYSLER MOTORS	1,020	95	966	1,674	42,064	3,806
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	2,218	—	2,360	13,469	122,432	—
Topaz	1,100	—	1,053	6,382	45,728	—
Crown Victoria	2,227	—	2,484	9,279	88,053	—
Grand Marquis	2,333	—	2,632	9,616	88,695	—
FORD MOTOR CO.	7,878	4,131	8,529	38,746	344,908	308,847
Celebrity	152	—	161	1,651	14,840	—
Cutlass Ciera	2,664	—	3,362	8,658	167,567	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	0	29,675	—
Regal	3,600	—	3,793	8,387	108,144	—
GENERAL MOTORS	6,416	7,542	7,316	18,696	320,226	192,547
Civic	1,195	—	1,202	5,880	27,206	—
Accord	0	—	0	0	1,828	—
HONDA	1,195	282	1,202	5,880	29,034	9,819
VOLVO	0	180	0	0	4,513	7,047
Total Cars, Canada	16,509	12,230	18,013	64,996	740,745	522,066

U.S. TRUCK☆	Week Ended Sept. 10, 1988	Week Ended Sept. 12, 1987	Week Ended Sept. 3, 1988	Aug. Total	Jan. 1 to Sept. 10, 1988	Jan. 1 to Sept. 12, 1987
Caravan	1,800	—	1,961	8,247	64,949	—
Dakota	1,600	—	2,106	8,023	72,243	—
Mini-Ram Van	200	—	111	351	9,276	—
Pickups	1,600	—	2,108	8,017	50,729	—
Total Dodge	5,200	7,172	6,286	24,638	197,197	188,348
Cherokee	3,700	—	3,582	13,536	124,277	—
Commanche	800	—	780	3,125	31,219	—
Grand Wagoneer	200	—	0	983	9,391	—
Pickups	0	—	0	0	0	—
Wagoneer	100	—	200	784	7,190	—
Total Jeep	4,800	3,712	4,562	18,428	172,077	154,478
Voyager	1,700	—	1,888	7,953	61,268	—
Total Plymouth	1,700	—	1,888	7,953	61,268	—
CHRYSLER MOTORS	11,700	10,884	12,736	51,019	430,542	342,826
Aerostar	4,000	—	4,686	19,777	139,663	—
Bronco	731	—	878	2,451	38,194	—
Bronco II	1,861	—	2,916	13,034	89,642	—
Econoline	4,501	—	4,732	19,857	162,930	—
Heavy trucks	1,045	—	1,323	6,067	45,903	—
Light trucks	8,198	—	9,779	37,467	337,041	—
Ranger	4,947	—	6,766	30,975	243,011	—
Total Ford Div.	25,283	26,562	31,082	129,628	1,056,384	1,021,805
FORD MOTOR CO.	25,283	26,562	31,082	129,628	1,056,384	1,021,805
Astro	2,741	—	3,111	13,898	121,522	—
Blazer	424	—	469	813	18,016	—
Mediums/Heavies	420	—	613	2,064	14,264	—
P-Model	718	—	866	3,044	28,400	—
Pickups	6,605	—	6,447	30,706	240,752	—
S-10	5,462	—	5,255	24,936	209,865	—
S-10 Blazer	3,192	—	3,362	11,783	113,157	—
Sportsvan/Van	1,586	—	1,830	8,574	65,272	—
Suburban	1,384	—	1,235	2,232	48,663	—
Total Chevrolet	22,532	10,248	23,188	98,050	859,911	785,471
Jimmy	122	—	148	221	5,227	—
Mediums/Heavies	680	—	495	2,763	27,204	—
P-Model	98	—	102	364	3,806	—
Pickups	2,059	—	2,003	8,810	74,195	—
S-15	1,220	—	1,240	4,852	47,470	—
S-15 Jimmy	954	—	931	5,532	32,180	—
Safari	695	—	892	3,598	31,032	—
Suburban	536	—	628	883	21,377	—
Vandura/Rally Vans	498	—	564	2,434	24,274	—
Total GMC	6,862	7,600	7,003	29,457	266,765	264,363
GENERAL MOTORS	29,394	17,856	30,191	127,507	1,126,676	1,049,834
NAVISTAR	1,496	1,295	1,411	8,624	59,621	50,774
NISSAN	1,112	1,729	1,376	6,488	66,608	60,154
AM GENERAL*	450	450	450	1,800	16,110	10,710
MISCELLANEOUS*	2,300	2,300	2,300	9,200	82,340	82,500
Total Trucks, U.S.	71,735	61,076	79,546	334,266	2,838,281	2,618,603

CANADIAN TRUCK	Week Ended Sept. 10, 1988	Week Ended Sept. 12, 1987	Week Ended Sept. 3, 1988	Aug. Total	Jan. 1 to Sept. 10, 1988	Jan. 1 to Sept. 12, 1987
Caravan	2,420	—	2,717	12,973	97,316	—
Mini-Ram Van	170	—	138	786	8,948	—
Ram Wagon	496	—	552	2,393	17,006	—
Ram Van	1,384	—	1,736	6,904	45,564	—
Total Dodge	4,470	5,347	5,143	23,056	168,834	278,631
Voyager	2,530	—	2,171	9,763	86,592	—
Total Plymouth	2,530	—	2,171	9,763	86,592	—
Wrangler	988	—	1,072	5,126	34,064	—
Total Jeep	988	691	1,072	5,126	34,064	23,420
CHRYSLER MOTORS	7,988	6,038	8,386	37,945	289,490	302,051
FORD MTR. (lt. trks.)	2,699	2,762	2,867	12,142	110,905	102,194
Light trucks	3,032	—	3,083	11,473	104,526	—
Vans	1,260	—	1,341	2,766	39,699	—
Total Chevrolet	4,292	—	4,424	14,239	144,225	—
Light trucks	1,288	—	1,540	5,584	52,786	—
Vans	495	—	491	953	20,241	—
Total GMC	1,783	—	2,031	6,537	73,027	—
GENERAL MOTORS	6,075	4,765	6,455	20,776	217,252	154,659
NAVISTAR	211	180	270	1,166	7,803	6,582
Total Trks., Canada	16,973	13,745	17,978	72,029	625,450	565,486
U.S., Canada Trks.	88,708	74,821	97,524	406,295	3,463,731	3,184,089

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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New system flies again for Ford

T-bird/Cougar adopt Taurus plan

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — In a repeat of the process they first employed for Taurus and Sable, Ford engineers developing the 1989 Cougar and Thunderbird identified which competitors in the specialty class do the best job in 357 design elements that customers can see, touch or feel.

When Ford designed Taurus and Sable, it compared some 400 design elements, ranging from the size and heft of the ignition key to ride and handling. It set goals for those cars against other vehicles determined to be "best-in-class."

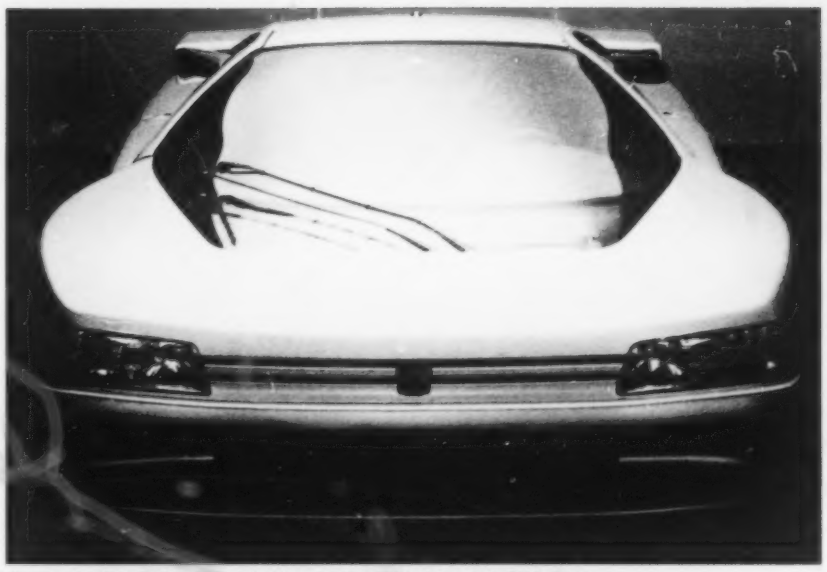
The runaway sales success of Taurus/Sable led Ford to continue this process of comparing and improving on the seemingly minor details that may make the difference between a good and great car.

Similar approaches have gained favor at General Motors, with its highly publicized Mona Lisa program, and at Chrysler Motors, which calls its process the "slickness" program.

Ford's documents show that early in the design phase of the 1989 Thunderbird/Cougar, Ford was judging the 357 design elements of competitive cars determined to be "best in class." Ford engineers believe the new Thunderbird/Cougar will be better than those top competitors in more than 75 percent of these design elements.

The report is broken down into sections describing the effort needed to operate virtually every control, lever or panel that might be touched by the customer. It also describes man-and-machine interaction noticable by customers, and vehicle dynamics including ride, steering, handling, powertrain smoothness and driveability.

see CLASS, page 57



Peugeot's sleek OXIA packs a 2.8-liter, 680-hp, 24-valve, twin-turbo V-6

PARIS: *Makers take wraps, gloves off for market-share fight in Europe*

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

PARIS — Two major car launches at the Paris Auto Show next week could mark the start of European sales rankings being turned upside down and could offer a glimpse of what is in store for the United States.

And, on a larger scale, Paris and Britain's Birmingham show two weeks later will begin to take the wraps off European automakers' strategies to deal with post-1992 unification of the Common Market. That move is expected to make those manufacturers much tougher global competitors.

While General Motors and Renault have dropped to fifth and sixth place, respectively, among Europe's Big Six volume makers, they are clearly out to boost market share with crucial products debuting at Paris — the Renault 19 in the Volkswagen Golf/Fiat Tipo class and the Opel Vectra/Vauxhall Cavalier in the Ford Sierra/VW Passat segment.

Neither R-19 nor Vectra is pegged for North America at the moment. But other cars debuting at Paris or at the Birmingham show in mid-October are aimed directly at the United States.

They include Volkswagen Corrado, Audi's new V-8 and coupe, a revised Mercedes-Benz 190, BMW Motorsport's M-5, the special edition Jaguar XJR-S coupe and the new Aston Martin V-8. Citroen, whose U.S. plans are still uncertain, will have a new four-wheel-drive BX compact hatchback on its Paris stand.

The show will also focus world attention on the French auto giants Renault and Peugeot and their chief executives.

Life has changed for the two French carmakers since the last Paris gathering two years ago. Renault is out of the red, and Peugeot has improved its profitability and is gaining market share faster than any other volume manufacturer in Europe.

But Peugeot S.A. President Jacques Calvet and Renault Chairman Raymond Levy, the two men in the spotlight next week, will be pressed about such matters as the future of Renault's privatization drive under France's new socialist government and Calvet's unabashed target of making Peugeot No. 1 in both European sales and profits by the early 1990s.

Aside from giving their top executives a forum, the Paris show will also provide Renault and Peugeot an opportunity to show off their concept of the future.

Renault should turn heads with its Megane prototype, a slippery three-box show car with an 0.21 drag rating and 3-liter V-6 engine.

see PARIS, page 59

Chevy eases ad refunds to dealers

By Laura Clark and Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTERS

LAS VEGAS, Nev. — Chevrolet last week told its dealers that it will rescind a requirement that would have forced dealers to join advertising associations before qualifying for certain ad refunds.

The announcement came at the 1989 national dealer meeting, where Chevrolet also revealed that it will create a family of cars under the Lumina badge.

At the same time, Chevrolet General Manager Robert Burger said the division will be getting tough with dealers to improve their customer satisfaction index ratings and to boost market share in their individual areas. Burger said Chevrolet dealers have slid to fourth place among GM's five divisions for CSI. Burger blames dealers, in part, for the division's slip into second place, behind Ford Division in sales.

Chevrolet predicted it will sell 1.55 million cars in the 1989 model year compared with 1.32 million in 1988, plus 1.475 million 1989-model trucks compared with 1.513 million in the 1988 model year.

Chevrolet expects the Lumina family to be its highest-volume models in the 1990s. It will include sedan and coupe versions of the mid-sized GM10 as well as the plastic-bodied all-purpose van.

The vehicles are being branded together for cost-effectiveness of advertising and collectively should account for about 17 percent of all Chevrolet car sales, according to Michael Erdman, Chevrolet general marketing manager. However, they will not be sold under a separate franchise addendum, as is the new Chevy Geo line.

The Lumina sedan goes into production as a 1990 model very early in 1989, with a national introduction in May 1989. Chevrolet said it will build about 100,000 sedans by the following fall.

Early production models will go into daily rental fleets, a segment of the market that will be crucial to the success of the Lumina. The Lumina replaces Chevrolet's highest-volume fleet car, Celebrity.

The Lumina coupe and the Lumina van will be introduced nationally in the fall of 1989.

The division hopes that the Lumina models will attract buyers in the 30- to 47-year age range with annual household incomes of $43,000 and up. They will compete with the Ford Taurus.

Executives said that 80 percent, or about 4,000 of its 4,900 dealers, have signed up to sell its new Geo line of imports and cars built by the Toyota-General Motors joint venture.

see CHEVY, page 6

Chrysler takes on GM

Conquest success triggers ad stinger

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Claiming that a sizable percentage of Chrysler New Yorker sedan sales are General Motors conquests, Chrysler Motors will launch a direct-mail campaign to more than one million owners of GM luxury and intermediate-sized cars in the 1989 model year and will take on GM by name in television advertising.

Chrysler claims that 35 percent of New Yorker sales are made to persons who replace a GM car with a New Yorker.

That rate influenced the company to create a television ad that specifically mentions GM. Chrysler has rarely used such head-on advertising in recent years.

Chrysler declined to provide additional details on the direct-mail campaign except to say the mailing will be made in mid-autumn.

Ricardo Montalban, Chrysler's

see CHRYSLER, page 4

"I hear General Motors is not happy," smooth-talking Ricardo Montalban tells viewers in a new commerical.

Korean automakers take Olympic bows

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — As the games of the XXIV Olympiad get under way this week, the government is counting on the event to highlight the country's drive to join the industrialized nations of the world.

South Korea's auto industry is expected to take a large part of the spotlight, but the makers themselves are divided on how best to capitalize on the exposure afforded by the Games.

Daewoo is looking to the arrival of Soviet and East Bloc athletes as a means of opening possible trade ties with communist countries, while Kia is taking a more traditional approach in courting the international media. Hyundai, on the other hand, is content

see OLYMPICS, page 57

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Porsche ousts its U.S. president — Page 2
'Hybrid' LeBaron under review — Page 3
Ford's prices up 2.6% for '89 — Page 60

GM President Robert Stempel described CAFE as "fundamentally a bad law" AUTOMOTIVE NEWS/JOE WILSSENS

Stempel: 4 GM plants periled if CAFE rises

By Geoff Sundstrom and Dutch Mann
AUTOMOTIVE NEWS STAFF REPORTERS

Maintaining that General Motors has used up all existing technology to meet federal fuel economy laws, the company's president said it would have to close assembly plants if the government continues to raise the standard.

"If we have used up all the technology to gain increased fuel economy . . . and can get only 26 miles per gallon, then there is a need for a change" in the law, Robert C. Stempel said last week. He scorned the current corporate average fuel economy standard as "fundamentally a bad law."

"We're not planning on closing anyplace. I would run until my back is against the wall before I would 'take her down,' " Stempel said of plant closings. But he added that if NHTSA raises the 1989 requirement to between 26.5 and 27.5 mpg from 1988's level of 26.0 mpg, as it said it would, then as many as four plants would be threatened.

Stempel made his remarks at the Detroit Economic Club the same day NHTSA held a hearing in Washington on setting 1989- and 1990-model-year CAFE levels.

The GM president said any plant producing large, rear-wheel-drive cars would be vulnerable as a result of higher CAFE laws. He named the firm's Arlington, Texas, plant as one of the four plants affected.

NHTSA is expected to set the new standard before the end of the month.

GM's Arlington plant, near Dallas-Fort Worth, employs 4,000 workers and assembles the Cadillac Brougham, Chevrolet Caprice and Oldsmobile and Chevrolet full-sized station wagons.

If GM does not meet the CAFE standard, it would have to pay penalties as high as $100 million, something the company has said it will not do.

Several environmental groups, the Center for Auto Safety and the Insurance Institute for Highway Safety testified in opposition to a rollback, saying lower CAFE standards would result in more air pollution and allow an increase in the production of dangerous high-performance automobiles.

GM discounted those arguments, however, and delivered to Transportation Secretary James Burnley 5,000 letters from Arlington plant workers, their families and suppliers supporting GM's position.

Richard Klimisch, GM executive director for environmental activities, told NHTSA that GM has not been able to sell enough U.S.-built small cars to boost its average fuel economy rating. He said GM believes it must offer larger engines and cars to regain market share.

Under questioning by NHTSA officials, Klimisch said plant closing is the only option left if the CAFE standard is not reduced. He said it is unlikely GM could raise the foreign content of its large cars in time to qualify for import status under the law for 1989.

The highest foreign content in any vehicle counted in GM's domestic fleet is 10 percent, Klimisch said.

The CAFE law requires companies to average the fuel economy of their domestic and import fleets separately. Vehicles are designated imports if they have a foreign content of 25 percent or more. GM says a change now in 1989 standards will not allow enough lead time to make the change through outsourcing.

Spokesmen for Ford Motor Co. said their company supports a rollback of the CAFE standard for 1989 and 1990 but didn't join GM's petition because it believes it can meet 27.5 mpg by using credits from previous years.

The Automobile Importers of America called for a rollback to 26 mpg. The group claimed many of its members find it impossible to meet the CAFE standard because they do not manufacture small, high-mpg cars.

Chrysler Corp. did not comment at the proceeding, but a Washington spokesman said the company is concerned about CAFE's future, especially if fuel prices remain at current levels and consumer demand for larger engines increases. Chrysler believes that imposition of a fuel tax is the best way to conserve energy, he said.

Three witnesses said the CAFE standards should be abolished because they tend to limit the availability of larger, safer cars.

Speaking for the anti-regulatory group, Competitive Enterprise Institute, chief counsel Sam Kazman said a CAFE standard of 26.5 mpg "will cause over 1,500 needless fatalities in the 1989 car fleet."

Barry Felrice, NHTSA associate administrator for rulemaking, indicated the agency is preparing a study on the safety impact of CAFE but did not say when it would be released.

'Hybrid' LeBaron sedan studied

Proposed Chrysler would borrow parts from A-, H-, J-bodies

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Chrysler Motors is considering introducing late in the 1990 model year a new Chrysler LeBaron four-door sedan derived from the company's intermediate-size H-body platform.

The current H-body LeBaron five-door hatchback would be dropped at that time.

The new sedan is a "combined hybrid body" based on the H-body, utilizing "pieces of the H-body, A-body and J-body," said Joseph A. Campana, Chrysler Motors vice president of Chrysler-Plymouth marketing.

The H-bodies are the Chrysler LeBaron GTS and Dodge Lancer. The A-bodies are the Dodge Spirit and Plymouth Acclaim sedans being launched in January. The J-bodies are the Chrysler LeBaron coupe and convertible.

Campana said the new sedan will be more consistent with the luxury image being cultivated by the Chrysler brand.

"Upscale buyers prefer sedans to hatchbacks," Campana said.

The move would also benefit the Chrysler brand by allowing it to market a full line of sedans by the end of the 1990 model year.

Dropping the LeBaron hatchback from the Chrysler lineup will also further the company's brand differentiation by making the H-body Dodge Lancer exclusive to that division. If the sedan indeed joins the Chrysler lineup, the brand would have three distinct sedan models by the end of the 1990 model year.

Although its rear-wheel-drive M-body Chrysler Fifth Avenue is scheduled to go out of production at the end of 1988, Chrysler will market the C-body front-wheel-drive New Yorker and New Yorker Landau, introduced in the 1988 model year.

Expected to be introduced in the 1990 model year are the front-wheel-drive Y-body Chrysler Imperial, followed by the Y-body Chrysler Fifth Avenue. The Y-bodies are to be the flagship vehicles of the Chrysler fleet.

Engineering sources said the Y-body wheelbase is 109.3 inches, five inches greater than the C-body New Yorker on which it is based. The Y-sedans have a front, rear and roof distinct from the New Yorker Landau.

The addition of a sedan based on the intermediate-sized H-body would permit Chrysler dealers to target a range of sedan buyers. The H-body has a 103.1-inch wheelbase.

Dropping the LeBaron hatchback will further brand differentiation by making the H-body Dodge Lancer exclusive to that division.

Chrysler, in the 1989 model year, has pared down the offerings under the LeBaron nameplate. Dropped from the 1989 lineup are the LeBaron four-door notchback sedan and the LeBaron Town & Country wagon.

The LeBaron lineup now consists of the J-body coupe and convertible and H-body hatchback sedan. A performance version of the coupe/convertible is designated the GTC. Only the turbo sedan carries the GTS designation in 1989. Previously, all five-door hatchbacks carried the GTS name.

Campana also said Chrysler is seeking to increase its LeBaron convertible production capacity and anticipates selling 50,000 units in the 1989 model year.

INDEX

Around the world	28-30
Auction dates	46
Classifieds	47-55
Coming events	34-35
Dealing with dealers	38-39
Inventories	14
Opinion	10
Personnel	36-37
Recreation on wheels	12
Sales, car	60
Sales, import car	14

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MITCHELL: *Put GM in forefront of automotive styling*

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — In the midst of the historic design and engineering project that resulted in General Motors downsizing its full-sized cars for 1977, GM Design Vice President William L. Mitchell wanted to make a point.

So he took an entourage of GM executives, including then-president Edward N. Cole, through a styling studio to view clay models.

When the group stopped to admire a particularly low, sleek effort, Mitchell decided to demonstrate the kind of restrictions he faced.

"Now show Mr. Cole what kind of extra space the engineers will need to fit in the air cleaner," Mitchell said, turning to a young staff member.

On cue, his associate produced a shoe box and plunked it down in the center of the hood, to the startled dismay of all.

"Bill Mitchell certainly had flair," recalled William T. Collins Jr., a Detroit-area engineering consultant who was GM's project manager for the downsizing effort. "And he certainly knew how to make a point."

Mitchell, who retired as GM design staff vice president in 1977 and whose work influenced worldwide automotive design for nearly half a century, died of congestive heart failure Sept. 12 in Royal Oak, Mich. He was 76.

It was during Mitchell's tenure that GM became the styling leader in the United States, first with cars like the Buick Riviera and the Pontiac Grand Prix, and later with the Cutlass Supreme and eventually the downsized B- and C-body full-size cars that bowed as 1977 models.

It also was under Mitchell's influence that the operation was renamed Design Staff in 1972, reflecting influence and responsibility more pervasive than just styling.

see MITCHELL, page 6

William L. Mitchell designed the '63 Corvette

Import inventories fall to 1988 low point

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Combined import car and truck stocks on Sept. 1 fell to the slimmest level in 1988.

Unsold imported cars on Sept. 1 totaled 606,740, equivalent to a 58-day supply. That was comparable to the year-earlier count of 606,500, which represented an even leaner 50-day supply at a time when imports were selling faster.

Compared to a month ago, the Japanese share of unsold cars in this country grew a fraction of a point while European car makers reported nearly a percentage point drop in their share.

Imported-car stocks fell 24,777 units or 3.92 percent below the month-ago inventory of 631,517, representing a 61-day supply.

The domestic-car stockpile, reported by Automotive News last week, totaled 1,315,919, equivalent to a 59-day supply. Combined stocks of unsold domestic and imported cars totaled 1,922,659, representing a 59-day supply.

September opened with a much reduced supply of imported trucks, although the 56-day supply estimate was exactly the same as a year ago because of a much more sluggish sales pace. The Sept. 1 total was 159,522, which was 44,960 units or nearly 22 percent below the year-ago total of 204,482 trucks. Both years' import truck stockpiles were 56 days.

Combined imported vehicle stocks on Sept. 1 at ports of entry, in transit within the United States and at dealerships totaled 766,262, a 58-day supply versus last month's 815,505, a 63-day supply. A year ago there were 810,982 vehicles, or 52-days' worth.

Import car dealers agreed that inventory numbers were lean or just about on target.

"We're just about right with the closing for end of model year," said Joe Beam, sales manager, Moultrie Nissan, Albertville, Ala. "We have a 30-day supply. One reason inventories are lower is we are not taking the cars we did."

The Big 3 automakers began September with 73.35 percent of the combined domestic and import car stocks. The three major Japanese firms with transplant operations here — Toyota, Nissan and Honda — had 10.15 percent of unsold car stocks.

The six carmakers shared combined inventories as follows: General Motors, 39.17 percent; Ford Motor Co., 21.25 percent; Chrysler Motors, 12.93 percent; Nissan, 6.23 percent; Toyota, 2.18 percent; and Honda, 1.74 percent. All other foreign carmakers took 16.50 percent of combined car stocks.

The Sept. 1 import-car inventory share by country was: Japan, 60.41 percent; Germany, 16.93 percent; and others, 22.66 percent.

Japanese carmakers shared 52 days' worth of imported cars at August's daily selling rates on Sept. 1. That represented the same days-supply level as a year ago.

The slimmest import and domestic car inventories belonged to Honda with a 17-day supply and Toyota with 18 days' worth of imported and U.S.-built cars on Sept. 1. Nissan had a combined stock total representing 74 days' worth.

Japanese carmakers with reduced but high import stock levels included Chrysler's captive Mitsubishi line which still had a 130-day supply and Isuzu which reported a sluggish 103-day supply.

Fatter stocks were reported by Honda's Acura Division, which had 12.57 percent more cars for a 52-day supply on Sept. 1. Mazda's import unit count was slightly higher but at August's sales pace equalled a 46-day supply.

Nissan cut its import-car stocks by 8.82 percent to represent an 85-day supply of cars on Sept. 1 versus a 95-day supply a month ago.

German carmakers shared an 82-day supply of unsold cars on Sept. 1. Audi stocks were whittled from a 198-day supply last month to an 89-day supply on Sept. 1. BMW, Mercedes-Benz, Porsche and Volkswagen all reduced their inventory and days-supply numbers on Sept. 1. Of the Germans, only Ford's Merkur stocks grew significantly (44.68 percent) to equal a 105-day supply.

Foreign carmakers reporting thin stocks were Jaguar with a 26-day supply. Volvo's inventories were reduced by 30.80 percent to an equivalent of a 47-day supply from 69 days' worth on Aug. 1.

IMPORT DAYS' SUPPLIES

	Sep. 1, 1988	Aug. 1, 1988	Sep. 1, 1987
Chevrolet	88	96	110
Chrysler/Mitsubishi	130	141	80
Acura	52	48	27
Daihatsu	83	71	—
Honda	22	14	11
Isuzu	103	134	54
Mazda	46	46	35
Mitsubishi	84	89	84
Nissan	85	95	92
Subaru	79	90	90
Toyota	17	17	21
JAPAN	52	52	51
Audi	89	198	83
BMW	77	83	60
Mercedes-Benz	44	50	52
Merkur	105	59	44
Porsche	82	89	98
VW*	98	121	89
GERMANY	82	96	64
Alfa Romeo	91	91	65
Festiva	103	116	29
Hyundai	37	45	63
Jaguar	26	44	16
Peugeot	52	54	88
Pontiac	86	89	41
Eagle/Renault	310	493	237
Saab	62	70	46
Sterling	80	89	72
Volvo	47	69	44
Yugo	103	105	54
Other Countries	63	74	44
Total Import Cars	58	61	51
Isuzu	94	121	97
Mazda	68	66	29
Mitsubishi	130	110	80
Nissan*	51	73	88
Range Rover	53	49	31
Suzuki	15	75	18
Toyota	34	31	42
Chrysler	137	140	84
Total Import Trucks	56	68	56
Total Imp. Vehicles	58	63	52

*Includes domestic vehicles

IMPORT SALES BY MODEL

	Aug. 1988	Aug. 1987	8 Mos., 1988	8 Mos., 1987
ACURA	12,448	10,317	84,815	70,155
Integra	6,106	4,629	39,756	37,778
Legend	6,342	5,688	45,059	32,377
ALFA ROMEO	366	523	3,433	4,575
Milano	190	225	1,711	1,858
Spider	196	298	1,722	2,717
AUDI	3,220	2,694	16,601	32,143
4000S	13	1,387	200	7,666
4000CS Quattro	7	445	72	2,140
5000S	624	389	4,881	15,755
5000CS Turbo	75	87	832	2,974
5000CS Turbo Quattro	42	133	952	2,352
80	763	0	4,243	0
90	907	0	4,308	0
100/200	580	0	651	0
100/200 Quattro	191	0	214	0
Coupe GT	18	253	248	1,256
BMW	6,563	8,057	47,262	58,915
318i	0	0	9	15
524 TD	0	1	3	28
325	3,119	5,569	24,991	39,114
528e	1,266	811	7,094	6,540
535i/535iS	445	434	3,273	4,707
6-Series	214	132	1,283	1,281
7-Series	1,253	870	8,726	6,150
M3	166	159	1,230	420
M5	34	42	268	216
M6	66	39	385	444
CHEVROLET	11,078	15,335	85,918	87,823
Spectrum	6,022	7,927	52,891	52,131
Sprint	5,056	7,408	33,027	35,692
CHRYSLER/MOTORS	11,161	14,314	89,352	0
Colt	7,009	8,433	57,824	55,888
Conquest	762	1,070	7,442	8,706
Medallion	900	1,382	9,927	8,320
Summit	573	0	573	0
Vista	1,917	3,498	13,586	21,932
DAIHATSU	1,152	0	7,545	0
FORD Festiva	6,575	5,172	47,698	10,529
HONDA	20,602	23,472	165,842	182,871
Civic/CRX	6,536	11,879	73,186	84,069
Accord	12,224	6,914	60,908	60,486
Prelude	1,842	4,679	31,748	38,316
HYUNDAI	25,119	26,850	191,772	184,378
ISUZU	3,197	5,874	17,382	27,179
I-Mark	2,248	5,372	11,513	22,452
Impulse	949	502	5,869	4,727
JAGUAR	1,645	2,084	13,081	14,148
XJ6	1,211	1,443	9,891	10,679
XJS	434	641	3,190	3,469
MASERATI	30	66	990	654
MAZDA	20,872	20,756	156,096	130,365
323	8,803	8,522	63,641	48,157
626	6,473	6,634	46,538	54,104
MX-6	602	404	6,896	404
929	2,667	87	18,217	87
RX-7	2,318	5,109	20,795	27,613
MPV	9	0	9	0
MERCEDES BENZ	8,799	7,483	57,745	60,003
190	1,650	1,558	12,506	12,460
260E	454	519	4,783	3,820
300	2,115	1,899	17,376	15,721
300SDL Turbo	1	604	89	4,810
300SEL	224	0	3,827	0
420SEL	627	1,388	5,839	9,412
560SEL	443	440	3,592	4,046
560SL	1,004	930	8,071	7,819
560SEC	118	116	1,061	1,156
Tourist	103	50	801	750
MERKUR	1,756	2,482	10,136	9,537
XR4Ti	477	1,170	3,514	5,985
Scorpio	1,279	1,312	6,624	3,542
MITSUBISHI	7,606	6,351	48,486	47,482
Starion	319	474	2,285	3,936
Cordia	740	230	4,374	2,718
Tredia	21	659	455	3,837
Mirage	1,606	832	8,681	10,689
Galant	2,368	748	13,401	7,436
Precis	1,736	2,944	14,679	14,055
Van/Wagon	816	464	4,611	4,811
NISSAN	29,986	33,747	245,669	279,878
Sentra	12,015	7,963	96,369	78,059
Pulsar	4,119	5,915	35,211	44,947
Stanza	3,003	5,655	32,545	43,840
Maxima	6,565	9,330	48,717	62,546
200SX	2,843	2,421	15,681	23,225
300ZX	1,220	2,246	14,476	25,056
Hawaii	221	217	2,670	2,205
PEUGEOT	573	793	4,589	6,086
PONTIAC LeMans	4,642	9,510	40,803	18,813
PORSCHE	1,247	2,137	11,390	17,013
924S	371	366	1,976	2,105
944	216	678	2,746	4,485
944S	28	130	320	1,604
944 Turbo	112	215	1,257	1,802
911 Coupe	217	333	2,220	2,958
911 Turbo	78	131	775	1,061
911 Cabriolet	130	145	1,325	1,637
928S	95	139	971	1,360
SAAB	4,019	4,657	26,876	31,498
900	717	1,091	4,557	6,756
900S	1,122	1,606	7,222	10,256
900 Turbo	1,087	922	6,526	6,160
9000S	376	402	2,391	2,467
9000 Turbo	677	560	5,526	5,229
Tourist	40	76	652	630
STERLING	930	1,426	6,582	9,317
SUBARU	14,515	17,745	101,710	109,695
Hatchback	422	839	3,993	5,025
3-Door	939	1,400	5,771	9,192
4-Door Sedan	2,776	3,898	20,626	26,979
XT	1,595	1,565	9,947	13,066
Station Wagon	6,420	8,684	43,189	48,615
Justy	2,363	1,359	18,184	6,818
TOYOTA	58,466	61,451	401,546	357,513
Corolla	14,238	10,928	101,641	65,235
Tercel	9,746	11,353	62,318	62,726
Celica	6,568	9,644	45,551	53,588
Supra	1,615	3,003	13,826	19,911
Camry	21,641	20,725	140,953	113,868
Cressida	1,067	2,291	7,878	14,410
Land Cruiser	302	366	4,745	2,697
Van	392	1,272	3,858	9,561
4Runner SR 5	2,240	201	14,716	1,111
MR2	657	1,321	6,060	11,235
Hawaii	0	347	0	3,171
*VOLKSWAGEN	14,272	11,002	99,297	88,135
Cabriolet	1,376	1,243	9,782	10,638
Jetta	4,186	2,976	38,098	38,384
Golf/GTI	2,267	0	4,266	0
Vanagon	407	1,201	3,996	7,025
Quantum	376	855	2,080	4,559
Scirocco	476	881	2,423	5,043
Fox	5,184	4,046	38,652	22,486
VOLVO	9,625	10,080	68,015	80,951
240 Series	4,001	4,624	26,871	39,218
740 Series	3,944	3,784	23,616	31,206
760 Series	1,406	1,474	7,675	9,041
780	190	82	1,116	214
Tourist	82	116	537	1,272
YUGO	3,504	4,200	23,496	35,272
IMPORT TOTAL	281,968	308,847	2,073,729	2,049,832

*Volkswagen has reported sales of U.S.-built Golf and GTI models as imports after June 30, 1988.

Compiled by Karen Dellorenzi

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Auto trade deficit dips; June total 8.8% brighter

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The U.S. automotive trade deficit in passenger cars and light trucks showed continued improvement in June, falling 8.8 percent, although the value of both imports and exports was lower than in June 1987.

The June drop in the automotive trade deficit followed a 13.8 percent drop in May. The trade balance improved because both the value and quantity of imports declined at a faster rate than exports. Export value declined 6.1 percent for the month, while import value fell 8.2 percent.

Trade numbers from the U.S. Commerce Department show a trade deficit for passenger cars and light trucks of $3.595 billion for June. Total car and truck exports had a value of $896.3 million during the month. Monthly car and truck imports were valued at $4.491 billion. The automotive trade deficit for June 1987 was $3.940 billion.

Passenger-car exports reached 68,801 vehicles with an estimated value of $726.9 million in June. Light-truck exports for the month were 16,911 vehicles with an estimated value of $169.4 million.

Passenger-car exports were up 495.4 percent to Japan, but dropped 27.4 percent to Canada. Total car exports declined 11.1 percent, to 68,801 vehicles.

On the import side, Japan recorded another downturn for the month in both the quantity and value of car and truck shipments. Only Brazil and Canada showed import growth in June.

Shipments declined from Mexico, West Germany, South Korea, Sweden, Yugoslavia, United Kingdom, Italy and France.

Total car and truck imports had a value of $4.491 billion in June, down 8.2 percent from $4.895 billion in June 1987. There were 433,562 finished vehicles imported to the United States in June, compared with 519,729 vehicles in June 1987.

Passenger-car imports reached 357,932 units for the month, with a value of $3.879 billion. Imports of light trucks totaled 75,630 units, with a value of $612.1 million. The value of imported trucks increased 14.7 percent in June, although shipments fell 10.5 percent.

Japanese-car imports dropped 24 percent for the month and the value of the shipments fell 19.8 percent. Japanese truck imports were off 29.8 percent and their value was down 28.8 percent. Japan shipped 167,077 cars to the United States in June, down from 219,856 cars one year earlier. Truck shipments totaled 46,025 units, down from 65,557 units one year ago.

West Germany, Sweden, United Kingdom, Italy and France all shipped fewer cars to the United States in June than in June 1987, continuing a year-long trend. Mexico also shipped fewer cars for the month but has been increasing shipments for most of the year.

South Korean shipments showed continued interruption from labor troubles, dropping 57.1 percent. German shipments were off 47.7 percent. Sweden's shipments were down 21.9 percent. French and Italian manufacturers — who already ship only a small number of cars — sent 71.7 percent and 60 percent fewer vehicles, respectively, to the United States for the month.

Imports from the United Kingdom were off 43.5 percent. Yugoslavia saw exports to the United States fall 83.8 percent for the month, after falling 52 percent in May. Imports from Mexico were 12,380 vehicles, down from 15,190 one year ago.

Canadian-car imports gained 36.3 percent for the month, to 121,302 units, and Brazil's imports totalled 3,198 units, up from 2,160 vehicles in June 1987.

U.S. AUTOMOTIVE TRADE BY VALUE
(x $1,000)
Passenger cars

Country	Trade	June 1987	June 1988	July 1986-June 1987	July 1987-June 1988
Japan	Export	$ 2,958	$ 14,533	$ 52,554	$ 133,608
	Import	1,914,778	1,536,215	21,378,093	20,539,716
Canada	Export	697,331	518,305	5,459,879	6,000,215
	Import	924,053	1,344,378	10,751,880	12,070,535
West Germany	Import	757,807	467,345	8,870,509	7,364,064
South Korea	Import	248,467	111,455	1,426,595	2,394,113
Sweden	Import	183,350	164,106	1,963,812	1,671,675
Mexico	Import	149,890	105,952	540,224	1,275,848
Yugoslavia	Import	17,850	3,914	400,489	122,285
United Kingdom	Import	98,436	78,872	709,381	1,187,017
Italy	Import	13,572	10,336	398,053	171,906
France	Import	25,636	7,165	168,423	153,884
Brazil	Import	10,423	19,103	62,603	366,371
Others	Export	54,803	194,103	641,436	1,328,402
	Import	17,103	30,406	236,100	291,119
Car total	Export	765,092	726,941	6,153,869	7,462,225
	Import	4,361,165	3,879,246	46,909,162	47,578,536
Trade balance		(3,596,073)	(3,152,305)	(40,755,293)	(40,116,311)
Light trucks (up to 10,000 lbs. GVW)					
Canada	Export	$ 177,111	$ 128,797	$ 1,443,333	$ 1,704,149
	Import	142,874	337,502	1,855,909	2,621,777
Japan	Import	366,548	261,115	5,034,538	3,390,992
Mexico	Import	16,264	1,492	132,279	29,019
Others	Export	12,276	40,561	151,615	315,058
	Import	7,753	12,016	51,119	134,530
Truck total	Export	189,387	169,358	1,594,948	2,019,207
	Import	533,459	612,124	7,073,845	6,176,318
Trade balance		(344,072)	(442,766)	(5,478,897)	(4,157,111)
Car and truck total	Export	954,479	896,299	7,748,817	9,481,432
	Import	4,894,624	4,491,370	53,983,007	53,754,854
VEHICLE TRADE BALANCE		(3,940,145)	(3,595,071)	(46,234,190)	(44,273,422)
TOTAL U.S. Merchandise trade (customs value)	Export	21,107,500	26,811,800	233,932,700	290,651,700
	Import	34,418,100	37,807,600	381,681,600	426,563,700
TRADE BALANCE		(13,310,600)	(10,995,800)	(147,949,100)	(137,912,000)

U.S. AUTOMOTIVE TRADE BY QUANTITY
Passenger cars

Country	Trade	June 1987	June 1988	July 1986-June 1987	July 1987-June 1988
Japan	Export	196	1,167	3,307	10,920
	Import	219,856	167,077	2,475,251	2,266,942
Canada	Export	72,299	52,471	570,345	578,724
	Import	88,976	121,302	1,014,446	1,087,524
West Germany	Import	30,892	16,165	418,205	294,294
South Korea	Import	48,497	20,793	289,067	453,376
Sweden	Import	13,447	10,505	150,112	110,091
Mexico	Import	15,190	12,380	63,330	146,789
Yugoslavia	Import	7,276	1,177	53,812	46,910
United Kingdom	Import	4,566	2,581	36,759	44,032
Italy	Import	498	199	23,960	7,380
France	Import	2,699	763	28,062	14,415
Brazil	Import	2,160	3,198	13,326	68,179
Others	Export	4,859	15,163	48,310	101,609
	Import	1,151	1,792	16,061	18,327
Car total	Export	77,354	68,801	621,962	690,353
	Import	435,208	357,932	4,582,391	4,558,259
TRADE BALANCE		(357,854)	(289,131)	(3,957,429)	(3,867,906)
Light trucks (up to 10,000 lbs. GVW)					
Canada	Export	18,294	13,685	155,886	170,372
	Import	16,932	29,584	201,675	242,669
Japan	Import	65,557	46,025	939,118	604,879
Mexico	Import	2,031	5	17,262	3,093
Others	Export	1,040	3,226	12,898	24,939
	Import	1	16	1,009	1,727
Truck total	Export	19,334	16,911	168,784	195,312
	Import	84,521	75,630	1,159,064	852,368
Trade balance		(65,187)	(58,719)	(990,280)	(657,056)
Car and truck total	Export	96,688	85,712	790,746	885,665
	Import	519,729	433,562	5,741,455	5,410,627
TRADE BALANCE		(423,041)	(347,850)	(4,950,709)	(4,524,962)

Compiled by Automotive News from official statistics of the U.S. Commerce Department, as reported by the U.S. International Trade Commission. Because of rounding, figures may not add to the totals shown.

Ford, college to help young entrepreneurs

TOLEDO, Ohio — The University of Toledo, Cimarron Express and Ford Motor Co. have teamed up to sponsor the Youth Entrepreneurship Program for Toledo-area minority students.

The program is designed to educate minority students in basic business disciplines and expose them to successful minority entrepreneurs.

Twenty-five Toledo high school students were selected from more than 150 applicants to participate in the eight-week program.

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AUCTION DATES

Chrysler Motors

Sept. 20 — Dallas Auto Auction, Grand Prairie, Texas; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; Hatfield Auto Auction, Hatfield, Pa.; Riverside Auto Auction, Riverside, Calif.; and Southern Auto Auction, Warehouse Point, Conn.

Sept. 21 — A.D.E. of Birmingham, Birmingham, Ala., and Columbus Fair Auto Auction, Obetz, Ohio.

Sept. 22 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Southwest Auto Auction, Phoenix, Ariz.

Sept. 23 — St. Louis Auto Auction, Bridgeton, Mo.

Sept. 27 — Florida Auto Auction of Orlando, Ocoee, Fla.; American Auto Auction, Walpole, Mass.; Denver Auto Auction, Aurora, Colo.; Nashville Auto Auction, Nashville, Tenn.; South Seattle Auto Auction, Kent, Wash., Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Sept. 28 — Minneapolis Auto Auction, Plymouth, Minn., and Butler Auto Auction, Gibsonia, Pa.

Sept. 29 — Clanton's Auto Auction, Darlington, S.C.; Northway Exchange, Clifton Park, N.Y.; The Big Sky Auto Auction Inc., Billings, Mont.; Aptco Auto Auction, Taylor, Mich.; Ark-La-Tex Auto Auction, Shreveport, La.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Salt Lake Auto Auction, Salt Lake City.

Ford Motor Co.

Sept. 20 — South Seattle Auto Auction, Kent, Wash.

Sept. 21 — Wednesday Auto Auction, Obetz, Ohio; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; and Southern California Auto Auction, Fontana, Calif.

Sept. 22 — Greater Chicago Auto Auction, Chicago; Denver Auto Auction, Aurora, Colo.; Skyline Auto Exchange, Fairfield, N.J.; and St. Louis Auto Auction, Bridgeton, Mo.

Sept. 27 — Bay Cities Auto Auction Inc., Hayward, Calif.

Sept. 28 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.; and Salt Lake Auto Auction, Salt Lake City.

Sept. 29 — Interstate Auto Auction, Mercer, Pa., and Nashville Auto Auction, Nashville, Tenn.

General Motors

Sept. 20 — A.D.E. of Birmingham, Moody, Ala.; Florida Auto Auction of Orlando, Ocoee, Fla.; and National Auto Dealer Exchange, Bordentown, N.J.

Sept. 21 — Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Indianapolis Auto Auction, Indianapolis.

Sept. 22 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; Nashville Auto Auction, Nashville, Tenn.; and Colorado Auto Auction, Commerce City, Colo.

Sept. 27 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas.

Sept. 28 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fremont, Calif.; and Omaha Auto Auction, Omaha, Neb.

Sept. 29 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah.

Used Car Sales
Auction Averages

September88	$5,874
Month ago	$5,848
Year ago	$6,050

Model Breakdown
Auction Averages

	SEPT. 1988	AUGUST 1988	JULY 1988
1988	$10,113	$12,473	$11,408
1987	$7,311	$7,919	$8,407
1986	$6,904	$6,891	$6,830
1985	$5,533	$5,819	$5,881
1984	$4,308	$4,308	$4,378
1983	$3,766	$3,583	$3,718
1982	$2,621	$2,479	$2,464
1981	$1,851	$1,887	$1,952
Overall Average	$5,874	$6,019	$5,855

Ferrari prices shooting up

A rare Ferrari 250 P — one of only five built and the only one known to exist — brought $2.75 million at the Monterey (Calif.) Sports Car Auction.

It took only seven minutes to sell the bright red, 12-cylinder Ferrari. The Ferrari won the 12-hour race at Sebring, Fla., in 1963.

"Ferrari prices are much stronger than a year ago, and I can't help but believe that the death of Enzo Ferrari has had something to do with it," said auction head Rick Cole.

The new owner of the vehicle is Mark Smith of the Old Philadelphia Motor Car Museum, who bought the historic auto from Harley Cluxton of Phoenix, Ariz.

Enzo Ferrari died in Italy at the age of 90 on Aug. 14, only five days before the Monterey auction.

GE builds in Florida

Construction is nearly complete on a new $1.2 million facility for St. Pete Auto Auction, a GE Capital Auto Auction based in Clearwater, Fla.

The eight-lane auction with 20 acres of paved parking will include a full-service reconditioning center, an expanded service counter and automated office systems.

The former facility, which is being converted to a reconditioning center, had four lanes. The additional lanes will double capacity to 1,000 vehicles at the weekly Thursday evening sale.

AUCTION BRIEFS

CHARLES THOMAS

Ford prices climb 2.6% on '89 cars

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — Ford Motor Co. has placed itself squarely between Chrysler Motors and General Motors in raising 1989 car prices an average of 2.6 percent over comparably equipped 1988 models.

GM's and Chrysler's increases, announced last month, amounted to 2.9 percent and 2.3 percent, respectively.

Ford's truck prices, meanwhile, will rise an average of 3.1 percent, the company said. As with the cars, the percentage has been adjusted to reflect improvements and equipment that has been made standard.

Ford's actual car sticker prices, however, will go up an average of 4.2 percent, according to Automotive News calculations.

In making its announcement last week, Ford also lifted prices on six car lines by an additional 1.5 percentage points over 1989 presale prices. Those lines — Ford Mustang and Crown Victoria; Mercury Grand Marquis; and Lincoln Town Car, Mark VII and Continental — have had some of the lowest inventories in Ford's lineup.

Their 1989 prices rose 3.3 percent when Ford issued a tentative price list in early August. Last week's action boosted final prices 4.8 percent above 1988 levels.

Customers who have already ordered one of those models will pay no more than the presale price, a Ford spokesman said. On the Mustang LX models, the one series where final prices were lower than the presale figures, customers will be refunded the difference, which amounts to less than 1 percent.

For 1989, the Continental Signature has the biggest price increase. It has gone up $1,966, to $29,910. Changes include the addition of driver- and passenger-side air bags as standard equipment.

At the other extreme, the Festiva L rose $104, or 1.9 percent. It is unchanged for 1989. At $5,699, it is Ford's only model under $6,000.

On a comparably equipped basis, Ford's price increases range from no change on the Mustang LX convertible to 5.3 percent on the Crown Victoria wagon, Ford said. Although the convertible is up $437, power windows and power locks have been made standard. The Crown Victoria standard wagon, meanwhile, is up $897 while undergoing little change.

Ford attributed the increases to higher costs for labor and materials.

Actual percentage increases on Ford's product lines are as follows. They are grouped according to Automotive News classifications.

Subcompacts: Ford Festiva, 2.64 percent; Escort, 2.87 percent. Mercury Tracer, 3.75 percent.

Compacts: Ford Tempo, 4.5 percent. Mercury Topaz, 4.2 percent. Merkur XR4Ti, 3.2 percent.

Intermediates: Ford Mustang, 3.75 percent; Taurus, 3.3 percent. Mercury Sable, 2.5 percent. Merkur Scorpio, 4.0 percent. Lincoln Continental, 7.3 percent; Mark VII, 4.51 percent;

Standard-sized: Ford Crown Victoria, 4.7 percent. Mercury Grand Marquis, 4.6 percent. Lincoln Town Car, 4.4 percent.

Overall, Ford has raised prices on 57 models an average of $586 per car, according to Automotive News calculations. The figure is not weighted to reflect varying sales volumes of each car.

The comparison doesn't include the Mustang LX 5.0-liter series, which is new for 1989, and the Ford Probe, which was introduced as a 1989 model last May. Probe prices were boosted for the second time since introduction. The newest round averages 1.9 percent.

Ford hasn't announced prices for its new Ford Thunderbird and Mercury Cougar models. Those cars will debut late this year.

Most of Ford's 1989 products will officially go on sale Oct. 6.

Ford Prices, 1989 vs. 1988

Following is a comparison of 1989 and 1988 Manufacturer's Suggested Retail Prices of Ford Motor Co. cars. The 1989 prices are introductory prices; the 1988 prices are those in effect at the end of the model year. No adjustments have been made for year-to-year equipment changes.

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FORD	1989 Price	Final 1988 Price	Increase
Festiva			
L 2-door hatchback	$ 5,699	$ 5,595	$ 104
L-plus 2-door hatchback	6,372	6,177	195
LX 2-door hatchback	7,101	6,906	195
Escort			
Pony 2-door hatchback	6,964	6,747	217
LX 2-door hatchback	7,349	7,127	222
LX 4-door hatchback	7,679	7,457	222
LX 4-door wagon	8,280	8,058	222
GT 2-door hatchback	9,315	9,093	222
Mustang			
LX 2-door sedan	9,050	8,835	215
LX 2-door hatchback	9,556	9,341	215
LX convertible	14,140	13,702	438
LX 5.0L Sport 2-door sedan	11,410	—	—
LX 5.0L Sport 2-door hatchback	12,263	—	—
LX 5.0L Sport convertible	17,001	—	—
G 2-door hatchback	13,272	12,745	527
GT convertible	17,512	16,610	902
Probe*			
GL 2-door hatchback	10,943	10,660	283
LX 2-door hatchback	11,769	11,644	125
GT 2-door hatchabackhz	14,077	13,794	283
Tempo			
GL 2-door sedan	9,057	8,658	399
GL 4-door sedan	9,207	8,808	399
GLS 2-door sedan	9,697	9,249	448
GLS 4-door sedan	9,848	9,400	448
LX 4-door sedan	10,156	9,737	419
4-door sedan (4wd)	10,860	10,413	447
Taurus			
L 4-door sedan	11,778	11,380	398
L wagon	13,143	12,684	459
GL 4-door sedan	12,203	11,887	316
GL wagon	13,544	13,167	377
LX 4-door sedan	15,282	14,966	316
LX wagon	16,525	15,748	777
Crown Victoria			
4-door sedan	15,851	15,241	610
LX 4-door sedan	16,767	16,157	610
LX 4-door wagon	17,238	16,455	783
S Series 4-door sedan	15,434	14,676	758
S Series 4-door wagon	$16,208	$15,311	$ 897
Country Squire			
4-door wagon	16,527	15,744	783
Country Squire LX			
4-door wagon	17,556	16,773	783
*—Introduced as a 1989 model in May 1988.			
LINCOLN-MERCURY			
Tracer			
2-door hatchback	8,556	8,216	340
4-door hatchback	9,242	8,914	328
4-door wagon	9,726	9,399	327
Topaz			
GS 2-door sedan	9,577	9,166	411
GS 4-door sedan	9,734	9,323	411
XR5 2-door sedan	10,498	10,058	440
LTS 4-door sedan	11,980	11,541	439
LS 4-door sedan	11,030	10,591	439
Sable			
GS 4-door sedan	14,102	13,772	330
GS 4-door wagon	14,804	14,413	391
LS 4-door sedan	15,093	14,765	330
LS 4-door wagon	15,873	15,482	391
Grand Marquis			
GS 4-door sedan	16,701	16,079	622
LS 4-door sedan	17,213	16,591	622
Colony Park GS 4-door	17,338	16,428	910
Colony Park LS			
4-door wagon	17,922	17,012	910
Town Car			
4-door sedan	25,562	24,373	1,189
Signature 4-door sedan	28,563	27,374	1,189
Cartier 4-door sedan	29,709	28,520	1,189
Mark VII			
LSC 2-door	27,569	26,380	1,189
Bill Blass 2-door	27,569	26,380	1,189
Continental			
4-door sedan	28,032	26,078	1,954
Signature 4-door sedan	29,910	27,944	1,966
Merkur XR4Ti			
2-door hatchback	19,759	19,142	617
Merkur Scorpio			
4-door hatchback	25,052	24,090	962

Nissan adds $400-plus to many cars

CARSON, Calif. — Nissan Motor Corp. in U.S.A. last week announced a price increase averaging $316, or 3.2 percent, on its 1989 cars and trucks, but that was only the beginning of the story.

Nissan declined to supply separate figures for the car and truck increases. Some trucks had moderate hikes, and many other pickups have been reduced for 1989. That means the car price boost was considerably higher than the $316 average for all vehicles.

Automotive News estimates that the Nissan cars priced last week went up an average of more than $400 over the final 1988 prices.

Several models in the Sentra, 240-SX and 300-ZX series went up $400 to $653, while the Pulsar series shows no change.

In the Sentra line, which is Nissan's best seller with about 40 percent of its U.S. sales, the base two-door sedan climbed only $150, to $6,849. A station wagon was unchanged, and the Sentra E four-door sedan was reduced $100.

However, other Sentra manual-transmission models were boosted $400 to $550, and cars with automatic transmission went up $45 in addition to that. The Sentra increases on individual models were as high as 5.6 percent.

Stanza sedans rose $350, and automatics went up that amount plus an extra $35.

The 240-SX series, which replaces the 200-SX, checked in with increases of $450 to $595 on comparable models. The 240-SX line starts at $12,999.

The 300-ZX sports cars received the largest bumps — $600 per model plus another $35 to $53 on cars with automatic transmission. The 300-ZX coupes are priced from $22,299.

Nissan's new Maxima models and its Pathfinder sport-utility vehicles will be priced later. They are scheduled to go on sale Oct. 31.

The base two-wheel-drive pickup truck was increased $150 and now is $7,399.

Other trucks are difficult to compare because of changes in model and series designations, but Nissan appears to have reduced prices on a number of 1989 pickups in an effort to stimulate sales, which were down 22.61 percent for the first eight months of this year.

Car-truck sales falter

Deliveries drop 9% for early September

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Early-September domestic-car and light-truck sales fell 8.95 percent from the year-ago period, primarily because of a 12.61 percent decline in sales of U.S.-built cars.

Only Honda and Nissan reported year-to-year car sales increases, although Ford and Chrysler Motors reported gains in domestic light-truck sales.

Combined domestic car and truck deliveries for Sept. 1-10 totaled 242,368, off 23,824 units from 266,192 a year ago.

The General Motors domestic car and truck total fell 16.52 percent; Ford car and truck sales declined 6.38 percent; and Chrysler car and truck sales were off 3.81 percent. Sales of U.S.-built Nissan cars and light trucks rose 51.34 percent.

Retail deliveries of U.S.-built new cars totaled 155,131 in early September vs. 177,512 last year.

The daily-selling rate in the Sept. 1-10 period was 19,391, off 2,798 cars, or 12.61 percent, from 22,189 last year. Both periods had eight selling days.

Honda sold 41.33 percent more U.S.-built cars in early September than it did last year. Nissan's U.S.-built-car sales were up 19.06 percent. However, Toyota's declined 41.77 percent.

GM's Sept. 1-10 new-car sales were 16,435 units or 18.05 percent below last year's early-September totals, and Ford's sales fell 11.56 percent. Chrysler Motors' retail deliveries were down 10.16 percent.

In the first 10 days of September, Mazda sold 506 cars produced at its Flat Rock, Mich., plant.

Sales of U.S.-built light trucks dipped 1.63 percent for Sept. 1-10. The total was 87,237 vs. 88,680 last year.

Nissan sold twice as many U.S.-built light trucks as it did a year ago. Ford and Chrysler sales rose slightly, while GM sales declined 12.80 percent.

DOMESTIC SALES

	Sept. 1-10, 1988	Sept. 1-10, 1987
Eagle	1,008	550
Chrysler	4,963	7,792
Plymouth	5,609	6,298
Dodge	8,777	8,019
Chrysler Motors	20,357	22,659
Ford	31,275	34,569
Mercury	9,372	12,232
Lincoln	4,671	4,442
Ford Motor Co.	45,318	51,243
Buick	12,535	14,316
Cadillac	4,557	6,943
Chevrolet	24,254	35,907
Oldsmobile	16,942	18,888
Pontiac	16,352	15,021
General Motors	74,640	91,075
Volkswagen	—	1,080
Honda	9,660	6,835
Nissan	3,836	3,222
Toyota	814	1,398
Mazda	506	—
U.S. Industry Total	155,131	177,512

Cafaro and his company move up to 95% of Avanti

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Developer J.J. Cafaro has purchased a 47.5 percent interest in New Avanti Motor Corp. from Michael Kelly, former president and co-owner.

Kelly had sold 47.5 percent of the luxury-car maker to Cafaro Co. of Youngstown a year ago for an estimated $1.5 million. J.J. Cafaro is executive vice president of that company.

Kelly had purchased the ailing auto firm in 1986 for $725,000 and moved it to Youngstown, Ohio, from South Bend, Ind., last year.

Cafaro declined to disclose the purchase price for the 47.5 percent he purchased from Kelly.

A statement said he will continue with Avanti while Kelly will leave the company to concentrate on the American distribution and sales of Puma, a Brazilian-built sports car that will be sold through Avanti dealerships. In July, a company official said Cafaro had relieved Kelly of management of New Avanti Motor so he could operate Puma Motors Corp., a subsidiary of Avanti.

"In recent months, it has become increasingly clear that the dual demands of the Avanti and Puma divisions were too much for any one person to handle," said Cafaro. Cafaro said the company expects to launch three new car lines in 12 months and to increase the number of Avanti dealers.

A company spokesman said Youngstown could be the site of a second assembly plant when Kelly begins bringing the Puma to the United States.

PRODUCTION

Truck output highest in 4 months

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

Last week's targeted domestic truck production of 89,230 was the highest since the week ended May 21, when 92,256 trucks were built.

The truckmakers' schedule last week was 25.12 percent higher than the prior week's 71,314 and 18.85 percent more than the year-ago week's 75,077.

Year-to-date, 2,927,090 units have been assembled, 8.82 percent more than the 2,689,745 completed last year at this point.

Car output was estimated at 145,467 units last week, 19.62 percent more than the previous week's 121,609 and 10.79 percent more than the year-ago week's 131,295.

So far this year, 4,889,172 cars have been built, 3.49 percent below the 5,065,847 assembled last year at this time.

Companies split last week's scheduled production as follows: General Motors, 51.21 percent; Ford Motor Co., 23.62 percent; Chrysler Motors, 14.68 percent; Honda of America Manufacturing Inc., 4.96 percent; Mazda Motor Manfacturing (U.S.A.) Corp., 3.27 percent; Nissan Motor Manfacturing Co. U.S.A., 1.97 percent; and New United Motor Manufacturing Inc., 0.29 percent.

NUMMI's plant in Fremont, Calif., closed last Tuesday for model changeover. When it reopens Sept. 26, it will build the 1989 Toyota Corolla sedan, and in November, the new 1989 Geo Prizm, which replaces the Chevrolet Nova.

GM's Doraville, Ga., plant remains closed until Sept. 26 for changes in operating plans.

Ford's Lorain, Ohio, plant will be idle until early October for model changeover.

Chrysler's Newark, Del., facility will be closed until mid-October for changeover.

GM slated overtime last Saturday at its Van Nuys, Calif.; Lordstown, Ohio; and Lansing, Mich., plants.

Canada climbs to 19,581 cars

Canadian auto output was scheduled at 19,581 units last week, 20.49 percent more than the prior week's 16,251 and 24.78 percent more than the year-ago week's 15,692.

So far this year, 760,068 cars have been built, 41.26 percent more than the 538,071 completed last year at this point.

Truckmakers estimated assembly of 20,193 units last week, 20.78 percent more than the previous week's 16,719 and almost double the year-ago week's 10,250, which was affected by a strike against Chrysler.

Year-to-date, 645,389 trucks have been built, 10.49 percent more than the 584,115 assembled last year at this time.

Workers at Volvo's Halifax, Nova Scotia, plant remained on strike last week over pensions, wages and union representation on the shop floor. The strike began Aug. 24. A company spokesman said negotiations are continuing.

U.S. CAR	Week Ended Sept. 17, 1988	Week Ended Sept. 19, 1987	Week Ended Sept. 10, 1988	Sept. to Date	Jan. 1 to Sept. 17, 1988	Jan. 1 to Sept. 19, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	1,500	464	1,147	3,145	57,782	33,640
Sundance	2,000	1,674	1,581	4,247	72,455	66,414
Reliant	2,100	3,515	1,665	4,425	61,676	85,590
Caravelle	0	590	0	0	9,087	34,108
Gran Fury	200	214	221	521	16,345	4,567
Total Plymouth	5,800	6,457	4,614	12,336	217,345	224,319
LeBaron K	0	943	0	0	7,912	50,599
LeBaron J	2,000	2,164	1,613	4,371	54,240	81,784
LeBaron GTS	150	812	177	390	6,646	28,803
N. Yorker E-Class	0	55	0	0	0	56,425
N. Yorker C-Class	1,800	281	1,664	4,233	73,999	2,088
Fifth Avenue	700	2,543	802	1,900	20,980	40,467
Total Chrysler	4,650	6,798	4,256	10,894	163,777	260,166
Omni	1,400	422	1,173	3,067	56,409	29,014
Daytona	2,000	2,101	1,609	4,377	53,470	42,575
Shadow	2,200	1,854	1,701	4,655	71,996	68,843
Aries	2,100	2,905	1,723	4,581	60,288	79,350
Dodge 600	0	475	0	0	8,549	30,431
Dynasty	2,700	76	2,096	5,750	73,586	474
Lancer	200	500	124	386	6,394	17,982
Diplomat	300	597	215	636	14,038	8,568
Total Dodge	10,900	8,930	8,641	23,451	344,730	277,237
CHRYSLER MOTORS	21,350	22,185	17,511	46,683	725,652	777,716
Escort	9,010	9,349	6,450	18,862	278,363	271,640
Mustang	4,487	4,564	3,482	9,654	143,319	153,609
Tempo	3,555	660	3,115	7,945	131,529	101,389
Taurus	8,388	8,845	6,378	17,814	280,331	295,825
Thunderbird	0	2,769	0	0	90,246	111,935
Total Ford Div.	25,440	26,187	19,425	54,275	923,788	934,398
Lynx	0	0	0	0	0	21,352
Topaz	1,516	178	1,286	3,277	49,908	33,345
Cougar	0	2,772	0	0	69,686	100,130
Sable	2,777	1,406	2,040	5,745	95,232	92,503
Total Mercury	4,293	4,356	3,326	9,021	214,826	247,330
Continental	1,138	0	1,175	2,896	33,603	9,610
Mark VII	883	655	596	1,769	18,241	20,034
Lincoln	2,610	3,280	1,795	5,279	91,350	100,780
Total Lincoln	4,631	3,935	3,566	9,944	143,194	130,424
Total L-M Division	8,924	8,291	6,892	18,966	358,020	377,754
FORD MOTOR CO.	34,364	34,478	26,317	73,241	1,281,808	1,312,152
Skyhawk	519	1,217	430	1,142	12,387	22,030
Skylark/Somerset	1,175	1,486	1,051	2,790	34,501	44,515
Century	4,763	1,135	3,723	10,203	84,897	119,879
Regal (rwd)	0	670	0	0	0	32,096
Riviera	521	268	342	978	4,872	9,264
Electra	1,229	1,907	935	2,651	59,095	64,991
LeSabre (fwd)	2,925	4,867	2,860	5,871	91,465	103,939
LeSabre (rwd)	205	143	184	1,559	9,881	6,541
Reatta	231	0	149	476	6,638	0
Total Buick	11,568	11,693	9,674	25,670	303,736	403,255
Cimmaron	0	303	0	0	3,693	8,281
Eldorado	542	376	339	1,009	25,077	13,802
Seville	410	456	268	771	15,715	11,815
Brougham (rwd)	905	1,621	864	2,088	23,189	49,467
Deville (fwd)	3,024	3,212	1,700	5,281	103,697	100,877
Allante	65	139	32	102	1,244	3,775
Total Cadillac	4,946	6,107	3,203	9,251	172,615	188,017
Cavalier	7,804	4,272	6,141	16,603	256,207	222,186
Camaro	2,343	2,330	1,621	4,786	62,755	87,896
Celebrity	3,393	4,353	3,224	8,023	129,121	212,574
Corsica/Beretta	10,367	7,398	9,417	23,462	298,644	229,985
Monte Carlo	0	1,633	0	0	0	50,186
Caprice	4,233	2,331	3,736	9,454	148,780	131,933
Corvette	450	644	362	992	15,813	19,600
Total Chevrolet	28,590	22,961	24,501	63,321	911,320	954,360
Calais	3,625	3,094	2,638	7,210	78,466	80,690
Firenza	0	310	0	0	5,230	4,193
Cutlass Ciera	1,218	33	819	2,355	17,051	100,051
Cutlass Supreme	0	1,712	2,804	4,177	100,822	54,881
Toronado	169	311	104	325	10,932	11,015
88 (fwd)	3,147	4,025	2,126	6,375	109,250	122,430
88 (rwd)	105	16	146	331	8,514	10,673
Olds 98	1,087	1,863	912	2,439	52,146	49,478
Total Oldsmobile	9,351	11,364	9,549	23,210	382,411	442,005
Sunbird	2,557	1,059	2,097	5,657	75,870	65,067
Grand Am	6,000	5,022	4,223	12,154	165,078	171,131
Firebird	1,475	1,274	1,173	3,188	43,348	58,201
Grand Prix	4,365	0	3,038	9,024	93,165	0
Pontiac 6000	2,823	0	2,744	6,489	58,285	56,319
Bonneville	2,669	2,643	2,112	5,799	80,054	92,253
Safari/Parisienne	150	94	116	325	5,725	6,986
Fiero	0	636	0	0	13,260	21,489
Total Pontiac	20,039	10,728	15,503	42,636	534,785	471,446
GENERAL MOTORS	74,494	62,853	62,430	164,087	2,304,867	2,459,083
HONDA	7,220	5,542	5,886	16,033	261,006	237,530
Civic	2,000	100	1,875	4,923	75,432	71,627
Accord	5,220	5,442	4,011	11,110	185,574	165,903
MAZDA†	4,750	93	4,513	11,025	90,721	0
NISSAN	2,870	2,581	2,302	6,331	78,304	94,982
NUMMI	419	3,563	2,650	4,384	111,019	141,255
Corolla	181	940	949	1,599	40,531	30,242
Nova	238	2,623	1,701	2,785	70,488	111,013
VOLKSWAGEN	0	0	0	0	35,595	43,129
Golf/GTI	0	0	0	0	30,042	34,775
Jetta	0	0	0	0	5,553	8,354
Total Cars, U.S.	145,467	131,295	121,609	321,784	4,889,172	5,065,847
Total Cars, Canada	19,581	15,692	16,251	43,037	760,068	538,071
U.S., Canada Cars	165,048	146,987	137,860	364,821	5,649,240	5,603,918
U.S., Canada Cars and Trucks	274,471	232,314	225,893	601,287	9,221,719	8,877,778

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended Sept. 17, 1988	Week Ended Sept. 19, 1987	Week Ended Sept. 10, 1988	Sept. to Date	Jan. 1 to Sept. 17, 1988	Jan. 1 to Sept. 19, 1987
Eagle	0	—	0	0	0	—
Premier	1,275	—	1,275	2,936	43,594	—
CHRYSLER MOTORS	1,275	110	1,275	2,936	43,594	3,921
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	3,104	—	2,227	6,275	125,545	—
Topaz	1,546	—	1,108	3,075	47,282	—
Crown Victoria	2,813	—	2,086	5,893	90,725	—
Grand Marquis	2,947	—	2,200	6,200	91,509	—
FORD MOTOR CO.	10,410	5,175	7,621	21,443	355,061	314,334
Celebrity	152	—	198	414	15,038	—
Cutlass Ciera	2,664	—	2,680	6,689	170,247	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	0	29,675	—
Regal	3,600	—	3,388	8,505	111,532	—
GENERAL MOTORS	6,416	9,781	6,266	15,608	326,492	202,363
Civic	1,480	—	1,089	3,050	28,580	—
Accord	0	—	0	0	1,828	—
HONDA	1,480	401	1,089	3,050	30,408	10,181
VOLVO	0	225	0	0	4,513	7,272
Total Cars, Canada	19,581	15,692	16,251	43,037	760,068	538,071

U.S. TRUCK☆	Week Ended Sept. 17, 1988	Week Ended Sept. 19, 1987	Week Ended Sept. 10, 1988	Sept. to Date	Jan. 1 to Sept. 17, 1988	Jan. 1 to Sept. 19, 1987
Caravan	2,100	—	1,943	4,827	67,192	—
Dakota	2,300	—	1,681	4,823	74,624	—
Mini-Ram Van	300	—	176	520	9,552	—
Pickups	2,300	—	1,665	4,808	53,094	—
Total Dodge	7,000	9,001	5,465	14,979	204,462	197,520
Cherokee	4,400	—	3,673	9,506	128,650	—
Commanche	1,000	—	834	2,146	32,253	—
Grand Wagoneer	300	—	280	580	9,771	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	192	472	7,482	—
Total Jeep	5,900	4,633	4,979	12,704	178,156	159,190
Voyager	2,100	—	1,841	4,696	63,509	—
Total Plymouth	2,100	—	1,841	4,696	63,509	—
CHRYSLER MOTORS	15,000	13,634	12,285	32,379	446,127	356,710
Aerostar	4,968	—	3,948	10,811	144,599	—
Bronco	1,057	—	720	2,128	39,240	—
Bronco II	2,685	—	2,049	5,900	92,515	—
Econoline	5,468	—	4,102	11,463	167,999	—
Heavy trucks	1,301	—	1,056	2,886	47,215	—
Light trucks	10,963	—	8,136	23,011	347,942	—
Ranger	6,769	—	5,013	14,488	249,846	—
Total Ford Div.	33,231	31,016	25,024	70,688	1,089,356	1,053,609
FORD MOTOR CO.	33,231	31,016	25,024	70,688	1,089,356	1,053,609
Astro	3,500	—	2,554	7,298	124,835	—
Blazer	532	—	449	1,169	16,573	—
Mediums/Heavies	420	—	468	1,133	14,732	—
P-Model	898	—	686	1,930	29,266	—
Pickups	8,079	—	6,638	17,296	248,864	—
S-10	5,971	—	5,421	13,494	215,795	—
S-10 Blazer	3,925	—	3,094	8,364	116,984	—
Sportsvan/Van	2,218	—	1,589	4,539	67,493	—
Suburban	1,384	—	1,104	2,982	49,767	—
Total Chevrolet	26,927	15,680	22,003	58,205	886,309	796,551
Jimmy	154	—	101	314	5,360	—
Mediums/Heavies	680	—	429	1,307	27,633	—
P-Model	122	—	106	269	3,936	—
Pickups	2,521	—	1,805	5,127	76,462	—
S-15	1,325	—	1,280	3,101	48,855	—
S-15 Jimmy	1,175	—	1,025	2,572	33,426	—
Safari	886	—	777	2,020	32,000	—
Suburban	673	—	540	1,464	22,054	—
Vandura/Rally Vans	696	—	696	1,618	25,168	—
Total GMC	8,232	8,223	6,759	17,792	274,894	272,201
GENERAL MOTORS	35,159	23,903	28,762	75,997	1,161,203	1,068,752
NAVISTAR	1,700	1,617	1,365	3,629	61,190	52,405
NISSAN	1,390	2,157	1,128	3,068	68,014	62,309
AM GENERAL*	450	450	450	1,080	16,560	11,160
MISCELLANEOUS*	2,300	2,300	2,300	5,520	84,640	84,800
Total Trucks, U.S.	89,230	75,077	71,314	192,362	2,927,090	2,689,745

CANADIAN TRUCK	Week Ended Sept. 17, 1988	Week Ended Sept. 19, 1987	Week Ended Sept. 10, 1988	Sept. to Date	Jan. 1 to Sept. 17, 1988	Jan. 1 to Sept. 19, 1987
Caravan	2,928	—	2,436	6,451	100,260	—
Mini-Ram Van	204	—	184	443	9,166	—
Ram Wagon	768	—	515	1,504	17,793	—
Ram Van	2,052	—	1,441	4,187	47,673	—
Total Dodge	5,952	1,407	4,576	12,585	174,892	286,566
Voyager	3,012	—	2,573	6,453	89,647	—
Total Plymouth	3,012	—	2,573	6,453	89,647	—
Wrangler	1,248	—	1,147	2,824	35,471	—
Total Jeep	1,248	923	1,147	2,824	35,471	24,291
CHRYSLER MOTORS	10,212	2,330	8,296	21,862	300,010	310,857
FORD MTR. (lt. trks.)	3,636	3,260	2,486	7,269	114,328	105,716
Light trucks	3,032	—	2,866	7,131	107,392	—
Vans	1,260	—	1,074	2,870	40,773	—
Total Chevrolet	4,292	—	3,940	10,002	148,165	—
Light trucks	1,288	—	1,147	3,051	53,933	—
Vans	495	—	642	1,333	20,883	—
Total GMC	1,783	—	1,789	4,384	74,816	—
GENERAL MOTORS	6,075	4,432	5,729	14,386	222,981	160,735
NAVISTAR	270	228	208	586	8,070	6,807
Total Trks., Canada	20,193	10,250	16,719	44,103	645,389	584,115
U.S., Canada Trks.	109,423	85,327	88,033	236,466	3,572,479	3,273,860

☆—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

NOTE

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42, 56, 57

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GM kicks off lower-rate lease plan

SmartLease first divisionwide effort

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT -- A new volley in the incentive wars will be launched today, as General Motors begins its first corporate-wide uniform leasing program on all new 1988 and 1989 vehicles.

The low-rate lease program is supported by an intensive advertising campaign that began on last night's Olympics telecast.

The consumer leasing program represents yet another effort by GM to boost its long-suffering market share with a fast start to the new model year. The program also is a move to try to capture some of the growing retail leasing market, a market in which GM has not performed well of late.

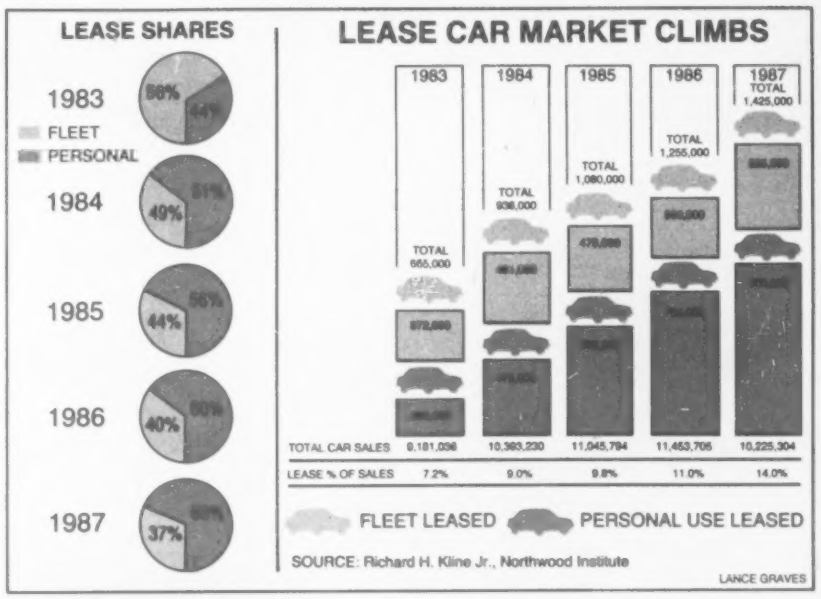
The automaker's financing subsidiary, General Motors Acceptance Corp., kicks off the program, SmartLease by GMAC, today.

SmartLease is a streamlined lease agreement that provides the customer with the option of giving back the car after the 48-month term or buying it. The lease spells out the price the person leasing the car will have to pay to buy the car at the end of the lease — something Ford Motor Credit and other financial institutions have offered for years.

Previous GMAC leasing programs have simply said the purchase price will be the fair market value when the lease expires. SmartLease also will offer special incentives on selected new 1989 GM vehicles through Dec. 31.

For example, on a vehicle with a sticker price of $15,000 and a fixed price of $5,000 to buy the vehicle at the end of the 48-month term, the monthly lease payment would be $309.

see SMARTLEASE, page 56



LEASING: *Rebound seen as customers seek low monthly payments*

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Two years ago, the number of retail auto leases written by the Big 3's financial arms plunged to the lowest point in the decade after more than five years of continuous growth.

Incentives and customer acceptance of 60-month financing had stunted retail leasing for General Motors Acceptance Corp., Ford Motor Credit Co. and Chrysler Credit Corp. while other financial institutions saw only modest gains in their portfolios.

But the pace of retail leasing has picked up this year, unencumbered by blockbuster interest-rate incentives. And it may get another year-end boost as GM enters the fray with a broadsword lease program this week.

Nevertheless, leasing has yet to be the merchandising tidal wave that some industry observers had predicted.

Best industry estimates put the entire lease market — for both fleets and retail — at only 14 percent of all cars delivered in 1987. And the personal-use lease segment accounted for less than 9 percent of 1987 deliveries, according to Richard H. Kline Jr., chairman of the automotive marketing department at Northwood Institute.

Meanwhile, the National Vehicle Leasing Association is predicting growth of about one percent a year in retail leasing. Bill Neremberg, executive director, predicted 1988 could be the year that retail leases top 1.1 million units.

"It's growing fast," he said. "Industry revenues for cars and trucks grew 240 percent between 1975 and 1986, from $15.7 billion to $53.4 billion."

Fueling customer interest in leasing is the gradual phasing out of federal income tax benefits for financing a car. This year, a car buyer may deduct 40 percent of the interest paid on an automobile, but that will drop to 20 percent in 1989, 10 percent in 1990 and zero in 1991.

"Leasing will become more attractive because the tax (break) will soon disappear for financing a car," said Stuart H. Angert, senior vice president — automotive marketing for Marine Midland Automotive Financial Corp.

Other industry officials agree that leasing is gaining ground, but they say the driving force is the difference in monthly payments between financing and leasing a car.

"The price alone is bringing leasing before the public," said Fred Winkler Jr., director of direct leasing for GMAC. "There is little or no downpayment, and the monthly payment is lower. Elimination of interest de-

see LEASING, page 56

GM seizes giant Chevy dealership

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

Jim Johnson Chevrolet, the nation's largest retailer of Chevrolet vehicles in 1987, has been taken over by General Motors, to which the dealership owes millions of dollars, and is being investigated by the Texas Motor Vehicle Commission.

In addition, three Dallas-area newspapers have filed petitions in U.S. Bankruptcy Court, seeking to force the dealership into liquidation because they together are owed more than $238,000.

GM's financing subsidiary, General Motors Acceptance Corp., has assumed control of the giant Richardson, Texas, dealership and is operating it under the name of Patlan Chevrolet with an interim manager until a new dealer can be found to buy the dealership.

It is the second time in less than a year that GMAC has taken over a Dallas-area dealership. Jim Johnson Chevrolet is the fourth large dealership in recent months to encounter severe financial difficulties.

GMAC earlier this year took over Parkway Pontiac in Dallas until a new owner was found. In New Jersey, Richard T. Pepe, one of the state's largest dealers with 10 outlets, filed bankruptcy, owing $26 million to creditors including GMAC. And in Glendora, Calif., Grand Chevrolet, another of Chevrolet's top retailers, also filed bankruptcy.

Johnson

In Richardson, Texas, J.S. Kavanagh, GMAC branch manager, would not reveal the amount of GMAC's losses from Jim Johnson Chevrolet. He would only say that those losses will be "sizable."

Robert Starr, Chevrolet general sales and service manager, declined to discuss the details of the dealership except to say that big dealers can make big money, but when they lose, they also lose big. Starr said Chevrolet dealers in general are having their most profitable year in history.

Sources familiar with Jim Johnson Chevrolet operations estimated the dealership's debts in the $10 million to $15 million range.

Jim Johnson, former owner of Jim Johnson Chevrolet, is working at his Chevy dealership in Austin, Texas. Johnson did not respond to numerous telephone calls and a telefax from Automotive News. One

see SEIZE, page 56

An 'ungreenfield' site

Japanese shape up UAW parts plant

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

TOLEDO, Ohio — When another Japanese auto parts plant comes to town, it's not big news anymore — in Ohio or in scores of other U.S. locations near auto assembly plants.

But the Japanese usually settle in greenfield sites far from union influence. When a major Japanese supplier buys an old auto parts plant with a UAW workforce — one so ornery it earned the label "little Jeep" — the industry's collective ears perk up.

That is the whole idea, as far as the UAW and northwest Ohio companies are concerned. They say the area could use an image boost, because the memory of a few highly publicized labor disputes hangs like a gritty cloud over the Toledo area.

When the Japanese rode into town and looked with favor on Mather Metals, an old forging operation, the UAW leadership in Region 2B — from Director Jack Sizemore to Plant Chairman Ken Zarecki — were quick to see the

see MATHER, page 37

AUTOMOTIVE NEWS/JOE WILSSENS
A New Mather Metals employee removes a bus sway bar

Toyota's goal for Lexus far short of Acura sales

By Matt DeLorenzo
AUTOMOTIVE NEWS STAFF REPORTER

LOS ANGELES — While Honda is counting on its Acura Division as another high-volume channel, Toyota says its upscale Lexus line has a more limited goal of cracking the true luxury-car market.

"Lexus is different from Acura at every level," said James C. Perkins, senior vice president, Lexus Division. Unlike Acura, Perkins said, Lexus will launch with two luxury models priced over $20,000 and will limit volume in order to maintain exclusivity.

"Acura has one entry-level luxury model in the Legend and a rebadged Honda Quint Integra that makes no pretense of belonging in the luxury market at all," he said. "In short, Lexus leapfrogs Acura and will offer the first true high-performance luxury sedan from Japan."

see LEXUS, page 54

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vernment enault shift Page 2
Big 3 boost estimates for 4th-quarter output Page 3
Domestic franchises gain favor with dealers Page 4

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CAFE ruling may bring GM windfall

1985 guzzler fines might be erased

By Helen Kahn
SENIOR CORRESPONDENT

WASHINGTON — Christmas came in September for many auto companies but especially for General Motors, as a federal appellate court reversed itself and reinstated EPA's adjustments used in determining corporate average fuel economy.

The windfall — which GM declined to quantify — appears to be enough to wipe out all of GM's potential civil penalties for failing to meet CAFE requirements. So, although GM has not said so, it may not need what it has requested from NHTSA: retroactive rollback of the 1985 CAFE standard and the lowering of the 1989 CAFE standard.

While GM may not need the rollbacks to come into compliance, it may still want them as a hedge against the future. Credits generated by such rollbacks can be carried forward as well as backward.

Although other automakers and importers don't have as many millions of dollars affected by the court decision, European importers who were subject to the CAFE fines of $5 per tenth of an mpg per car will either be home free or helped greatly.

Already, Aston Martin, Jaguar and Porsche have paid fines and Mercedes-Benz has refused to pay its civil penalties for the 1985 model year while it petitions for a retroactive rollback for both 1984 and 1985 models. In addition, Ford Motor Co. and other European makers have had to use some of their credits, and the court decision will negate some of those losses and perhaps allow them to build more cars with bigger engines.

But as important as the monetary issue is to the automakers, the court decision was perhaps more important to consumer groups because of the technical grounds upon which the reversal was made.

Cornish Hitchcock, attorney for Ralph Nader's Public Citizen and the independent Center for Auto Safety, said it was a devastating defeat for consumers because their

see CAFE, page 52

AUTOMOTIVE NEWS/JOE WILSSENS

Mayhew brings a mix of enthusiasm and experience to his job as Ford's North American design chief

MAYHEW: *Ford designer points to interiors, trucks as next big breakthroughs*

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — Fred "Fritz" Mayhew, Ford Motor Co.'s North American design chief, has found an unlikely home for some of his art work: the 14th floor of the General Motors Building.

No, they aren't sleek, clay models of future Fords being scrutinized by GM executives. They are landscape paintings — a handful of them — that grace the halls on GM's executive floor.

Mayhew ranks himself as a painter of some renown on the local art scene, and GM art critics seem to agree. But his current job at Ford threatens that reputation because Mayhew now has little time or energy left for the canvas.

When Mayhew was named to succeed celebrated designer Jack Telnack 15 months ago, he was given a clear mission: Keep Ford on top of the automotive design world.

As with anyone who has big shoes to fill, the task won't be simple. For Mayhew, it won't be enough, either. He has also aimed Ford's design sights at breakthroughs on two other fronts: interiors and trucks.

With a head of gray and a bespectacled, boyish face, the 45-year-old Mayhew reflects a mix of enthusiasm and experience. And he is no stranger to the work that's been going on behind the closed doors of Ford's Dearborn design center.

He worked on the 1979 Mustang, the car that he credits with launching the design turnaround at Ford. Through a series of jobs, he also has had a hand in some notable successors to that effort — including the 1984 Tempo, 1986 Taurus, 1988 Continental and the 1989 Thunderbird.

His current job opened up last year when Donald Kopka, Ford's vice president for design, retired at age 60. Telnack replaced Kopka, and Mayhew stepped into Telnack's spot.

The move to the No. 2 position marked an obvious peak for Mayhew after a quarter century at Ford. And with Telnack just a few years his senior at age 50, Mayhew could well be in his present spot for some time.

Mayhew interviewed at GM and Ford after graduating from Carnegie Mellon University in 1963. Although trained as an industrial designer, he had become interested in automotive design while attending a GM-sponsored summer program. Mayhew picked Ford, in part because he was impressed by the work in process on the original Mustang at the time.

In recent years, the auto industry has relied more and more on the techniques of industrial design, a pursuit that stresses the blend of function and beauty in a product.

On interiors, though, Mayhew sees room for improvement. He disputes the industry's claim to good ergonomics. A friendly interior should pass a simple test, he says: A driver should be able to enter a strange car at night and operate it without having to fumble around for the controls.

Some designers outside the industry agree.

"The real arena of competition is going to be interiors," says Ron Hill, chairman of the industrial design department at the Art Center College of Design, Pasadena, Calif. "It's a much more difficult, multilayered task than exteriors. There's a lot of things that can be done to make them more exciting, more livable and safer."

Mayhew envisions a trend toward simplified ergonomics and a departure from some of the electronic clutter that is common today. There will be lighter, brighter colors on the inside. Controls that aren't used all the time won't be prominent.

"I think we'll see more innovative, creative forms in interiors — probably more sculptural, like our exteriors are," he says.

Today, no automaker has a clear lead in interior

see MAYHEW, page 54

Nissan introduces shop pact

Adesco in picture till suit is settled

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

Nissan Motor Corp. in U.S.A. will launch its own extended service warranty program for Nissan dealers beginning Oct. 1, after its contract with Oklahoma-based Adesco Corp. expires.

But Adesco will continue to administer more than 500,000 existing warranties pending the outcome of a trial in U.S. District Court for the Central District of California, which is scheduled for January.

According to attorney Randy Huff, who represents Nissan in the lawsuit, the importer will pay claims on Adesco contracts presented by dealers but will be reimbursed by Adesco's insurers through Adesco.

"Adesco is still in the loop," he said. "Nissan is required by the insurance companies to submit its claims to Adesco for processing and then for payment, whether the claims are covered or not."

Any contracts written by Nissan after Oct. 1 will be administered and self-insured by the automaker.

Nissan sued Adesco and its affiliate, Oklahoma-based Minnehoma Insurance Co., in March, winning a temporary restraining order halting Adesco from terminating dealers in Florida and elsewhere from the program (Automotive News, March 28.)

The court will decide Nissan's right to administer the existing contracts and to replace Adesco subject to the consent of Adesco's insurers, Foremost Insurance Co., parent of Minnehoma, of Grand Rapids, Mich., and Republic Insurance Co. of Dallas.

A second issue involves the right of Nissan to administer those contracts as the insurer.

Adesco has sued several Nissan dealers in Florida, claiming incidents of fraud in their filing of claims for service and parts. The Florida lawsuits are pending.

Robert Stevens, national service contracts manager for Nissan, said it is Nissan's desire to administer

see NISSAN, page 54

INDEX

Around the world	26
Auction dates	42
Classifieds	42-52
Coming events	33
Engineering	18
News briefs	8
Obituaries	56
Opinion	10
Personnel	35
Trucks	14

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Big 3 raise 4th-quarter production estimates

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

The Big 3 recently beefed up their fourth-quarter U.S. production forecasts, boosting the industry estimate almost 8 percent above the fourth quarter of 1987.

The three companies added almost 105,000 cars to their original fourth-quarter schedules (Automotive News, Aug. 8). The Big 3 and the transplants now project that 1,881,800 cars will be built during the fourth quarter, 7.93 percent more than last year's 1,743,515.

General Motors added about 56,000 cars to its original forecast, bringing its updated fourth-quarter schedule to 967,900 units, 15.23 percent more than the actual build of 839,946 last year.

Auto analyst Mike Luckey of Luckey Consulting Group Inc., Cresskill, N.J., said GM's market share will have to improve over the next few months or the company will end up in excess of an 80-day supply of cars by year-end.

Luckey believes GM will stick to its schedule and possibly offer incentives by year-end rather than scale back its production. However, there may be some cutbacks in the first quarter of the new year, he said.

GM has already scheduled January output at 117,000 cars more than it built in January of this year.

Ford Motor Co. recently raised its fourth-quarter total by about 25,000 cars, bringing it to 432,000, 6.32 percent below the 461,143 built in the final three months of 1987.

Ford's decrease can be attributed to the loss of Cougar and Thunderbird output at its Lorain, Ohio, plant, which is idle until early October for 1989 model changeover and will not be up to full line speeds in the fourth quarter.

Chrysler Motors has added about 23,000 cars to its original fourth quarter forecast, for a new total of 291,000, 2.80 percent more than the 283,062 built in the fourth quarter of 1987.

The transplant companies made no revisions to their fourth-quarter schedules.

U.S. CAR PRODUCTION FORECAST

	Fourth Quarter			Full Year		
	1988 Estimate	1987 Actual	Percent Change	1988 Estimate	1987 Actual	Percent Change
GM	967,900	839,946	+15.23	3,430,000	3,455,463	– 0.74
Ford	432,000	461,143	– 6.32	1,790,000	1,830,446	– 2.21
Chrysler	291,000	283,062	+ 2.80	1,063,000	1,109,411	– 4.18
Honda	87,500	80,227	+ 9.07	365,500	324,064	+12.79
NUMMI	18,200	38,901	–53.21	129,200	187,378	–31.05
Nissan	24,600	15,289	+60.90	108,800	117,334	– 7.27
Mazda	60,600	3,800	—	163,400	4,200	—
VW	0	21,147	—	36,000	66,696	–46.02
Industry	1,881,800	1,743,515	+ 7.93	7,085,900	7,094,992	– 0.13

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BUICK: *Reatta ragtop delayed, unfolds in 1990; Mertz sees Regal repeating 100,000 tally*

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

BIRMINGHAM, Mich. — Buick has delayed its Reatta convertible for another year.

The two-seat convertible was to be introduced during the 1989 model year but now will debut in the 1990 model year. Buick officials said engineering work is continuing in an effort to make the convertible top as easy as possible to lower and raise.

Despite the lack of a convertible for 1989, Buick predicts Reatta sales will reach 7,000 to 8,000 units in its first full model year on the market. Buick dealers will have sold about 3,000 Reattas by the end of the 1988 model year, Buick officials said. As of Aug. 31, Buick had sold 2,337 Reattas. The car was introduced in January.

Buick General Manager Edward Mertz, speaking at the division's 1989 preview, said Reatta is capturing buyers who previously owned products from other makers. A third of the buyers trade in a non-General Motors product. Those sales are about evenly divided between former owners of competing domestic and import products. Mertz said dealers have taken in Porsches, Mercedes-Benz models and even a Rolls-Royce.

A third of the Reatta buyers trade in a GM product, and about half of that group trade in a Buick. A third do not trade in a car but add the Reatta to their household fleet.

As for other products, Mertz predicted that sales of the Regal coupe will total 100,000 units for 1989, about even with the 1988 model year, its first year of production.

The average age of a Regal buyer is 45, compared with an average age of 50 for those who owned the previous rear-wheel-drive Regal. The average annual income for a Regal buyer is about $46,000.

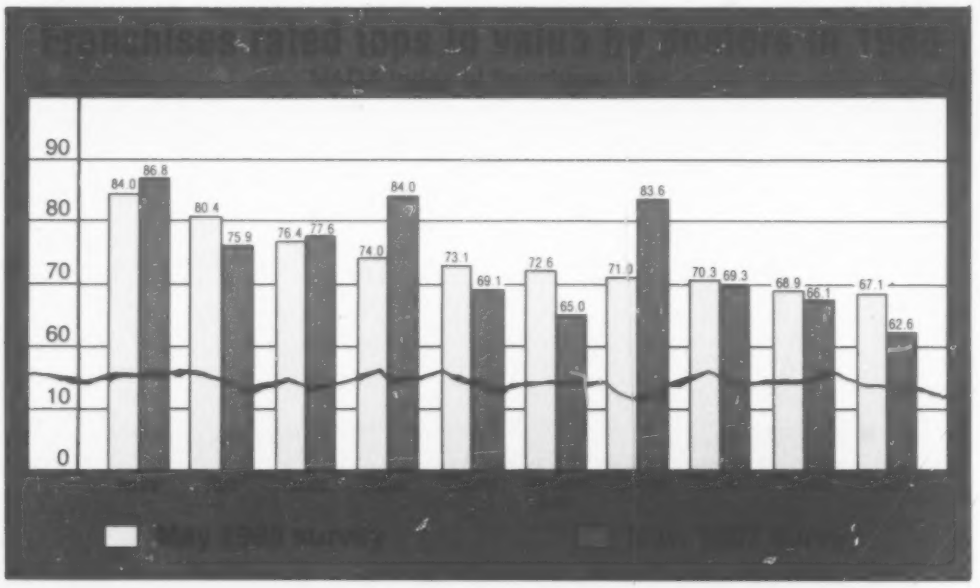
Mertz said the 1989 Riviera, which has been lengthened 11 inches and restyled in the tradition of Rivieras of the past, will have sales of about 18,000 to 20,000, about double the 1988 model-year total.

He said the division expects to boost its market share to 6 or 6.5 percent in the 1989 model year, up from 5.5 percent in the 1988 model year.

GM is predicting that industry car sales will be about 10 million units for the 1989 model year, which would mean 600,000 to 650,000 for Buick if it meets its market-share goal.

AUTOMOTIVE NEWS/JOE WILSSENS

Edward Mertz, Buick boss, and the restyled Riviera



Domestic franchises gain favor

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

New-car dealers are more confident about their domestic-make franchises and less confident about their import franchises than they were late last year.

Truck dealers, riding the crest of strong sales, remain confident about the value of their franchises.

Those are two of the findings of a National Automobile Dealers Association dealer attitude survey.

The changing confidence levels also altered the ranking of most-valued new-car franchises.

In the most recent survey, conducted last May, dealers no longer ranked BMW, Jeep-Eagle or Suzuki among the 10 most valuable franchises. New entries in the 10 most-valued were Pontiac, Toyota and Mercedes-Benz.

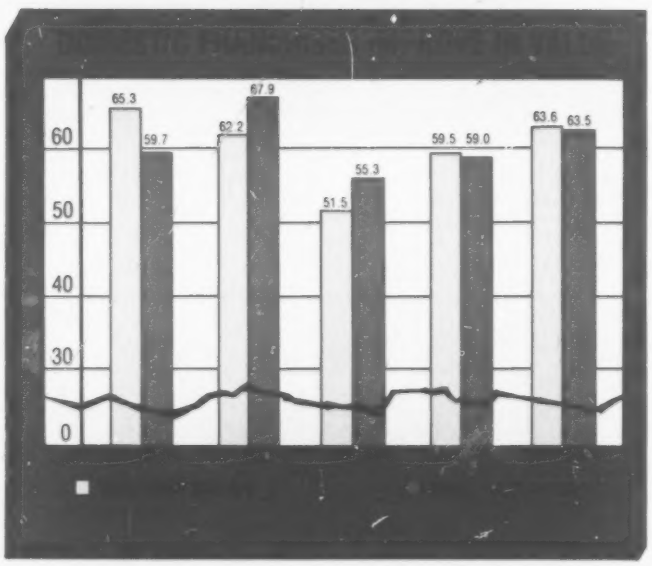
Although Acura, Honda, Hyundai and Mazda declined in perceived value, they remained among the 10 most valued franchises.

Dealers with European makes also were generally less confident of the value of their franchises.

Against the trend, however, were Mercedes-Benz dealers, who said the value of their franchise had increased.

The value index of a domestic franchise averaged 61.3 in the year-ago poll. It dropped to 59.7 in November 1987 and rose 5.6 points to 65.3 in May.

Asian franchises averaged 65.1 in May 1987 and rose to 67.9 in November 1987. In the most recent poll, the value of an Asian franchise dropped to 62.2.



The average perceived value of a European franchise has declined dramatically. In May 1987, the average rating was 63.6. Six months later, it was 55.3 and it declined further to a value index of 51.5 in May 1988.

Truck dealers remained confident about the value of their franchises. Last year, the average value was 63.5 and in the recent poll it was 63.6 points.

Freightliner ranked first on almost every survey question. Nearly 1,000 truck dealers responded to the survey.

The 13-question dealer survey is conducted twice a year and was first sent out in May 1985. Survey scores are based on three indexes: franchise value; the vehicle maker's product and service policies; and the "people" index, which monitors the makers' field staffs.

The highest domestic-based franchise scores belonged to Ford and Lincoln-Mercury. Ford's franchise value rating climbed 4.5 points and L-M's rose 4.0 points. All GM divisions received higher ratings in the recent poll.

Mazda's '89 forecast: 400,000 U.S. sales

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

NOVI, Mich. — Mazda Motors of America said it will increase its 1989 calendar-year new-car and truck sales in the United States to more than 400,000 units, in spite of a forecast for a softer new-car market and an average price hike of 2.7 percent on its carryover models.

George McCabe, deputy general manager, group sales vice president, said Mazda's car sales were up 35 percent through August. Eight-month sales of all Mazda vehicles, including trucks, rose from 222,805 last year to 243,026 this year, a gain of 9.1 percent, he said.

"We think we will surpass the 400,000-unit level in 1989, by holding steady with trucks (at approximately 100,000 units) and selling 14 percent more cars," McCabe told reporters at Mazda's new-model preview here.

Mazda's 1989 carryover lines — the 323, 626, MX-6 and 929 — will cost an average of $328.27 more than their comparably equipped 1988 counterparts. Prices for Mazda's two-wheel-drive trucks will go up 2.5 percent, or $213.

Prices of the carryovers range from $6,299 for the base 323 three-door hatchback to $21,920 for the top-of-the-line 929 four-door sedan. Prices of the RX-7, which will be marketed early in 1989, and trucks will be announced later.

Mazda's new MPV multipurpose vehicle, which will be classified a car, will carry base prices of $12,-909 for the five-passenger version and $13,759 for the seven-passenger with a manual transmission and four-cylinder engine. A two-passenger cargo MPV is priced at $10,989. Options include automatic transmission and a 3-liter V-6 engine.

The first-year sales target for the MPV, designed in Mazda's California studios, is 40,000 units, including 2,000 commercial vans and 4wd units scheduled to be imported next March.

Citing such economic realities as slower economic growth, a persistent federal deficit, dampened consumer purchasing power and a moderate rise in consumer prices, McCabe said, "We are predicting a softer market for new cars in 1989.

"We are forecasting a sales volume of 10.2 million cars and 4.7 million trucks, a 2.6 percent decline compared with 1988.

"To put it into words, 1989 is shaping up to be one tough, competitive year in the car business," McCabe said. "We at Mazda, however, look forward to the battle with confidence."

Mazda's four-wheel-steering system, offered only on the 626 GT sedan in 1988, will now be available only on the MX-6 GT sport coupe.

Because sales of the 626 have been on an upswing, McCabe said Mazda will begin production of the 626 at its Flat Rock, Mich., plant in the fall of 1989 "to give our dealers sufficient supply to meet demand."

At a press conference, Michinori Yamanouchi, managing director of the design division and general manager of the product planning and development division of Mazda Motor Corp., confirmed that Mazda is discussing with Ford Motor Co. the possibility of Mazda dealers selling Ford products in their Mazda dealerships. No decision has been made.

He said Mazda also is studying the possibility of opening a second, upscale brand network, as Toyota is doing with Lexus.

Yamanouchi said the Ford-Nissan joint venture to produce a multi-purpose vehicle will have no impact on Mazda's relationship with Ford.

"Mazda's development of a van started many years ago with the MPV," Yamanouchi said. "Our concept was in place when Ford began discussions with us. Our concept was different from Ford's concept and also different from its Aerostar. So we decided not to participate in a joint venture with Ford at that time."

In his presentation, Yoshinori Taura, Mazda Motors of America president, said several changes in the last two years have had a significant impact on the U.S. automotive industry.

"As a result, we, as well as our competitors, must learn to compete in new ways and with new skills," Taura said.

He said those changes include the weakened dollar; continued worldwide manufacturing overcapacity; near parity in the quality of domestic, Japanese and European products; emergence of Third World countries as low-cost producers; and the establishment of U.S. transplant operations by Japanese manufacturers.

August truck sales by manufacturer and segment

		14,000 & LESS GVW CLASS 1-3	14,001-16,000 GVW CLASS 4	16,001-19,500 GVW CLASS 5	19,501-26,000 GVW CLASS 6	26,001-33,000 GVW CLASS 7	33,001 & OVER GVW CLASS 8	TOTAL 1988	TOTAL 1987
CHRYSLER-PLYMOUTH	MO	12,465						12,465	10,917
	YR	135,863						135,863	91,410
DODGE	MO	40,659						40,659	47,483
	YR	401,371						401,371	389,015
JEEP	MO	20,898						20,898	15,681
	YR	165,465						165,465	133,718
TOYOTA	MO	23,208						23,208	27,115
	YR	170,219						170,219	212,748
NISSAN	MO	16,875						16,075	18,042
	YR	114,848						114,848	148,397
MAZDA	MO	7,675						7,675	20,484
	YR	66,670						66,670	92,440
ISUZU	MO	9,689						9,689	8,233
	YR	56,451						56,451	61,595
MITSUBISHI	MO	2,874						2,874	4,055
	YR	30,143						30,143	34,021
SUZUKI	MO	12,206						12,206	7,905
	YR	49,756						49,756	59,182
RANGE ROVER	MO	346						346	272
	YR	2,198						2,198	1,301
FORD	MO	115,702	1,785		1,111	2,885	1,442	122,925	119,434
	YR	992,621	13,081		7,804	24,915	9,941	1,048,362	984,938
FREIGHTLINER	MO						1,098	1,098	2,201
	YR						14,978	14,978	15,218
CHEVROLET	MO	115,458		25	589	849		116,921	112,114
	YR	911,699		168	5,120	6,321	273	923,581	808,794
GMC	MO	30,198		421	655	1,247		32,521	31,568
	YR	243,499		3,526	9,177	11,197	1,090	268,489	238,565
KENWORTH	MO					22	971	993	1,245
	YR					312	10,392	10,704	9,295
MACK	MO				127	226	1,916	2,269	1,721
	YR				1,219	1,676	14,208	17,103	16,094
MERCEDES	MO				98	176		274	363
	YR				780	1,311		2,091	2,592
NAVISTAR	MO		19	28	1,664	3,561	2,651	7,923	6,213
	YR		159	239	12,329	21,481	22,253	56,452	47,228
PETERBILT	MO					33	848	881	1,010
	YR					205	9,979	10,184	7,522
VOLVO	MO					158	831	989	1,044
	YR					972	9,443	10,415	8,128
HINO	MO			57	38	66		161	144
	YR			415	331	586		1,332	1,227
NISSAN DIESEL	MO			72	18	78		168	137
	YR			498	209	665		1,372	1,095
ISUZU TRUCK	MO	376	49	4	31	41		501	320
	YR	3,125	257	87	627	257		4,353	3,715
MITSUBISHI FUSO	MO	135		38	12	44		229	184
	YR	897		312	151	412		1,772	926
SCANIA	MO						10	10	12
	YR						120	120	103
IVECO TRUCKS	MO	158	81	39	11			289	181
	YR	792	443	228	118			1,581	1,778
WESTERN STAR	MO						95	95	149
	YR						1,001	1,001	925
OTHER DOMESTICS	MO						57	57	94
	YR				31		550	581	837
GRAND TOTAL	MO	408,924	1,934	684	4,354	9,366	9,919	435,201	438,387
	YR	3,345,626	13,940	5,473	37,887	70,310	94,228	3,567,464	3,373,925
1987 YR to DATE		3,184,714	523	5,489	28,482	68,617	86,100	3,373,925	

NOTE: Class 3 total includes 55 Subarus sold in August, 1987; also, nine Subarus sold for eight months of 1988 and 1,052 sold for eight months of 1987.

August sales steady

Mediums rise sharply; others off a bit

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Manufacturers retailed a near record number of trucks in the United States during August, with the medium-duty models largely offsetting declines in the light- and heavy-truck segments.

Retail sales totaled 435,201 in August, 0.73 percent below 1987's 438,367, the record for the month.

The light-duty segment, including Classes 1-3, recorded 408,924 sales during the month, off 1.30 percent from 414,328 last year.

The medium-duty segment, including Classes 4-7, tallied 16,358 sales, up 20.70 percent from 13,553 a year earlier.

And the heavy Class 8 segment recorded 9,919 sales, off 5.59 percent from 10,506 in like 1987, the Motor Vehicle Manufacturers Association reported.

The month's downturn reflected some softening in a market that has otherwise been strong all year.

For eight months of calendar 1988, the industry retailed 3,567,464 trucks, up 5.74 percent from the year earlier's 3,373,925.

The light-duty segment recorded 3,345,626 sales, up 5.05 percent from 3,184,714 in like 1987.

The medium-duty segment recorded 127,610 sales, up 23.76 percent from a year earlier's 103,111.

And the heavy Class 8 segment had sales of 94,228, up 9.44 percent from 86,100 a year ago.

Class 4 — and specifically Ford's Super Duty chassis — has been the major force behind the medium-duty segment's sharp rise.

Class 4 had sales of 13,940 for eight months of 1988 compared to a scant 523 in like 1987.

Within Class 4, Ford's Super Duty accounted for 13,081 sales. The chassis was introduced in the fall of 1987 and has sold better than Ford expected.

Within the heavy segment, Freightliner and Kenworth fell from their earlier red-hot pace during August, while Ford, Mack and Navistar continued to show strong gains.

Freightliner's August sales of 1,098 were only about half the 2,201 in 1987, and Kenworth's 971 retail deliveries were down from 1,235.

Ford's 1,442 Class 8 deliveries, however, were up from 1,115 a year earlier. Mack's 1,916 Class 8 sales were up sharply from 1,369 last year. And Navistar's Class 8 sales of 2,651 showed a big gain over last year's 1,897.

Rockwell turns to systems

TROY, Mich. — To sustain its profitability, Rockwell International plans to produce and market complete driveline systems for trucks and also compete with General Motors' Allison Transmission Division in the automatic truck transmission market.

Arthur P. Ronan, president of Rockwell's automotive operations, forecast lower medium- and heavy-truck sales in the North American market in 1989.

Using Rockwell's fiscal year, which ends Sept. 30, as his time frame, he forecast 150,000 Class 8 truck sales in 1989, down from 165,000 to 167,000 in fiscal 1988.

He also foresaw 160,000 Class 6-7 truck sales in fiscal 1989, down from 170,000 to 172,000 in 1988.

Rockwell officials expect passenger-car sales to be "down slightly" in fiscal 1989.

Ronan said Rockwell's prices to original-equipment-makers are lower now than they were five years ago. OEMs are demanding more for less cost, he added.

Asked how Rockwell will continue to make a profit under those conditions, Ronan said it will supply systems, rather than single components.

He noted that none of the top three driveline-component suppliers (Rockwell, Dana and Eaton) currently makes all the parts for the truck driveline system.

He said Rockwell will get into the transmission and clutch business to augment its axles and brakes and will be able to sell complete driveline systems to the OEs. Rockwell will start selling clutches in January 1989, and transmissions about a year later.

He also said Rockwell intends to go after Allison by producing an automatic transmission, but he didn't say when.

Ronan said Rockwell's systems concept will proceed faster in the passenger-car market than in the truck market. He said Rockwell will supply a passenger-car front suspension system to Chrysler Motors, but didn't say when.

Noah's Freightliner
Freightliner Corp. donated this tractor to serve as "Noah's Ark" for the Smithsonian Institution's Biosphere II project. In recreating an ecosystem, the Smithsonian is moving some 700,000 pounds of soil and micro-organisms from Florida's Everglades to an enclosed dome in the Arizona desert. The horse and watchful policeman are not making the trip.

AROUND THE WORLD

Brazil sales, exports up in August

By Rik Turner
STAFF CORRESPONDENT

SAO PAULO, Brazil — Brazil's auto industry had a bumper month in August, with domestic sales climbing 3.7 over July's and exports jumping 61 percent in volume and 47 percent in value.

The results, reported by the auto industry association ANFAVEA, also reflect a 20 percent increase in production in August over July.

Andre Beer, the group's president, said there was nothing to complain about in the numbers. "I'm going to keep quiet," he said, but then noted that the dollar value of exports, which increased to $315.4 million from July's $213 million, did not keep pace with the rise in export volume. As a result, manufacturers' margins are being squeezed.

He blamed the disparity on an overvalued cruzado, which is eroding profit margins on overseas sales.

However, he said that the increase in export unit volume, which ended a three-month slide, was heartening news.

"We are now worrying about next year," Beer said, alluding to the exchange-rate situation.

Vehicle production in August topped 100,000 for the first time this year, totaling 105,171 units, compared to 87,308 in July. It was the industry's best production performance since October 1985. Sales to dealers also were up, totaling 72,056 units in August compared to 69,500 the previous month.

August sales were the highest since October 1986. Those sales, however, came at a price, according to a dealer association.

"Sales were up 15 to 20 percent last month because we were giving discounts," lamented Jose Edgard Pereira Barretto Filho, president of the Sao Paulo State Vehicle Retailers Union.

"Our net margin of 11 percent has been reduced to zero by discounting," added Francisco Caltabiano, another director of the dealer group. The discounts were given to reduce stocks from 20 to 10 days from the end of July to the end of August.

"It's a buyer's market right now," said Beer.

The industry's profit margins on domestic sales were squeezed by price controls for almost a decade beginning in 1978, and the industry is still suffering on its export operations because of an overvalued local currency. Thus, the manufacturers have little sympathy for dealers, many of whom reportedly made handsome profits from illegal markups two years ago at the height of the consumer boom unleashed by the Cruzado Plan price freeze.

The industry itself has only just emerged from price controls.

While inflation in the first eight months of the year totaled 300.72 percent, the country's four automakers (Volkswagen, General Motors, Ford and Fiat) upped their prices an average of 470 percent. Beer explained the difference by saying manufacturing costs have risen in excess of inflation this year.

In announcing the August figures, Beer signaled that ANFAVEA will not waste any more time asking the government to devalue the cruzado or compensate for the tight export situation some other way, at least not for the time being.

BRAZIL AUTO STATISTICS

	Jan.-Aug. 1988	Jan.-Aug. 1987	Percent
Production	717,456	617,517	+16.2
Domestic market sales	479,341	373,832	+28.2
Exports	229,628	237,157	– 3.2
Exports in US $1,000	2,116,657	1,738,474	+21.8

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Australia's 1st vehicle heads for British rally

By Pedr Davis
SPECIAL CORRESPONDENT

SYDNEY, Australia — The first motor vehicle ever made in Australia will compete in this year's London-to-Brighton Run in England.

Work on the Shearer steam carriage began in 1893 and was completed in 1899. Virtually every component in the car was made by David Shearer and his brother, John, in the Shearer farm implement factory in South Australia.

David Shearer designed and built the vehicle without ever having seen a steam carriage. He made his own rack-and-pinion steering with pivoting stub axles and incorporated a full differential for the rear axle.

Shearer designed a horizontal, semi-flash water tube boiler to run at a pressure of 350 pounds per square inch. The vertical twin-cylinder engine developed 20 horsepower and was designed by J.A. Shearer, David's nephew.

A man of many talents, David Shearer was a skilled machinist and a recognized authority on metallurgy. In 1907, he built his own observatory and telescope and joined the British Astronomical Society.

Media motoring personality David Berthon, the organizer of the London-Brighton project, entered the Aussie steamer because "it is fitting that Australia's oldest car should participate internationally in our bicentennial year."

In all probability, the London-Brighton trip will be the Shearer's longest continuous run. The race, which will be held in November, is 60 miles long.

As far as is known, the longest previous trip took place in 1900 when David Shearer drove from his home town to Adelaide — a distance of 47 miles. The cruising speed is limited to 12 mph by the iron-clad wheels.

A large number of Australian-owned vehicles have taken part in the London-Brighton Run but this is the first attempt by an Australian-made vehicle.

Open-air 300-CE
A convertible version of the Mercedes-Benz 300-CE has been created by Coach Builders Ltd., High Springs, Fla. It features power-operated top, padded roof, color-coordinated headliner, structural reinforcement and padded top boot.

U.S. autos lead the way in Taiwan's import boom

By Stephen Vines
STAFF CORRESPONDENT

HONG KONG — Car imports to Taiwan tripled in the first six months of the year, but industry sources believe that rapid rate of increase cannot be sustained for the full year.

A total of 60,782 cars, worth $559 million, were imported in the first six months of the year, compared with last year's first-half imports of 19,991 vehicles, worth $171 million. The full-year estimate for imports is 120,000 units, compared with last year's record total of 48,275, indicating an increase of almost 150 percent.

U.S.cars led the list of imports in the first half.

Mao Jun-lun, a spokesman for the Taiwan Transportation Vehicle Manufacturers Association, said he expected the imports' market share to rise to 40 percent for the year, compared with last year's 22 percent, the current record.

The impressive hike in imports is due mainly to the rising level of prosperity in Taiwan and consequent higher amounts of disposable income in the hands of consumers.

Importers were given an added bonus this year when tariffs on imported cars were reduced to 42.5 percent from 55 percent. Nevertheless, prices of imported vehicles remain one-third higher than prices of comparable locally assembled models.

Taiwanese consumers are very keen on foreign cars; they view Taiwan-made vehicles as being of inferior quality. That impression was reinforced by the unsuccessful launch of Taiwan's first indigenously produced car, the Feeling, made by the country's largest motor manufacturer, Yue Loong. The Feeling 101 series was not a success and a re-launch is now in the pipeline.

The upmarket imported cars are particularly popular, and that explains the relatively high value of the imports relative to the number of vehicles imported.

After leading the imports for many years, West Germany has now been overtaken by the United States. The United States, which ranked fourth last year, shipped 18,403 cars to Taiwan in the first half of this year, compared with only 2,878 in the 1987 period.

Among the American imports were transplant-produced models like the Honda Accord. Direct imports of vehicles from Japan are banned, and it is likely that Japanese factories in the United States will be used more to circumvent the ban.

Large American cars also are starting to have an impact on the Taiwanese market. All major U.S. producers are beginning to take a serious look at Taiwan, with General Motors in the lead.

West Germany, headed by BMW and GM subsidiary Opel, remains a significant force in the market, having shipped 12,902 cars in the first half of the year, compared with 4,154 the previous year.

Other major players in the Taiwan market include Fiat, Spain's Seat, Rover Group, Saab and Volvo.

The Taiwan government has made it clear that despite a general intention to relax import duties, it will not ease the ban on Japanese imports. Although domestic producers are clearly unhappy with the importers' success, the government sees the import growth as a significant way of deflecting criticism of its trading policies.

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AUCTION DATES

NEW JERSEY

Commonwealth Auto Auction 609-423-3333. Every Tues & Thurs - 7 PM, Mickleton, NJ. Exit 17 off I-295. Make money buying & selling to public. Cars/Trucks/Vans.

NEW YORK

State Line Auto Auction, Inc., Waverly, NY 607-565-8151. Sale every Fri. at 11 A.M. Over 150 fleet, lease & Ford Motor Credit vehicles weekly. Serving the entire N.E.

NEW YORK

Tri-State Auto Auction, Inc., Route 31, Cicero, NY. Located in Central New York. Auction every Wednesday. Full re-con facility. (315) 699-2792.

NEW YORK

Northway Exchange, Inc., Rte. 146, Clifton Park, N.Y. Auction, 518-371-7500; Recon, 371-7800. Northeast's Finest - Every Thursday, 11:30 A.M. sharp.

NORTH CAROLINA

Aycock Auto Auction, I95 & S. Bagley Rd., Kenly, NC 27542. Sale every Monday 11 AM. We service fleet & lease. Reconditioned facility. Kenneth Aycock, 919-284-4052.

OHIO

Ohio Auto Auction. The Tuesday sale. 3905 Jackson Pike, Columbus, Ohio. Call: 614-871-2771

OHIO

Wednesday Auto Auction. Exit 49 on I-270. Columbus, Ohio. Every Wednesday. Call: Area 614-497-2000.

OHIO

Cincinnati Auto Auction — FMCC; IOA; GMAC;182 banks;flt & lease;repos;trnspt & full recon; Thursday 11AM. 800-433-5019 (Nat'l)-800-642-7319(Ohio)-513-874-9310.

OREGON

Portland Auto Auction. Fleet & lease accts. welcome, repos, etc. The West's best. Call: Rene', 503-286-3000. 3000 No. Hayden Island, Portland, Oregon 97217.

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Corry Auto Dealer Exchange, Route 6, P.O. Box 317, Corry, PA 16407. 814-664-7721. Every Thursday 12:30 sharp.

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Todd Auto Auction, Old Route 309, P.O. Box 380, Telford, Pa. 18969. 215-721-1300 or 800-234-TODD. Next Sale — Oct. 6th.

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Clanton's Auto Auction, P.O. Box 51, Darlington, South Carolina, 803-393-2861. Sale every Thurs., Regular Consignment, 11 a.m. & Early Bird, 9 a.m. (repos & lease units).

TENNESSEE

Memphis Auto Auction, 2650 Mt. Moriah Rd, Memphis, Tenn. 38115. 901-794-7700. Sale every Tuesday at 11 AM. Mid-South's newest auto auction.

TEXAS

Fort Worth Auto Auction (div. of GECAA), 2245 Jacksboro Hwy., Ft. Worth, TX 76114. Sale every Thursday. Contact: George Horton, 817-626-5494.

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Austin Auto Auction, 740 Bastrop Hwy, Austin TX 78741. Sale every Wed 7 pm. Lease/fleet accts, bank repos welcome. New & growing fast. Tom Swanson 512-385-2277.

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WISCONSIN

Metro Milwaukee Auto Auction. Sale every Wednesday. FMC, GMAC, all leasing. 414-835-4436, Caledonia, Wisconsin

Auto News Classifieds Get Results

AUCTION DATES

Chrysler Motors

Sept. 27 — Florida Auto Auction of Orlando, Ocoee, Fla.; American Auto Auction, Walpole, Mass.; Denver Auto Auction, Aurora, Colo.; Nashville Auto Auction, Nashville, Tenn.; South Seattle Auto Auction, Kent, Wash.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Sept. 28 — Minneapolis Auto Auction, Plymouth, Minn., and Butler Auto Auction, Gibsonia, Pa.

Sept. 29 — Clanton's Auto Auction, Darlington, S.C.; Northway Exchange, Clifton Park, N.Y.; The Big Sky Auto Auction Inc., Billings, Mont.; Aptco Auto Auction, Taylor, Mich.; Ark-La-Tex Auto Auction, Shreveport, La.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Salt Lake Auto Auction, Salt Lake City

Sept. 30 — Manheim Auto Auction, Manheim, Pa.

General Motors

Sept. 27 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas

Sept. 28 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Southern California Auto Auction, Fremont, Calif.; and Omaha Auto Auction, Omaha, Neb.

Sept. 29 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, Bridgeton, Mo.; and Utah Auto Auction, West Bountiful, Utah

Oct. 4 — Harrisonburg Auto Auction, Harrisonburg, Va.; Florida Auto Auction of Orlando, Ocoee, Fla.; and A.D.E. of Birmingham, Moody, Ala.

Oct. 5 — Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; Golden Gate Auto Auction, Fremont, Calif.; and Indianapolis Auto Auction, Indianapolis

Oct. 6 — Butler Auto Auction, Gibsonia, Pa.; Aptco Auto Auction, Taylor, Mich.; Nashville Auto Auction, Nashville, Tenn.; Southwest Auto Auction, Phoenix, Ariz.; Mid Ark Auto Auction, N. Little Rock, Ark.; and Denver Auto Auction, Aurora, Colo.

Ford Motor Co.

Sept. 28 — Indianapolis Auto Auction, Indianapolis; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Lakeland Auto Auction, Lakeland, Fla.; and Salt Lake Auto Auction, Salt Lake City

Sept. 29 — Interstate Auto Auction, Mercer, Pa., and Nashville Auto Auction, Nashville, Tenn.

Used Car Sales
Auction Averages

September 88	$5,854
Month ago	$6,224
Year ago	$6,047

Model Breakdown
Auction Averages

	SEPT. 1988	AUGUST 1988	JULY 1988
1988	$9,966	$12,473	$11,408
1987	$7,748	$7,919	$8,407
1986	$6,775	$6,891	$6,830
1985	$5,708	$5,819	$5,881
1984	$4,217	$4,308	$4,378
1983	$3,753	$3,583	$3,718
1982	$2,608	$2,479	$2,464
1981	$1,606	$1,887	$1,952
Overall Average	$5,854	$6,019	$5,855

Court to decide fate of Cerv I/II

Chevrolet hopes to cancel sale of Arkus-Duntov prototypes

An Oct. 3 hearing on the fate of Chevrolet's Cerv I and Cerv II experimental cars has been postponed by the U.S. District Court, Minneapolis. The Cerv I narrowly escaped the auction block at the annual Monterey (Calif.) Vintage Race and Sports Car Auction in August.

Chevrolet asked a Monterey County judge to block the sale of the prized Cerv I prototype, built in 1959, only hours before it was slated to cross the auction block.

The Cerv I and Cerv II — a prototype vehicle built in the early 1960s — were on display in California's nonprofit Briggs Cunningham Museum until it closed in 1986. The models changed hands twice — first going to a Florida museum and then, in 1987, to an investment partnership that had plans to auction one of the cars.

In a second suit, filed in federal court, Chevrolet has asked for the cancellation of the 1987 sale and the return of the vehicles to Miles Collier of Palm Beach, Fla., who obtained the cars for his Florida museum.

The planned sale of Cerv I at the annual Monterey auction was held up when Chevrolet presented to the Monterey (Calif.) Superior Court an affidavit signed by legendary Corvette engineer Zora Arkus-Duntov, alleging the sale would violate terms of the original gift.

Arkus-Duntov said Chevrolet gave the cars to Cunningham for the public to see and for designers, engineers and students to study.

Arkus-Duntov, who retired in 1975, had the cars built to test a wide range of advanced engine, tire, suspension and vehicle dynamics concepts.

Like the SS Corvette, another Arkus-Duntov creation now at the Indianapolis Motor Speedway, Chevrolet donated the two Cerv cars to a museum when their value as rolling test beds diminished.

The cars still bear the plaques attached at the time that stipulate they were donated for "educational purposes." Chevrolet continued to assist in the maintenance of the cars.

Cerv I is a mid-engine, single-seat, open-wheel car with inboard brakes and an independent rear suspension that was the prototype for the production suspension in the 1963 Corvette. The car also has a rubber fuel cell that was later adopted in Indy-car racing.

The car was a test bed for a wide range of engine concepts — from supercharging and turbocharging to port fuel-injection.

Cerv II is said to be the world's first mid-engined two seater with full-time four-wheel-drive and full-envelope bodywork. It was used to test high-torque automatic transmissions, low-profile tires and a variety of advanced suspension and powertrain concepts, including multi-valve cylinder heads.

AUCTION BRIEFS

CHARLES THOMAS

Anglo unit's new home

Auction Transport, a subsidiary of Anglo American Auto Auctions Inc., has opened its $1.2 million headquarters in Kansas City, Mo.

Company and government officials dedicated the building and grounds by driving a transport truck through the ceremonial ribbon.

Auction Transport carries used vehicles to and from Anglo American's 21 locations. The company has a fleet of 50 company-owned transport trucks and nine owner-operated transport trucks.

Michael J. Richardson, president and chief executive officer of Anglo American, said 25 transport trucks will be added by the end of 1989.

He said the transport fleet will soon increase to 100 vehicles.

Since Jan. 1, the company has transported 30,300 vehicles more than 3.4 million miles.

Austin auction opens

The Austin Auto Auction held its grand opening last week at its new quarters in Austin, Texas. The facility is located on five acres and has parking for 350 cars.

Owners of the independent auction are Tom Swanson, general manager; Bob Rose; and Don Callaway, who is the founder of Callaway's Cleburne Auction, Cleburne, Texas.

The dealer-only auction opened Aug. 3 with a night sale that attracted about 100 vehicles run on two lanes.

The sale rate has been about 40 percent of consignment, Swanson said.

Virginia auction debuts

Owners of the Harrisburg Auto Auction in Pennsylvania opened a second $1.1 million facility in King George, Va., last week.

Stan Hoynitski, president of Statod Enterprises, said he hopes to draw dealers from the Baltimore; Washington; and Richmond-Portsmouth-Norfolk, Va., areas to the new Virginia Auto Dealers Exchange.

"We chose this location recognizing the need to service dealers, fleet, daily rentals, factory and financial institutions in the area," said Hoynitski.

The auction opened with 400 vehicles running through four lanes.

The new auction is located on 50 acres and has a 20,000-square-foot facility. It has a reconditioning center and 23 acres of paved, fenced parking.

Hoynitski described the grand opening as successful, saying "there were a lot of lookers."

The Virginia Auto Dealers Exchange will hold Tuesday dealer auctions.

LEASING

FROM PAGE 1

duction and tax credits has not been a real driving force. Customers are very payment-oriented."

For a time, it seemed as though the lease market for the captive finance companies would go nowhere but up. Ford Credit wrote only 20,000 leases in 1981 and by 1985 the number had climbed to 200,000, said Cliff Damaska, retail lease manager. But then the slide began: In 1986, it wrote 165,000 leases, and the number fell to 120,000 in 1987.

Chrysler Credit and GMAC experienced the same kinds of declines. They blamed the falloff on widespread interest-rate incentives offered by automakers and the proliferation of 60-month loans that began gaining popularity in 1984.

"In our experience, special APR incentives clearly had an impact on retail leasing," said James J. Madden Jr., executive vice president of operations and marketing for Chrysler Credit.

Yet retail lease portfolios for the automakers as of June 30 were hefty. GMAC had 497,000 retail leases with a net asset value of $4.1 billion. Ford Credit had 450,000 retail leases, representing $5 billion in receivables, and Chrysler Credit had 153,000 retail leases in its portfolio, with a value of $1.5 billion.

Ford Credit expects to write upwards of 140,000 leases in 1988 compared to 120,000 last year, Damaska said.

GMAC has seen a gradual increase in retail leases throughout the model year.

GMAC will write 100,000 leases in 1988, up from 80,000 in 1987 but down substantially from the 1985 peak of 302,000 leases, said Winkler.

Other financial institutions with big auto lease portfolios — GE Capital Auto Lease, a unit of GE Capital Corp., and Marine Midland Automotive Financial Corp., a subsidiary of Marine Midland Bank — also experienced increases in leasing this year.

GE has 191,000 retail leases in its portfolio, followed by Marine Midland at 130,000. GE's leasing effort has increased annually, with the company writing 47,000 retail leases in 1985, 57,000 in 1986 and 58,000 last year.

Independents like GE Capital and Marine Midland are yet another reason that the number of leases had been falling for the automakers' captive finance companies.

"A lot of competitors entered the business," said GMAC's Winkler. "Half of the banks now in leasing weren't in it five years ago and a third of them weren't in it three years ago."

Each of the automakers plans intensive training programs for dealers and sales personnel this fall.

"The success of retail leasing is still in the hands of the dealer and the sales force," said Ford's Damaska. "Customers still are nervous about leasing and want to own their cars, but we predict long-term growth in this segment."

Retail leasing is the only growth segment in leasing. Fleet leasing by companies and rent-a-car agencies is at a standstill, say executives.

Although 48-month leases are standard, GMAC and Ford Credit promote shorter leases. For one thing, shorter leases make it easier to compute the residual values of cars when figuring monthly payments. But there are other reasons.

"From the manufacturer's standpoint, a short-term lease will bring the customer back into the market sooner," Winkler said.

Furthermore, many customers equate leasing with rental of a car and are disappointed when they learn they have to pay off their current lease before getting a new car.

"We want to develop a long-term relationship with customers that's satisfying for them," said Winkler.

Neremberg, of the leasing group, predicts a shakeout in the number of financial institutions offering leases. He said some of them overestimated the residual values of vehicles in their zeal to write leases and could lose money on their portfolios. Others agree.

For the dealer, retail leasing can mean higher profits, more closings, fewer bebacks, an opportunity to get a used car at the end of the lease and repeat business.

"There is less disclosure in a lease," said Angert, of Marine Midland. "The only thing a dealer discloses is the monthly payment. Profit opportunities are greater because the customer compares the monthly payment with the finance payment and doesn't focus on the discount."

And for customers, monthly payments are lower with leasing.

"A three-year lease will provide monthly payments in the same range as the payment for a five-year finance transaction," said Ford's Damaska.

Several importers have discovered that leases move expensive cars to buyers who may view monthly payments as too high.

A spokesman for Mercedes-Benz described as highly effective a program for the Mercedes 190-E, started in April through Mercedes-Benz Credit Corp. A Mercedes-Benz study found that without leasing programs, 27 percent of its customers would have gone to another make.

In the first three months of the year, leases accounted for roughly 15 percent of Mercedes-Benz Credit Corp.'s business. Since the launch of the special program for the 190-E, that has jumped to 45 percent.

Peugeot also launched a program in the spring, with California-based Security Pacific National Bank, and it has outpaced expectations, a spokeswoman said. The program is unique in that residual values of cars are supported by the automaker. Retail leasing at Peugeot had been almost nil. This year, 20 percent of deliveries are leases.

A spokesman for Volvo Cars of North America said that in 1987, the company's finance arm, Volvo Finance North America, wrote 8,000 leases. The company surpassed that number by August this year and expects to write 11,000 to 12,000 leases this year.

"We believe that 35 to 40 percent of all Volvos delivered are leased," he said.

SMARTLEASE

FROM PAGE 1

and car rentals, towing and road service reimbursements, a road atlas and other benefits.

GM dealers can elect not to offer the leasing program; there is no fee to participate. GMAC has been and will continue to conduct comprehensive training programs throughout the country for managers and sales staffs at GM dealerships.

GMAC would not say how much it is spending on advertising but said it would spend fairly substantial amounts.

"It is the largest advertising budget that we've ever had to promote a leasing program," a GMAC spokesman said.

SmartLease will be advertised throughout the Olympics. It will be promoted on network and cable television, network radio, national newspapers, numerous magazines and trade papers and in merchandising materials at the dealership.

The American Automotive Leasing Association has reported that leasing is now the fastest growing segment of the retail market for domestic vehicles. Yet, GMAC has not done well in leasing recently. As of June 30, GMAC had about 500,000 lease contracts outstanding, down from 575,000 a year earlier.

Edman said GMAC expects consumer leasing to expand in the next 10 years because leasing has the advantage over conventional financing of requiring low initial cost and the option of keeping or returning the vehicle. Leasing requires little or no downpayment, only a small security deposit, and monthly payments generally are lower on a lease than on a conventional loan.

However, if the vehicle is among the selected models covered by one of the special incentives, the lease payment would be $282, a savings of $27 a month or $1,296 over the 48 months of the lease.

For comparison, a $15,000 car, purchased with a downpayment of $3,000 on a four-year loan at 11.75 percent would require payments of $315 per month.

Vehicles covered under the special incentive introductory offer are: Chevrolet Corsica, Beretta, Celebrity and S-10 and C/K pickups; Pontiac Grand Am, Grand Prix and Bonneville; Oldsmobile Cutlass Calais, Cutlass Ciera, Cutlass Supreme and Toronado; Buick Skylark, Century, Regal, Riviera and Reatta; Cadillac Eldorado and Allante; and GMC S-15 and C/K pickups.

GMAC Chairman Jack Edman said in a statement that SmartLease was the result of cooperative efforts betweeen GMAC and the GM vehicle divisions to market a plan to help consumers lease new GM cars and trucks and to provide GM dealers with a program to acquire a larger portion of the growing leasing business.

"The name 'SmartLease' will provide a common identity to serve as the basis for all GM divisional and GMAC marketing efforts in the leasing field," Edman said.

Previously, GMAC offered consumer leasing but each division had different names and different terms. For instance, Buick had the Blue Chip lease and Oldsmobile had the Oldsmobile Alternative.

Customers leasing vehicles on the SmartLease plan will receive a free one-year membership in the GM Travel Plan, which entitles them to discounts on hotels, motels

SEIZE

FROM PAGE 1

of Johnson's attorneys, David Martin of the firm R. Jack Ayres Jr., Dallas, declined to comment, saying Johnson had not authorized him to speak to the media on Johnson's behalf.

Meanwhile, the Dallas Morning News, Dallas Times Herald and Plano (Texas) Star-Courier have filed a petition for the dealership to be liquidated under federal bankruptcy laws. The Morning News is owed $110,000, the Times Herald $119,000 and the Star-Courier $9,000 by the dealership, according to court documents.

No hearing has been set, and Johnson has not yet filed his response to the petitions.

At the same time, the Texas Motor Vehicle Commission is investigating Jim Johnson Chevrolet on charges of not paying off bank loans on vehicles traded in, not paying the sales tax on vehicles sold and not paying title transfer fees.

Though there have been no complaints concerning Johnson's Austin, Texas, dealership, the commission will hold a hearing in November on whether Johnson's license at the Austin store should be revoked in light of what has happened at the Richardson store.

Brett Bray, assistant director of the Texas Motor Vehicle Commission, said his agency has not yet determined how much Jim Johnson Chevrolet owes in sales taxes, payoffs on trade-ins and transfer fees, nor has it determined how many vehicles are involved.

Bray said the commission continues to receive consumer complaints daily regarding Jim Johnson Chevrolet. Jim Johnson Chevrolet's failure to pay off bank loans on trade-ins has been the source of the most serious consumer complaints, Bray said.

The commission charges that Johnson Chevrolet took in cars as trade-ins then failed to pay off the loans to the financial institutions. New-car buyers who traded in the vehicle believed the dealership paid off their loans but then received notices from the bank for missing a monthly payment. As a result, some customers are getting bad ratings on their consumer credit reports, Bray said.

In some instances, the loan payoffs are sizable, up to $43,000 on large motor homes, according to sources familiar with the dealership's operations.

In addition, Bray said some individuals who bought the cars that were traded in are having them repossessed for nonpayment on the outstanding loans taken out by the previous owners, Bray said.

Bray said it has not been decided what can be done for the consumers, short of the individuals filing suit against the dealership.

"In the process of talking with the various entities involved," Bray said, "we don't know what the answer is yet."

If the sales tax and the transfer fees are not paid, a car buyer cannot register a vehicle, Bray said. Title transfer fees in Texas amount to $55.80 on a new car and $12.50 on a used car. Sales tax on some motor homes that were sold by the dealership amounts to as much as $4,000.

And even in cases where the car buyers are willing to pay the sales tax and the transfer fees, they are having trouble registering the cars because of missing paperwork required by the motor vehicle commission.

A hearing regarding one customer who bought a car on which the previous loan was not paid off is set for October.

Allen Samuels, interim manager at Patlan Chevrolet, said taking care of customers with problems regarding payoffs on trade-ins, transfer fees and sales tax are top priority. He said the dealership has identified those customers affected; now it is a matter of who will pay.

GMAC, in the meantime, has sent letters to creditors of Jim Johnson Chevrolet and local dealers, some of whom say they are owed as much as $25,000 for parts. The letters state that GMAC has assumed control of the dealership but that it has not assumed its liabilities. Those owed money are referred in the letter to Johnson's Austin, Texas, dealership.

At the same time, GMAC is looking for a buyer of the Richardson dealership.

Mark Eddins, owner of Friendly Chevrolet in Dallas, had been negotiating with Jim Johnson to buy the store before GMAC assumed control. Eddins said he remains interested in buying the store.

If Eddins prevails in buying the Johnson store, he could control about 20 percent of the vehicle market in Dallas County. Friendly was the second-largest Chevrolet dealer in the country in fleet and retail sales in 1987 and the largest Chevy dealership in Dallas, according to the Automotive News Sales Giants.

Johnson Chevrolet in Richardson, Texas, was the nation's largest dealership in retail sales in 1987, ninth largest in retail and fleet volume and Dallas' second-largest Chevy dealership. Johnson sold 9,317 retail and fleet vehicles and had sales of $170.4 million in 1987.

Johnson had worked at Friendly Chevrolet for about eight years and worked his way up to general sales manager. He left in March 1984 to purchase the Richardson store, then known as Frank Late Chevrolet.

OBITUARIES

William Martin-Hurst

BRECON, Wales — William Martin-Hurst, managing director of Rover in the 1960s, was fatally injured in an auto accident Sept. 18. He was 85. He led the company during the introduction of the Rover 3-liter coupe, the Rover 2000 and 2000-TC, the six-cylinder Land Rover and the Range Rover. He obtained the rights to build the General Motors aluminum V-8 that had powered Buicks and Oldsmobiles in the 1960s. The engine was used in Rover and MG cars and is used today in the Land Rover, Ranger Rover and Morgan Plus 8.

Walter P. Chrysler Jr.

NORFOLK, Va. — Walter P. Chrysler Jr., 79, son of Chrysler Corp. founder Walter Chrysler, died Sept. 17. An avid art collector, the automotive heir also founded Chrysler's Air-Temp Division in 1934, which developed the first vehicle air-conditioning system.

William E. Bucher

COSTA MESA, Calif. — William E. Bucher, 56, parts vice president for American Isuzu Motors, died Sept. 13. After retiring as a lieutenant colonel in the U.S. Marine Corps in 1970, he joined Toyota Motor Sales U.S.A. and was national parts field operations manager when he moved to Isuzu in 1980. He became parts vice president this year.

Shoro Morita

NABARI CITY, Japan — Shoro Morita, president and general manager of Borg-Warner Automotive Kabushiki Kaisha, died Sept. 17. He played a key role in establishing the company, which supplies chain and wire cage cam clutches to Japanese automakers.

Clyde C. Darby Jr.

SARASOTA, Fla. — Clyde C. Darby Jr., 69, owner of Darby Buick in Sarasota, died June 3. He opened the dealership in 1954.

PRODUCTION

Milestones for truck, car output

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

U.S. truckmakers built their three-millionth truck of the year last Friday, 23 days ahead of 1987.

Auto production reached five million last Thursday, but the milestone trailed 1987 by eight days.

Year-to-date, 3,014,151 trucks have been built, 8.85 percent more than the 2,769,072 completed last year at this point.

Truck output was scheduled at 86,767 units last week, 3.08 percent below the prior week's 89,524, which was the highest since the week ended May 21, when 92,256 trucks were built.

Last week's targeted truck production was 14.70 percent more than the year-ago week's 75,649.

Auto production for the year totals 5,035,938, which is 3.19 percent below the 5,201,809 completed last year at this point.

Last week's targeted car production of 146,940 was 1.13 percent more than the previous week's 145,293, and 6.66 percent more than the year-ago week's 137,765.

Companies split last week's estimated output as follows: General Motors, 51.67 percent; Ford Motor Co., 23.72 percent; Chrysler Motors, 13.78 percent; Honda of America Manufacturing Inc., 5.07 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.81 percent; and Nissan Motor Manufacturing Co. U.S.A., 1.95 percent.

NUMMI's Fremont, Calif., plant was closed last week for model changeover to the 1989 Toyota Corolla sedan and the new Chevrolet Geo Prizm, which is not expected to be built until November. Corolla output resumes today.

GM will close its Lansing, Mich., plant the week of Oct. 3 because of a parts shortage. About 4,000 workers will be temporarily laid off for the week. The plant assembles the Oldsmobile Cutlass Calais and Buick Skylark.

GM's Doraville, Ga., plant resumes output today. The plant has been idle for operating-plan and job-assignment changes.

Canada build steady for week

Canadian auto production was targeted at 20,697 cars last week, almost equal to the prior week's 20,701 but 29.74 percent more than the year-ago week's total of 15,953.

So far this year, Canadian carmakers have built 781,885 units, 40.74 percent more than the 555,547 completed at this time last year.

Last week's scheduled truck output of 21,555 was 1.10 percent more than the previous week's total of 21,320 and 15.45 percent more than the year-ago week's total of 18,670.

The year-to-date truck total is 668,071, 12.15 percent more than the 595,676 built at this point last year.

Workers at Volvo's Halifax, Nova Scotia, plant remained on strike last week. The issues are pensions, wages and union representation on the shop floor. The company said negotiations are continuing.

U.S. CAR	Week Ended Sept. 24, 1988	Week Ended Sept. 26, 1987	Week Ended Sept. 17, 1988	Sept. to Date	Jan. 1 to Sept. 24, 1988	Jan. 1 to Sept. 26, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	1,500	522	1,547	4,692	59,329	34,104
Sundance	2,100	1,682	2,108	6,455	74,663	68,088
Reliant	2,100	3,973	2,293	6,718	63,969	89,705
Caravelle	0	593	0	0	9,087	34,698
Gran Fury	200	257	181	702	16,526	4,781
Total Plymouth	5,900	7,027	6,129	18,567	223,574	231,376
LeBaron K	0	988	0	0	7,912	51,442
LeBaron J	2,000	2,617	2,031	6,402	56,271	84,148
LeBaron GTS	150	820	192	582	6,838	29,515
N. Yorker E-Class	0	0	0	0	0	56,393
N. Yorker C-Class	2,000	0	2,132	6,565	76,331	2,189
Fifth Avenue	900	2,583	956	3,056	22,136	43,310
Total Chrysler	5,050	7,008	5,311	16,605	169,488	266,977
Omni	1,500	545	1,533	4,700	58,042	29,436
Daytona	2,000	2,035	2,002	6,379	55,472	44,876
Shadow	2,200	1,847	2,231	6,886	74,227	70,697
Aries	400	3,330	2,089	4,970	60,677	82,555
Dodge 600	0	606	0	0	8,549	30,906
Dynasty	2,700	0	2,800	8,550	76,386	475
Lancer	200	491	198	584	6,592	18,382
Diplomat	300	534	398	1,034	14,436	9,065
Total Dodge	9,300	9,388	11,251	33,102	354,381	286,392
CHRYSLER MOTORS	20,250	23,423	22,691	68,274	747,443	800,739
Escort	9,464	9,285	9,030	28,348	287,847	281,045
Mustang	4,458	5,313	4,370	13,995	147,660	158,883
Tempo	3,623	843	3,135	11,148	134,732	102,509
Taurus	8,467	8,109	8,275	26,168	288,685	303,938
Thunderbird	0	3,429	0	0	90,246	115,382
Total Ford Div.	26,012	26,979	24,810	79,657	949,170	961,757
Lynx	0	0	0	0	0	21,352
Topaz	1,481	253	1,303	4,545	51,176	33,649
Cougar	0	3,411	0	0	69,686	103,575
Sable	2,770	1,260	2,804	8,542	98,029	93,727
Total Mercury	4,251	4,924	4,107	13,086	218,891	252,303
Continental	1,527	0	1,749	5,034	35,741	9,610
Mark VII	766	691	882	2,534	19,008	20,725
Lincoln	2,295	3,473	2,650	7,614	93,885	104,250
Total Lincoln	4,588	4,164	5,281	15,182	148,432	134,585
Total L-M Division	8,839	9,088	9,388	28,269	367,323	386,888
FORD MOTOR CO.	34,851	36,067	34,198	107,926	1,316,493	1,348,645
Skyhawk	520	1,297	462	1,605	12,850	23,247
Skylark/Somerset	1,175	1,864	1,162	3,952	35,663	46,001
Century	4,743	1,094	4,794	14,977	89,671	121,014
Regal (rwd)	0	627	0	0	0	32,766
Riviera	537	323	471	1,465	5,359	9,571
Electra	1,229	1,915	1,250	3,901	60,345	66,902
LeSabre (fwd)	3,445	4,483	2,830	9,221	94,815	108,856
LeSabre (rwd)	245	168	202	1,801	10,123	6,686
Reatta	236	0	156	637	5,166	0
Total Buick	12,130	11,771	11,327	37,559	315,625	415,043
Cimmaron	0	271	0	0	3,693	8,585
Eldorado	633	445	502	1,602	25,670	14,230
Seville	480	532	376	1,217	16,161	12,335
Brougham (rwd)	923	1,790	881	2,987	24,088	51,088
Deville (fwd)	3,684	3,214	2,918	8,859	107,275	104,101
Allante	60	145	65	162	1,304	3,914
Total Cadillac	5,780	6,397	4,742	14,827	178,191	194,253
Cavalier	7,595	6,110	7,380	23,774	263,378	226,722
Camaro	2,578	2,369	2,352	7,373	65,342	90,226
Celebrity	3,508	4,735	3,366	11,504	132,602	217,291
Corsica/Beretta	8,923	5,954	9,387	31,405	306,587	237,393
Monte Carlo	0	1,699	0	0	0	51,886
Caprice	4,213	3,078	4,037	13,471	152,797	134,588
Corvette	450	651	450	1,442	16,263	20,244
Total Chevrolet	27,267	24,596	26,972	86,970	936,969	978,340
Calais	3,625	2,932	3,824	10,834	82,090	83,784
Firenza	0	232	0	0	5,230	4,503
Cutlass Ciera	1,417	283	1,286	3,839	18,535	100,328
Cutlass Supreme	0	1,744	0	4,177	100,822	56,601
Toronado	299	369	143	568	11,175	11,369
88 (fwd)	3,698	4,119	2,939	9,895	112,740	126,455
88 (rwd)	105	57	143	474	8,657	10,729
Olds 98	1,087	1,911	1,083	3,502	53,209	51,345
Total Oldsmobile	10,201	11,627	9,197	33,257	392,458	453,708
Sunbird	2,126	1,332	2,561	7,787	78,000	65,715
Grand Am	6,209	4,860	6,213	18,576	171,500	176,153
Firebird	1,860	1,496	1,493	5,066	45,226	59,475
Grand Prix	4,380	0	4,299	13,338	97,479	0
Pontiac 6000	2,628	0	2,813	9,107	60,903	56,319
Bonneville	3,154	2,934	2,880	9,164	83,419	94,866
Safari/Parisienne	183	133	146	504	5,904	7,075
Fiero	0	785	0	0	13,260	22,347
Total Pontiac	20,540	11,540	20,405	63,542	555,691	481,960
GENERAL MOTORS	75,918	65,931	72,643	238,154	2,378,934	2,523,324
HONDA	7,455	5,938	7,816	24,086	269,059	242,842
Civic	2,135	231	2,463	7,521	78,030	71,847
Accord	5,320	5,707	5,355	16,565	191,029	170,995
MAZDA†	5,596	108	4,824	16,495	96,191	349
NISSAN	2,870	2,593	2,900	9,231	81,204	97,563
NUMMI	0	3,570	419	4,384	111,019	145,018
Corolla	0	964	181	1,599	40,531	31,282
Nova	0	2,606	238	2,785	70,488	113,736
VOLKSWAGEN	0	135	0	0	35,595	43,329
Golf/GTI	0	60	0	0	30,042	34,845
Jetta	0	75	0	0	5,553	8,484
Total Cars, U.S.	146,940	137,765	145,293	468,550	5,035,938	5,201,809
Total Cars, Canada	20,697	15,953	20,701	64,854	781,885	555,547
U.S., Canada Cars	167,637	153,718	165,994	533,404	5,817,823	5,757,356
U.S., Canada Cars and Trucks	275,959	248,037	276,838	879,813	9,300,045	9,122,104

Weekly estimates may contain error of one or two units due to rounding.
†—Total includes the 626 and Navi Probe.

CANADIAN CAR	Week Ended Sept. 24, 1988	Week Ended Sept. 26, 1987	Week Ended Sept. 17, 1988	Sept. to Date	Jan. 1 to Sept. 24, 1988	Jan. 1 to Sept. 26, 1987
Eagle	0	—	0	0	0	—
Premier	1,275	—	1,283	4,219	44,877	—
CHRYSLER MOTORS	1,275	110	1,283	4,219	44,877	4,031
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	3,265	—	3,073	9,509	128,779	—
Topaz	1,631	—	1,528	4,688	48,895	—
Crown Victoria	2,773	—	2,744	8,597	93,429	—
Grand Marquis	2,987	—	2,852	9,092	94,401	—
FORD MOTOR CO.	10,656	5,547	10,197	31,886	365,504	321,037
Celebrity	187	—	199	648	15,272	—
Cutlass Ciera	3,333	—	3,324	10,682	174,240	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	0	29,675	—
Regal	4,000	—	4,336	13,241	116,268	—
GENERAL MOTORS	7,520	9,681	7,859	24,571	335,455	212,400
Civic	1,246	—	1,362	4,178	29,708	—
Accord	0	—	0	0	1,828	—
HONDA	1,246	390	1,362	4,178	31,536	10,582
VOLVO	0	225	0	0	4,513	7,497
Total Cars, Canada	20,697	15,953	20,701	64,854	781,885	555,547

U.S. TRUCK☆	Week Ended Sept. 24, 1988	Week Ended Sept. 26, 1987	Week Ended Sept. 17, 1988	Sept. to Date	Jan. 1 to Sept. 24, 1988	Jan. 1 to Sept. 26, 1987
Caravan	1,900	—	2,309	6,936	69,301	—
Dakota	2,300	—	2,378	7,201	77,002	—
Mini-Ram Van	200	—	309	729	9,761	—
Pickups	2,300	—	2,376	7,184	55,470	—
Total Dodge	6,700	8,155	7,372	22,051	211,534	206,221
Cherokee	3,700	—	4,470	13,276	132,420	—
Commanche	800	—	996	2,942	33,049	—
Grand Wagoneer	300	—	345	925	10,116	—
Pickups	0	—	0	0	0	—
Wagoneer	150	—	217	639	7,649	—
Total Jeep	4,950	4,518	6,028	17,782	183,234	183,823
Voyager	1,700	—	2,134	6,430	65,243	—
Total Plymouth	1,700	—	2,134	6,430	65,243	—
CHRYSLER MOTORS	13,350	12,673	15,534	46,263	460,011	370,044
Aerostar	4,730	—	4,948	15,501	149,289	—
Bronco	917	—	1,049	3,037	40,149	—
Bronco II	2,353	—	2,852	8,420	95,035	—
Econoline	5,527	—	5,469	16,991	173,527	—
Heavy trucks	1,310	—	1,236	4,131	48,460	—
Light trucks	9,859	—	10,293	32,200	357,131	—
Ranger	4,949	—	6,924	19,592	254,950	—
Total Ford Div.	29,645	33,616	32,771	99,873	1,118,541	1,086,697
FORD MOTOR CO.	29,645	33,616	32,771	99,873	1,118,541	1,086,697
Astro	4,065	—	3,723	11,586	129,123	—
Blazer	532	—	509	1,678	19,082	—
Mediums/Heavies	420	—	427	1,560	15,159	—
P-Model	898	—	889	2,819	30,155	—
Pickups	9,047	—	7,266	25,530	257,098	—
S-10	6,968	—	6,005	20,496	222,797	—
S-10 Blazer	3,821	—	4,124	12,384	121,004	—
Sportsvan/Van	1,875	—	2,424	6,820	69,574	—
Suburban	1,384	—	1,397	4,374	51,159	—
Total Chevrolet	29,010	16,506	26,750	87,047	915,151	812,604
Jimmy	154	—	148	460	5,506	—
Mediums/Heavies	816	—	685	2,096	28,424	—
P-Model	122	—	131	400	4,067	—
Pickups	2,818	—	3,517	8,941	80,276	—
S-15	1,562	—	1,317	4,655	50,409	—
S-15 Jimmy	1,159	—	1,007	3,563	34,417	—
Safari	1,029	—	757	2,920	32,900	—
Suburban	673	—	572	2,036	22,626	—
Vandura/Rally Vans	589	—	553	2,064	25,614	—
Total GMC	8,922	6,368	8,655	27,137	284,239	282,544
GENERAL MOTORS	37,932	22,874	35,414	114,184	1,199,390	1,095,148
NAVISTAR	1,700	1,623	1,673	5,302	62,863	54,007
NISSAN	1,390	2,113	1,382	4,450	69,396	64,466
AM GENERAL*	450	450	450	1,530	17,010	11,610
MISCELLANEOUS*	2,300	2,300	2,300	7,820	86,940	87,100
Total Trucks, U.S.	86,767	75,649	89,524	279,423	3,014,151	2,769,072

CANADIAN TRUCK	Week Ended Sept. 24, 1988	Week Ended Sept. 26, 1987	Week Ended Sept. 17, 1988	Sept. to Date	Jan. 1 to Sept. 24, 1988	Jan. 1 to Sept. 26, 1987
Caravan	2,928	—	2,838	9,289	103,098	—
Mini-Ram Van	204	—	225	668	9,391	—
Ram Wagon	768	—	752	2,256	18,545	—
Ram Van	2,052	—	2,143	6,330	49,816	—
Total Dodge	5,952	6,019	5,958	18,543	180,850	289,079
Voyager	3,012	—	3,034	9,487	92,681	—
Total Plymouth	3,012	—	3,034	9,487	92,681	—
Wrangler	1,248	—	1,205	4,029	36,676	—
Total Jeep	1,248	937	1,205	4,029	36,676	25,344
CHRYSLER MOTORS	10,212	8,956	10,197	32,059	310,207	314,423
FORD MTR (lt. trks)	3,648	3,442	3,258	10,539	117,598	108,976
Light trucks	3,706	—	3,931	11,736	111,997	—
Vans	1,540	—	1,525	4,675	42,578	—
Total Chevrolet	5,246	—	5,456	16,412	154,575	—
Light trucks	1,574	—	1,586	4,923	55,805	—
Vans	605	—	545	1,988	21,538	—
Total GMC	2,179	—	2,131	6,911	77,343	—
GENERAL MOTORS	7,425	6,047	7,587	23,323	231,918	165,242
NAVISTAR	270	225	278	864	8,348	7,095
Total Trks., Canada	21,555	18,670	21,320	66,785	668,071	595,676
U.S., Canada Trks.	108,322	94,319	110,844	346,209	3,682,222	3,364,748

☆—Includes whatever van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Weekly estimates may contain error of one or two units due to rounding.

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Automotive News®

October 3, 1988

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Optimism overflows at Paris show

Makers seek ways to crank up output

By Richard Johnzon
AUTOMOTIVE NEWS STAFF REPORTER

PARIS — After years of hand-wringing in Europe over excess auto capacity, last week's opening of the Paris Auto Show was filled with chief executives searching for ways to boost output in a buoyant market.

Predictions of a European industry downturn this year have not materialized, and a new wave of optimism about 1989 surfaced among company heads who gathered here.

While General Motors is closing plants in the United States, it is looking for new European capacity and considering reopening a mothballed Belgium factory, Automotive News learned.

Robert Eaton, General Motors — Europe's new president, said in an interview that a recently closed plant in Antwerp, Belgium, could be recommissioned.

Chrysler is interested in new Jeep capacity and is also looking to Europe for a joint-production deal. Talks are underway with Renault and possibly Fiat. It's known that Chrysler Motors Chairman Gerald Greenwald and Fiat Auto President Vittorio Ghidella huddled in a private suite above the floor of the show last week — one day after most of the world's press went home.

The day before, Chrysler Chairman Lee Iacocca acknowledged ongoing talks with Fiat.

"We've had lots of discussions with Fiat," Iacocca said. "Something may come of it and something may not, but I'm not prepared to discuss that today."

Talks between the two — over the past couple of years — are believed to have touched on everything from Alfa Romeo or Lancia distribution in the United States to distribution of Chrysler minivans in Italy by Fiat.

Meanwhile, Ford continues to push its capacity in Europe. Ford of Europe Chairman Alex Trotman said the company will build 100,000 to 150,000 more cars this year than last even though it suffered a 12-day strike in Great Britain last February.

Opel's 4wd Vectra, above, made its debut at the Paris Auto Show and drew keen interest from competitors. GM-Europe is counting on the new range to propel it past rival Ford. Meanwhile, the Japanese continued their trend of using major European shows to launch new models. Nissan used Paris to unveil its new Prairie/Axxess wagon, right.

CINDY LEWIS PHOTOS

French auto giants held much of the spotlight in Paris. Peugeot, which said it will increase annual production capacity more than 20 percent over the next four years, cited a first-half profit surge of 21 percent.

Renault Chairman Raymond Levy surprised the gathering by announcing that 1988 net earnings will increase 62 percent.

Ford and GM are staging their own profit race in 1988, after each surpassed $1 billion in European earnings last year.

Eaton said pretax profits will be higher than in 1987, when GM — Europe emerged from several years of red ink with a net profit of $1.25 billion. However, after-tax earnings could fall because of a bigger tax bill.

Ford also sounded optimistic.

"You have to assume ours wouldn't be too shabby," said Trotman, though he declined to be specific. Last year, Ford earned $1.07 billion in Europe, a 93 percent improvement over 1986.

Volkswagen and Fiat also released robust profit figures during the show. Fiat said pre-tax earnings increased 21 percent, thanks to strong auto and truck sales performances. VW said group net profits would rise at least 9 percent after a period of flat earnings.

The general good tidings for Europe's six high-volume manufacturers come in a year when business was supposed to be down. Virtually every European manufacturer predicted a sales drop of at least 4 percent to 5 percent for 1988. But sales are up by about the same amount.

"How did we get our 1988 predictions so wrong?" asked Peugoet Chairman Jacques Calvet. "The world economy shook off the stock market crash much more easily than expected, while government authorities and central banks reacted intelligently with international agreements and injections of liquidity."

GM's situation in Europe is typical.

see PARIS, page 56

3 makers say, 'Bring it back if not happy'

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Chrysler Motors, Pontiac and Oldsmobile last week launched the industry's latest marketing trend: 30-day return policies for newly purchased vehicles.

Chevrolet, meanwhile, confirmed it is studying whether to implement an exchange plan similar to those offered by its sister divisions.

Executives at Chrysler and Pontiac indicated that their programs may be extended and widened.

Chrysler's and GM's programs include a liberal reimbursement provision for dealers.

Like the extended warranties announced throughout this year, the return policies are being touted by the automakers as buyer confidence builders rather than as replacements for entrenched finance incentives and rebates.

Yet industry observers say they are inexpensive alternatives to the current style of incentives. And there is evidence that the new programs will indeed be attractive to customers.

Pontiac and Oldsmobile, for example, cited customer research indicating that more than 85 percent of all households would be likely to consider a vehicle that offers a guaranteed exchange rather than incentives such as low financing or cash rebates.

And Chrysler is advertising its return programs extensively in both print and television in its two test markets — Washington and Denver.

The programs announced last week are of two types. Pontiac and Oldsmobile permit a buyer to return to the selling dealer a newly purchased vehicle and for full credit toward the purchase of any model of the same brand. Chrysler also has a trade-in program in Denver. But in Washington, Chrysler allows customers to return the vehicle and receive cash back.

Vehicles in each of the programs may be returned for any reason.

The Chrysler program, which began Sept. 21 and ends Nov. 20, covers all 1988 and 1989 Chrysler Motors cars and trucks, domestic and foreign-built. However, as noted, the programs are being tested in only two markets — Washington and Denver.

The Pontiac program, which began Sept. 29 and continues through Dec. 31, applies only to the 1989 Grand Prix, a GM10 vehicle. The Oldsmobile plan, which runs concurrently with Pontiac's, applies only to the 1989 Cutlass Supreme, also a GM10.

The Pontiac and Oldsmobile programs allow a buyer to return a vehicle within 30 days or 3,000 miles, whichever occurs first, and receive full credit toward

see RETURN, page 58

Auctions soar

'87 was record; '88 is better

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

The gavel fell on 630,000 cars worth $3.9 billion at the nation's top 10 auto auctions in 1987, a record performance that topped the prior year by 15.60 percent in units and 14.71 percent in dollars. The 1986 totals were 545,000 cars valued at $3.4 billion.

Industry officials say a strong used-car market backed by factory program vehicles, an upturn in repossessions and increased fleet and lease business were responsible for the best sales year ever.

And the Big 3 auction chains — Manheim Auctions,

see AUCTIONS, page 59

TOP TEN AUTO AUCTIONS

	Volume (millions)	Units Sold	Average Price
1. Florida Auto Auction of Orla[illegible]	[illegible]	70,000	9,200
2. National Auto Dealers Excha[illegible]	408.8	79,000	5,200
3. Dallas Auto Auction	290.4	52,864	7,557
4. California Auto Dealers Excha[illegible]	396.8	79,000	5,000
5. Southern California A[illegible]	287.9	72,000	5,100
6. Charlo[illegible]	267.1	[illegible],350	6,515
7. Auto Dea[illegible]nge	[illegible]	[illegible],000	5,500
8. Apple Auto Auction	[illegible]	47,864	7,393
9. Nashville Auto Auction	[illegible]	48,927	7,168
10. Southern Auto Auction	315.0	59,000	5,300

Some figures were provided to Automotive News by companies. In some cases, figures are rounded or approximated.

Big insurer selling service contracts

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Government Employees Insurance Corp. took the industry's first big step into the warranty business this summer when it began offering its 1.4 million policyholders an extended new-car warranty plan called Mechanical Breakdown Insurance.

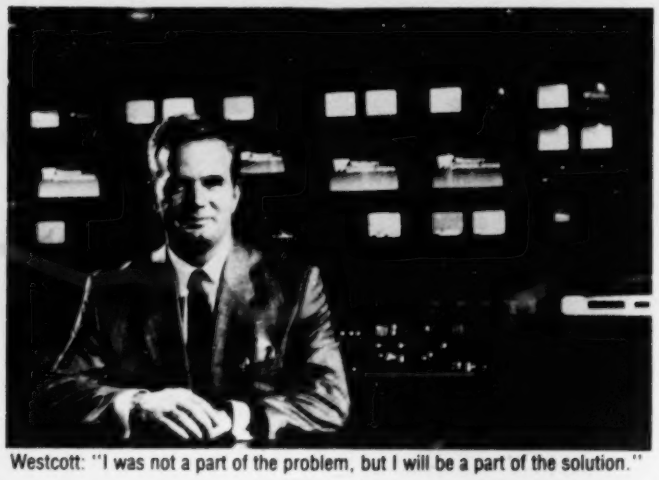
If the plan is successful and is emulated by other auto insurance companies, the effects could be staggering. Dominance of the extended-warranty market by large, national insurance companies with low rates would deprive U.S. new-car dealers of hundreds of millions in annual income.

see GEICO, page 58

NEWSPAPER

INSIDE:

Japan's Big 4 price hike falls short of U.S. Big 3 Page 2
ASTN founder's store hit with charges Page 3
Investors slow in buying dealer partner shares Page 55



Westcott: "I was not a part of the problem, but I will be a part of the solution."

ASTN founder's dealership hit with charges by Texas

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

The Texas Motor Vehicle Commission has filed charges of unlawful sales tactics against a dealership owned in part by Carl Westcott, founder of the Automotive Satellite Television Network.

The dealership is Courtesy Pontiac of Tyler, Texas.

The firm's license could be revoked or suspended if the state proves the charges. Fines and civil penalties also could be levied.

The commission accuses the dealership of using deceptive prices in its television ads, rigging payment schedules for financing cars, removing factory price stickers from vehicles and charging excessive title and license fees.

Westcott, reached at his Courtesy Pontiac office, said the suit filed by the commission resulted in the resignation of the dealership management in August and the appointment of new management.

An evidentiary hearing slated last week was postponed until lawyers representing the dealership take depositions from witnesses.

Westcott said he was an absentee owner who has now stepped forward to correct the situation.

"I have a financial interest in the dealership but have not been involved in its day-to-day operations," he said. "I was not a part of the problem, but I will be a part of the solution." Westcott is president of Texas-based Westcott Communications, parent of ASTN. General Motors' Electronic Data Systems Corp. also has a stake in the satellite network.

A self-described financial investor, Westcott is a partner in two other dealerships — in Los Angeles and Atlanta. He also is a partner in station KETK, the NBC affiliate in Jacksonville, Texas. Westcott purchased 50 percent of Courtesy Pontiac in 1972.

He launched ASTN two years ago to provide automotive-related news, training and educational programming. Some 3,700 dealers pay $4,620 annually for the service.

"The Motor Vehicle Commission has filed some charges that are set to be heard before an administrator," he said. "My attorneys say this is the proper forum to discuss these charges."

When asked if allegations of deception and fraud would chill ASTN's sales to dealers, who are signing up at a rate of about 150 per month, Westcott declined to answer. However, he said that he has taken an active role in monitoring the new management: "Whatever actions were taking place in the past will never happen again at Courtesy Pontiac."

Brett Bray, assistant director of the Texas Motor Vehicle Commission, led the investigation into Courtesy Pontiac's sales and marketing practices. He described them as unacceptable.

"It's a scheme that begins when a customer walks on the lot," he said. "High-pressure tactics are used to sell vehicles, and you can't buy a car for the price advertised on TV. It's very difficult to get out of the dealership without buying a vehicle at an inflated price."

Bray said Courtesy Pontiac allegedly violated the commission's advertising rules by offering Nissans and Pontiacs for below or the same as "factory invoice prices." The scheme allegedly also involved removal of the factory window sticker, or "Monroney label," from vehicles to confuse customers.

In what Texas Motor Vehicle Commission officials have called a "back to the future" scheme, customers allegedly were provided a computer printout showing a payment price and competitive interest rate offered by the manufacturer's financial arm.

Essentially, customers were shown a payment schedule for a four-year loan calculated on a three-year basis, making the payments appear higher than for a second financing plan at a higher interest rate computed for a four-year loan over a four-year period.

"The effect of this deceptive practice is to increase the finance income on the sale of a vehicle for Courtesy Pontiac," said Bray.

INDEX

Around the world	38
Auction reports	45
Classifieds	46-55
Coming events	28
Dealing with dealers	36
Legal briefs	34
News briefs	8
Obituaries	59
Opinion	10
Personnel	32-33
Production	60
Service management	20-22
Truck industry	12

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Megadealers face more troubles

10 Pepe points on block in N.J. to pay off debt

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

CAMDEN, N.J. — New Jersey megadealer Richard Pepe said he is selling his 10 dealerships to satisfy his creditors in U.S. Bankruptcy Court.

"I don't know of anybody who's not going to get their money. Unfortunately, we have to sell our assets to do it," Pepe said last week. In filing for protection from creditors in August, Pepe listed $50 million in liabilities against $54 million in assets.

"I'm very bitter. There's no question about it," he said. "Other dealers should find out what they could be facing."

Major creditors include General Motors Acceptance Corp., which says it's owed $27 million, Midatlantic National Bank in Pennsauken, N.J., and Chrysler Credit Corp.

Pepe said he and his wife, Virginia, who owns four of the dealerships, considered restructuring to remain in business, but decided the only way to pay everyone off was to sell.

One of New Jersey's largest dealers, Pepe said his stores sold 15,000 vehicles last year. He added that contracts to sell five dealerships have been signed and he has offers on three more.

Offers for the remaining two — Pepe Imports and VIP Motorcar Corp. in West Atlantic City — will be sought in a hearing set for Oct. 10. All the sales must be approved by Judge Judith Wizmur.

Meanwhile, New Jersey State Attorney General Cary Edwards is trying to intervene in the case on behalf of 46 customers who claim Pepe's dealerships failed to pay off loan balances on their trades. Edwards is seeking money to be set aside for the claims.

see PEPE, page 55

Kelton's cars repossessed; GMAC files suit in Vermont

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

General Motors Acceptance Corp. has repossessed the GM inventory of one of Vermont's largest dealer chains and has sued the dealer organization.

A Vermont newspaper reported Friday that the repossessions amounted to more than $7.2 million and involved four dealerships.

The suit charges Kelton Motors with a variety of deceptive practices, including selling cars out of trust and shuffling cars between dealerships to deceive auditors, the Rutland Herald reported, citing documents filed in U.S. District Court in Burlington.

In addition, Kelton repeatedly issued bad checks to GMAC and failed to meet a variety of contract obligations, the newspaper reported the court records as saying.

According to the dealer, Carl Kelton Sr., he and GMAC mutually agreed to the repossession. He has since agreed to sell one GM store and a Volkswagen franchise, both in St. Johnsbury.

Kelton owns a chain of auto and truck outlets in Vermont operating under the "Charlie Kelton's" name. He had represented four of GM's car division between two stores, in Rutland and St. Johnsbury, and GM trucks at two locations in White River Junction.

The financial troubles stem from non-payment of recourse retail loans by some big-ticket buyers, leaving the dealership responsible and short of cash, said his son, Carl Kelton Jr., general manager of the Kelton truck operation in White River Junction.

The court documents, however, mention the chain's rapid growth as the cause of the problems, the newspaper reported. Carl Kelton Jr., who declined to com-

see KELTON, page 55

Europe aims for 50% cut in auto jobs

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

DEARBORN, Mich. — Renault Chairman Raymond H. Levy estimates that European auto industry employment will be cut in half by 1992, compared with 1985 and 1986 levels, while production will remain at the same level.

In a speech prepared for an assembly of engineers meeting here for the 1988 International Federation of Automobile Engineering Societies (FISITA) Congress, Levy predicted that the European auto industry will respond to increasing competition by shifting from a labor-intensive industry to an industry based on "gray matter." John B. Curcio, chairman of Renault's Mack Trucks unit, delivered the speech because Levy was unable to attend.

In the speech, he said European automakers will reduce the workforce by providing blue collar workers with more responsibility; introducing computer technology that will eliminate white collar jobs where the workers spend most of their time sorting data; using more outside suppliers; and shifting sub-assembly away from production lines.

In their respective speeches to the organization, Roger Smith, General Motors chairman and honorary general chairman of the conference, and Tadashi Kume, president of Honda Motor Co., predicted that advancing technology will not only affect the design of automobiles but also the lives of the people who develop, build and drive them.

They defined their views of "automotive systems technology" and predicted the results of its use — each from his own perspective.

AUTOMOTIVE NEWS JOE WILSSENS

Keynoters, from left, Smith, Curcio and Kume (with interpreter)

From Smith's North American perspective, systems technology will allow the United States to produce world competitive products without forcing people to accept a lower standard of living.

From his Asian perspective, based on a career with Honda, Kume said, "Honda is not pursuing technology for its own sake. Honda is really seeking harmony. Harmony between man and machine, harmony between the customer and the automobile we make."

In his address to FISITA, Smith said systems engineering begins by defining the customer's requirements and then brings together supply, design, manufacturing, service and other relevant disciplines from the start of a project through the sale of the product.

"By 1990-1991, customers will be seeing GM products that reflect the systems engineering that we're doing now," Smith said.

Kume said that in order for the system that designs and builds the automobile to be effective, it must reflect human characteristics. Honda calls the source of its employees' inspiration, the "challenging spirit."

"The challenging spirit . . . means giving permission to . . . try things that have not been tried before, even knowing you will make mistakes. Because mistakes are valuable and even essential to success. Through our mistakes, we learn," Kume said.

Many of the FISITA sessions were devoted to methods by which engineers can improve the quality of interaction between man and machine — through better product design for customers, and on the development side, with improved computers, machines and methods for designing and building automobiles.

For example, Anthony Yanik, senior project engineer on GM's Environmental Activities staff, told a FISITA session that automakers will need to study how people age in order to develop cars to meet the needs of America's aging driving population.

Such information will provide designers with a basis for making changes in controls, interior lighting and seating when attempting to design cars for the senior market.

FISITA is composed of 22 engineering groups worldwide.

Ford simplifies service on Thunderbird, Cougar

By Wes Raynal
AUTOMOTIVE NEWS STAFF REPORTER

Ford Motor Co.'s only all-new cars for 1989 — Thunderbird and Cougar — are the first application of Ford's approach to meeting serviceability challenges in the 1990s.

The changes on Thunderbird/Cougar include color coding some maintenance components for easier identification, elimination of some service functions and improved design.

Ford said improvements on the 1989 Thunderbird and Cougar will make service easier for technicians and customers.

"Our serviceability department is now working with design so we can catch potential serviceability problems in the earliest possible stages," said Donald R. Morgan, manager of Ford's car and light-truck serviceability activity.

On Thunderbird/Cougar, Ford has color-coded in yellow certain commonly used service points, including the secondary hood release latch, engine oil dipstick, engine oil fill cap, power steering reservoir cap, engine coolant cap and washer fluid cap.

Morgan said the color-coding will make it easier for both owner and technician to identify those items.

The two new cars also have a redesigned jack with a wider base. Ford said it requires less effort to operate. Also, tools are no longer required to remove the air filter cover or the headlamp bulbs.

Ford said it is no longer necessary to change the fluid in the Thunderbird/Cougar power steering system or the transmission — manual or automatic — or the transmission linkage, nor is it necessary to lube door hinges or the power steering system, except for the outer tie-rod ends.

Ford also mounted the windshield washer pump next to the wiper motor in the engine compartment, reducing the need to remove the instrument panel during servicing.

Thunderbird and Cougar for 1989 also have platinum-tip spark plugs, which Ford said will not need replacing until 60,000 miles.

Inside the Thunderbird and Cougar, Ford has incorporated a vehicle maintenance monitor, a first for Ford.

It is standard on the Super Coupe and XR-7 and optional on the other Thunderbird and Cougar models. It monitors the drive cycle of the car and then recommends, through a gauge on the instrument panel, the proper oil-change interval for the vehicle based on the driving habits of that particular owner.

On another recent entry, the 1989 Ford Probe, service personnel will be instructed to ship the entire anti-lock braking system back to the factory in the event of a failure and replace it with a new system.

Ford said the entire unit will be replaced because it is too difficult to locate a single problem within the system.

"We're working very hard to change that because the way it is now, if one little component goes bad, we still pay for a whole new system," Morgan said.

The anti-lock braking system is covered under Ford's 6-year/60,000-mile powertrain warranty.

Ford fine-tunes computer link to aid dealer repairs

In addition to vehicle design changes, Ford Motor Co.'s approach to improved serviceability in the 1990s includes an emphasis on diagnostics and training dealership technicians.

As part of that approach, Ford will continue to develop its Service Bay Diagnostic System for all its car lines.

The system, currently being tested on the Lincoln Continental at some Lincoln-Mercury dealerships, links the dealership technician to computers at Ford parts and service division in Dearborn, Mich., in order to help diagnose a service problem.

Donald R. Morgan, manager of Ford car and light-truck serviceability, said the Service Bay Diagnostic System is necessary because it is no longer possible for a technician to keep on top of each bit of service information for all car lines.

He said electronics are especially difficult, making proper diagnosis more important than ever. "This will be the biggest challenge in service going into the 1990s," Morgan said.

Servicing will be particularly difficult for the independent technician, he said. "It costs $10,000 just to buy the shop manuals for all of the models," he said.

"Even if he could afford them, he'd spend all of his time reading, not working."

Ford hopes to have the new system, developed in conjunction with Hewlett-Packard, on-line by the early 1990s.

Ford has a separate training program for dealership technicians who handle electronic diagnostics. They are pre-tested, trained to diagnose Ford's electronic engine control (EEC-IV) system and then are retested.

Ford also is training dealership technicians to handle all repairs on the Yamaha-built, 24-valve, 3-liter V-6, despite earlier reports that the entire engine would be pulled from the vehicle and sent to Yamaha for service. The Yamaha engine powers Ford's new Taurus SHO.

— Wes Raynal

AUTOMOTIVE NEWS/JOE WILSKERS

Ford parts and service leaving old home
The former Ford Motor Co. headquarters building on Schaefer Road in Dearborn, Mich., will lose its current tenants. Ford's parts and service division, in about 18 months. The division is scheduled to move across town to offices currently occupied by Ford Motor Credit Co., adjacent to world headquarters. Ford Credit will move to new offices under construction in Dearborn. The old headquarters, which overlooks Ford's Rouge industrial complex, opened in 1928 and served as the company's administrative building until 1956. Its future hasn't been decided, but it could be remodeled to house Ford and other tenants.

Dealers report increase in shop volume

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

Service and parts volume at new-car dealerships soared in May and June, compared with the year-earlier months.

In May, shop volume at new-car dealerships was 9.0 percent above business in May 1987, according to the Automotive News Service Index. Shop volume in June was 8.7 percent above that of the year-earlier month.

Service volume during the first half of 1988 outpaced the first six months of 1987 by 6.5 percent. Volume was up sharply in every month except April, when the Service Index registered only a 0.5 percent increase over April 1987.

An Eastern Chevrolet dealer said service volume increased in May because of a strong local economy. In June, he said, "extremely hot weather may have had an effect," on the outlet's service volume increase.

A Midwestern Ford dealer attributed strong May and June service volume to customers bringing cars in for service checks before leaving on vacation.

A Northeastern Chevrolet dealer said his May increase was due to a "customer satisfaction program that is working very well in creating customer loyalty."

SERVICE INDEX
109.0*

	May, '88 vs. May, '87	5 mos., '88 vs. 5 mos., '87
Gross Profit on All Labor and P&A Sales	+11.1%	+7.7%
Repair Orders Written	+4.2%	+2.0%
Total Labor Sales (Customer & Warranty)	+11.2%	+6.8%
Shop Parts Sales (Customer & Warranty)	+6.2%	+5.7%
Sales of All P&A	+12.3%	+7.7%

* Survey by Automotive News shows that dealers' service and parts business in May 1988 was 109.0 percent of business in May 1987. Service business in the first 5 months of 1988 was 106.5 percent of business in the corresponding period in 1987.

SERVICE INDEX
108.7*

	June, '88 vs. June, '87	6 mos., '88 vs. 6 mos., '87
Gross Profit on All Labor and P&A Sales	+9.7%	+8.0%
Repair Orders Written	+4.8%	+2.4%
Total Labor Sales (Customer & Warranty)	+9.6%	+7.3%
Shop Parts Sales (Customer & Warranty)	+10.5%	+6.6%
Sales of All P&A	+9.0%	+8.0%

* Survey by Automotive News shows that dealers' service and parts business in June 1988 was 108.7 percent of business in June 1987. Service business in the first 6 months of 1988 was 106.5 percent of business in the corresponding period in 1987.

That dealership, however, recorded a decline in shop volume in June as a result of an expansion and remodeling of its service department area.

All service volume indicators in May and June were positive.

Sales of all parts and accessories — on and off premises — led May indicators with an increase of 12.3 percent over the year-earlier month. Shop parts sales (customer-paid and warranty) were up only 6.2 percent, but off-premises parts and accessory sales climbed 16.7 percent.

In June, sales of parts for on-premises repairs and sales to off-premises customers were more evenly balanced. Shop parts sales (customer-paid and warranty) led all June indicators with an increase of 10.5 percent. Sales of all parts and accessories in June were up 9.0 percent, and off-premises sales were up 8.0 percent.

During the first half of 1988, off-premises parts and accessories sales increased 9.1 percent.

Mr. Transmission links dealers in repair center

By Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTER

NASHVILLE, Tenn. — Car dealers who have trouble controlling costs on service operations may have a new solution to their problems.

A Nashville franchising company has begun marketing off-site transmission and engine servicing centers to dealers as investments. The concept unites three or four dealers in various markets as partners in a center, where they can direct their more labor-intensive service orders, including warranty work.

Joseph R. Dockery, president of Automotive Franchise Corp., said the concept is already in operation at one location in South Carolina, where three competing dealers have jointly operated a service facility for the past year.

A second facility in South Carolina is under construction and a third is scheduled to be built later this year in Stockton, Calif.

Automotive Franchise is the publicly traded franchisor of Mr. Transmission, PetroSystems, U.S. TransParts and TuneOmize, all automotive aftermarket operations.

Automotive Franchise suffered a $4.6 million loss last year on revenues of $8.9 million. Dockery said the losses were the result of failed Mr. Transmission franchises in depressed oil-patch markets, chiefly Houston and Baton Rouge, La.

The new program offer dealers a joint-partnership agreement through the company's Mr. Transmission division, a franchise chain of automotive service centers with 150 locations nationally.

The 32-year-old chain historically has drawn its business from retail used-car servicing, but Dockery said dealers were increasingly using the centers to job out engine and transmission work on cars under warranty for faster turnaround.

Dockery, who also is a Pontiac-Isuzu dealer with operations in North and South Carolina, estimated that approximately half of Automotive Franchise's revenue comes from dealer business. He said the trend toward longer warranty coverage has been the chief factor.

"A five-year warranty presents a problem to most dealers," he said. "They have to fix it, and yet there's no profit in it. Ideally, they want to take care of the job and move it out as fast as possible, but a major transmission problem can tie you up for days."

Dealers are currently transporting vehicles from their service departments to a Mr. Transmission center where the work is performed. The cars are then returned for customer pickup, with dealers taking a markup on the cost of the job.

Under the program, a center requires an investment of about $125,000, including building and equipment costs, Dockery said. "Most of that would be leased, meaning start-up costs of about $10,000 to $15,000 per partner," he said. The remaining portion is paid under terms of the lease agreement.

The partners guarantee the center 40 to 45 jobs a month, which makes the center profitable independently of any retail business that comes in, Dockery said.

"Most dealers don't want to deal with engine or transmission work," Dockery said. "It ties up a bay for a week, and the typical bay ought to be doing about $1,200 a day in business.

"The idea of developing a center off site is to free up the shop for higher profit jobs, while still making money on the heavier work at a lower-overhead facility," he said.

"The average transmission rebuilder makes between $650 and $800 a week. The typical dealership doesn't take in enough jobs to afford to keep him," Dockery added. "By combining three or four dealerships, it becomes a profitable operation."

1989 EPA mileage specs

Car Line	Est. MPG City	Hwy	Displ (liters)	Trans	Fuel Sys
Two Seaters					
Alfa Romeo Spider	21	27	2.0	M5	FI
Bertone X1/9	23	28	1.5	M5	FI
Buick Reatta	19	28	3.8	L4	FI
Cadillac Allante	15	23	4.5	L4	FI
Chevrolet Corvette	17	25	5.7	L4	FI
Chevrolet Corvette	16	25	5.7	M6	FI
Chevrolet Corvette Convertible	17	25	5.7	L4	FI
Chevrolet Corvette Convertible	16	25	5.7	M6	FI
Chrysler TC by Maserati Turbo	18	22	2.2	A3	FI
Chrysler TC by Maserati Turbo	17	21	2.5	A3	FI
Chrysler TC by Maserati Turbo	17	22	2.5	L3	FI
Ferrari Testarossa	10	15	4.9	M5	FI
Ferrari 328 GTS/GTB	13	18	3.2	M5	FI
Honda Civic CRX	29	36	1.5	L4	FI
Honda Civic CRX	34	41	1.5	M5	FI
Honda Civic CRX	28	33	1.6	M5	FI
Honda Civic CRX HF	45	52	1.5	M5	FI
Honda Civic CRX HF	50	56	1.5	M5	FI
Jaguar XJ-S Convertible	12	16	5.3	A3	FI
Maserati Karif	15	20	2.8	M5	FI
Maserati Spyder	15	20	2.8	M5	FI
Mercedes-Benz 560SL	14	17	5.6	A4	FI
Nissan 300ZX	18	26	3.0	L4	FI
Nissan 300ZX Turbo	17	24	3.0	L4	FI
Nissan 300ZX	17	25	3.0	M5	FI
Nissan 300ZX Turbo	17	25	3.0	M5	FI
Subaru XT-DL	24	28	1.8	M5	FI
Toyota MR2	22	27	1.6	L4	FI
Toyota MR2	25	30	1.6	L4	FI
Toyota MR2	24	30	1.6	M5	FI
Toyota MR2	26	31	1.6	M5	FI
Whitecompact Cars					
Ferrari 3.2 Mondial/Cabriolet	13	18	3.2	M5	FI
Maserati 225	15	20	2.8	M5	FI
Porsche 911 Carrera	18	24	3.2	M5	FI
Porsche 911 Carrera Turbo	13	20	3.3	M5	FI
Porsche 911 Turbo	14	21	3.3	M5	FI
Porsche 928 S4	15	19	5.0	A4	FI
Porsche 928 S4	14	22	5.0	M5	FI
Porsche 944	18	22	2.7	A3	FI
Porsche 944	19	26	2.7	M5	FI
Porsche 944 Turbo	19	27	2.5	M5	FI
Toyota Celica Convertible	26	32	2.0	L4	FI
Toyota Celica Convertible	26	32	2.0	M5	FI
Volkswagen Cabriolet	22	24	1.8	A3	FI
Volkswagen Cabriolet	24	27	1.8	M5	FI
Subcompact Cars					
Acura Integra	25	30	1.6	L4	FI
Acura Integra	26	30	1.6	M5	FI
Alfa Romeo Milano	18	22	2.5	A3	FI
Alfa Romeo Milano	20	24	2.5	M5	FI
Alfa Romeo Milano	18	25	3.0	M5	FI
Aston Martin Lagonda	8	11	5.3	L3	FI
Aston Martin Saloon/Vantage/ Volante	8	11	5.3	L3	FI
Aston Martin Saloon/Vantage/ Volante	8	11	5.3	M5	FI
Audi 80/90	23	27	2.0	A3	FI
Audi 80/90	22	30	2.0	M5	FI
Audi 80/90	19	22	2.3	A3	FI
Audi 80/90	20	26	2.3	M5	FI
Audi 80/90 Quattro	18	24	2.3	M5	FI
BMW M3	17	29	2.3	M5	FI
BMW M6	10	19	3.5	M5	FI
BMW 325i Convertible	18	23	2.5	L4	FI
BMW 325i Convertible	18	24	2.5	M5	FI
BMW 325i/325es	18	22	2.5	L4	FI
BMW 325i/325es	18	23	2.5	M5	FI
BMW 325ix	19	22	2.5	L4	FI
BMW 325ix	17	23	2.5	M5	FI
BMW 635CSi	15	19	3.4	L4	FI
BMW 635CSi	15	23	3.4	M5	FI
Chevrolet Camaro	19	27	2.8	L4	FI
Chevrolet Camaro	18	27	2.8	M5	FI
Chevrolet Camaro	17	26	5.0	L4	FI
Chevrolet Camaro	16	25	5.0	L4	FI
Chevrolet Camaro	17	26	5.0	M5	FI
Chevrolet Camaro	17	25	5.0	M5	FI
Chevrolet Camaro	17	25	5.7	L4	FI
Chevrolet Cavalier Convertible	20	27	2.8	L3	FI
Chevrolet Cavalier Convertible	18	29	2.8	M5	FI
Chrysler Conquest Turbo	18	24	2.6	L4	FI
Chrysler Conquest Turbo	18	22	2.6	M5	FI
Chrysler LeBaron Convertible Turbo	20	28	2.2	M5	FI
Chrysler LeBaron Convertible Turbo	18	23	2.5	A3	FI
Chrysler LeBaron Convertible	22	28	2.5	L3	FI
Chrysler LeBaron Convertible	23	31	2.5	M5	FI
Chrysler LeBaron Convertible Turbo	18	26	2.5	M5	FI
Daihatsu Charade	38	42	1.0	M5	FI
Dodge Colt	28	30	1.5	L3	FI
Dodge Colt	32	38	1.5	M4	FI
Dodge Colt	30	35	1.5	M5	FI
Dodge Colt Turbo	23	29	1.6	M5	FI
Dodge Daytona Turbo	20	28	2.2	M5	FI
Dodge Daytona Turbo	18	23	2.5	A3	FI
Dodge Daytona	23	29	2.5	L3	FI
Dodge Daytona	24	34	2.5	M5	FI
Dodge Daytona Turbo	20	29	2.5	M5	FI
Dodge Shadow Convertible	24	28	2.2	L3	FI
Dodge Shadow Convertible Turbo	24	34	2.2	M5	FI
Dodge Shadow Convertible	19	24	2.5	A3	FI
Dodge Shadow Convertible	23	29	2.5	L3	FI
Ford Festiva	24	34	2.5	M5	FI
Ford Festiva	38	40	1.3	M4	2bc
Ford Festiva	39	43	1.3	M5	2bc
Ford Festiva	30	31	1.3	A3	FI
Ford Mustang	21	27	2.3	L4	FI
Ford Mustang	23	29	2.3	M5	FI
Ford Mustang	17	25	5.0	L4	FI
Ford Mustang	17	24	5.0	M5	FI
Geo Metro	53	58	1.0	M5	FI
Geo Metro LSi	38	40	1.0	A3	FI
Geo Metro LSi	46	50	1.0	M5	FI
Geo Spectrum	31	33	1.5	A3	2bc
Geo Spectrum	37	41	1.5	M5	2bc
Honda Civic	27	32	1.5	L4	FI
Honda Civic	34	38	1.5	M4	FI
Honda Civic	31	36	1.5	M5	FI
Honda Civic	28	33	1.6	M5	FI
Honda Prelude	20	26	2.0	L4	2bc
Honda Prelude	23	28	2.0	M5	2bc
Honda Prelude	21	26	2.0	L4	FI
Honda Prelude	23	26	2.0	M5	FI
Hyundai Excel	27	31	1.5	L3	2bc
Hyundai Excel	27	33	1.5	M4	2bc
Hyundai Excel	28	37	1.5	M5	2bc
Isuzu I-Mark	31	33	1.5	A3	2bc
Isuzu I-Mark	33	39	1.5	M5	2bc
Isuzu I-Mark	37	41	1.5	M5	2bc
Isuzu I-Mark Turbo	26	34	1.5	M5	FI
Isuzu I-Mark	24	32	1.6	M5	FI
Isuzu Impulse Turbo	20	26	2.0	L4	FI
Isuzu Impulse Turbo	21	27	2.0	M5	FI
Isuzu Impulse	20	26	2.3	L4	FI
Isuzu Impulse	20	26	2.3	M5	FI
Jaguar XJ-S	13	17	5.3	A3	FI
Mercury Tracer	26	29	1.6	A3	FI
Mercury Tracer	28	35	1.6	M5	FI
Maserati 430	15	20	2.8	M5	FI
Mercedes-Benz 190D 2.5	28	33	2.5	A4	FI
Mercedes-Benz 190E 2.6	20	23	2.6	A4	FI
Mercedes-Benz 190E 2.6	19	27	2.6	M5	FI
Mercedes-Benz 300CE	18	22	3.0	A4	FI
Mitsubishi Mirage	27	29	1.5	L3	FI
Mitsubishi Mirage	32	38	1.5	M4	FI
Mitsubishi Mirage	29	35	1.5	M5	FI
Mitsubishi Mirage Turbo	23	29	1.6	M5	FI
Mitsubishi Precis	27	31	1.5	L3	2bc
Mitsubishi Precis	27	33	1.5	M4	2bc
Mitsubishi Precis	26	37	1.5	M5	2bc
Mitsubishi Starion Turbo	18	24	2.6	L4	FI
Mitsubishi Starion Turbo	18	22	2.6	M5	FI
Nissan Pulsar NX	24	29	1.6	L3	FI
Nissan Pulsar NX	26	34	1.6	M5	FI
Nissan Pulsar NX	21	28	1.8	L4	FI
Nissan Pulsar NX	23	29	1.8	M5	FI
Nissan Sentra Coupe	26	30	1.6	L3	FI
Nissan Sentra Coupe	27	36	1.6	M5	FI
Nissan Sentra Coupe	20	25	2.4	L4	FI
Nissan 240SX	20	26	2.4	M5	FI
Nissan 300ZX 2 + 2	18	26	3.0	L4	FI
Nissan 300ZX 2 + 2	17	25	3.0	M5	FI
Plymouth Colt	28	30	1.5	L3	FI
Plymouth Colt	32	38	1.5	M4	FI
Plymouth Colt	30	35	1.5	M5	FI
Plymouth Colt Turbo	23	29	1.6	M5	FI
Plymouth Sundance Convertible	24	28	2.2	L3	FI
Plymouth Sundance Convertible	24	34	2.2	M5	FI
Plymouth Sundance Convertible Turbo	19	24	2.5	A3	FI
Plymouth Sundance Convertible	23	29	2.5	L3	FI
Plymouth Sundance Convertible	24	34	2.5	M5	FI
Pontiac Firebird/Trans Am	19	27	2.8	L4	FI
Pontiac Firebird/Trans Am	18	27	2.8	M5	FI
Pontiac Firebird/Trans Am	17	26	5.0	L4	FI
Pontiac Firebird/Trans Am	16	25	5.0	L4	FI
Pontiac Firebird/Trans Am	17	26	5.0	M5	FI
Pontiac Firebird/Trans Am	17	25	5.0	M5	FI
Pontiac Firebird/Trans Am	17	25	5.7	L4	FI
Pontiac Sunbird Convertible	22	29	2.0	L3	FI
Pontiac Sunbird Convertible Turbo	21	28	2.0	L3	FI
Pontiac Sunbird Convertible	21	30	2.0	M5	FI
Pontiac Sunbird Convertible	24	33	2.0	M5	FI
Rolls-Royce Bentley Continental	10	12	6.8	A3	FI
Rolls-Royce Corniche II	10	12	6.8	A3	FI
Saab 900 Convertible Turbo	18	22	2.0	A3	FI
Saab 900 Convertible Turbo	22	28	2.0	M5	FI
Subaru Hatchback	23	25	1.8	L3	2bc
Subaru Hatchback	26	31	1.8	M5	2bc
Subaru Justy	34	35	1.2	AV	2bc
Subaru Justy	34	37	1.2	M5	2bc
Subaru Justy 4wd	29	33	1.2	M5	2bc
Subaru XT	23	30	1.8	L4	FI
Subaru XT	24	28	1.8	M5	FI
Subaru XT	20	28	2.7	L4	FI
Subaru XT 4wd	22	28	1.8	L4	FI
Subaru XT 4wd	24	28	1.8	M5	FI
Subaru XT 4wd	19	25	2.7	L4	FI
Subaru XT 4wd	18	25	2.7	M5	FI
Suzuki Swift	31	34	1.3	A3	FI
Suzuki Swift GTi	25	28	1.3	A3	FI
Suzuki Swift GTi	29	36	1.3	M5	FI
Toyota Celica	22	28	2.0	L4	FI
Toyota Celica	26	32	2.0	L4	FI
Toyota Celica Turbo	19	26	2.0	M5	FI
Toyota Celica	26	32	2.0	M5	FI
Toyota Celica	22	28	2.0	M5	FI
Toyota Corolla	27	30	1.6	L3	2bc
Toyota Corolla	27	34	1.6	L4	2bc
Toyota Corolla	30	35	1.6	M5	2bc
Toyota Corolla	23	29	1.6	L4	FI
Toyota Corolla	23	28	1.6	M5	FI
Toyota Corolla	26	31	1.6	M5	FI
Toyota Supra	18	23	3.0	L4	FI
Toyota Supra Turbo	18	23	3.0	L4	FI
Toyota Supra	18	23	3.0	M5	FI
Toyota Supra Turbo	17	22	3.0	M5	FI
Toyota Tercel	28	32	1.5	L3	1bc
Toyota Tercel	35	41	1.5	M4	1bc
Toyota Tercel	31	37	1.5	M5	1bc
Volkswagen Fox	25	30	1.8	M4	FI
Volkswagen Fox	24	29	1.8	M5	FI
Yugo GV/GVX	28	31	1.1	M4	2bc
Yugo GV/GVX	26	29	1.3	M5	2bc
Compact Cars					
Acura Legend	18	22	2.7	L4	FI
Acura Legend	19	23	2.7	M5	FI
Austin Rover Sterling	18	23	2.7	L4	FI
Austin Rover Sterling	19	24	2.7	M5	FI
BMW 525i	18	23	2.5	L4	FI
BMW 525i	18	24	2.5	M5	FI
BMW 535i	15	19	3.4	L4	FI
BMW 535i	15	23	3.4	M5	FI
Buick Skyhawk	25	32	2.0	L3	FI
Buick Skyhawk	26	36	2.0	M5	FI
Buick Skylark	23	32	2.3	L3	FI
Buick Skylark	23	30	2.5	L3	FI
Buick Skylark	20	27	3.3	L3	FI
Chevrolet Beretta	24	31	2.0	L3	FI
Chevrolet Beretta	24	34	2.0	M5	FI
Chevrolet Beretta	20	27	2.8	L3	FI
Chevrolet Beretta	18	28	2.8	M5	FI
Chevrolet Cavalier	25	32	2.0	L3	FI
Chevrolet Cavalier	26	36	2.0	M5	FI
Chevrolet Cavalier	20	27	2.8	L3	FI
Chevrolet Cavalier	18	29	2.8	M5	FI
Chrysler LeBaron Turbo	20	28	2.2	M5	FI
Chrysler LeBaron Turbo	18	23	2.5	A3	FI
Chrysler LeBaron	23	29	2.5	L3	FI
Chrysler LeBaron	24	34	2.5	M5	FI
Chrysler LeBaron Turbo	20	29	2.5	M5	FI
Dodge Omni	24	30	2.2	L3	FI
Dodge Omni	26	35	2.2	M5	FI
Dodge Shadow	24	28	2.2	L3	FI
Dodge Shadow	24	34	2.2	M5	FI
Dodge Shadow	19	24	2.5	A3	FI
Dodge Shadow	23	29	2.5	L3	FI
Dodge Shadow	24	34	2.5	M5	FI
Dodge Shadow	20	29	2.5	M5	FI
Eagle Summit	27	30	1.5	L3	FI
Eagle Summit	29	35	1.5	M5	FI
Eagle Summit	23	28	1.6	L4	FI
Eagle Summit	23	28	1.6	M5	FI
Ford Escort	26	31	1.9	A3	FI
Ford Escort	32	42	1.9	M4	FI
Ford Escort	25	32	1.9	M5	FI
Ford Escort	27	36	1.9	M5	FI
Ford Probe	22	29	2.2	A4	FI
Ford Probe	24	31	2.2	M5	FI
Ford Probe Turbo	21	27	2.2	M5	FI
Ford Tempo	22	28	2.3	A3	FI
Ford Tempo	19	23	2.3	A3	FI
Ford Tempo	21	28	2.3	M5	FI
Ford Tempo	23	32	2.3	M5	FI
Honda Accord	23	30	2.0	L4	2bc
Honda Accord	27	34	2.0	M5	2bc
Honda Accord	22	28	2.0	L4	FI
Honda Accord	25	30	2.0	M5	FI
Jaguar XJ-6	17	23	3.6	L4	FI
Mercury Topaz	22	26	2.3	A3	FI
Mercury Topaz	19	23	2.3	A3	FI
Mercury Topaz	21	28	2.3	M5	FI
Mercury Topaz	23	31	2.3	M5	FI
Mazda 323	24	30	1.6	L4	FI
Mazda 323	26	30	1.6	M4	FI
Mazda 323	28	33	1.6	M5	FI
Mazda 323 Turbo	22	27	1.6	M5	FI
Mazda 323 Turbo	21	24	1.6	M5	FI
Mercedes-Benz 260E	20	24	2.6	A4	FI
Mercedes-Benz 300E	18	22	3.0	A4	FI
Mercedes-Benz 300SE	17	19	3.0	A4	FI
Mercedes-Benz 560SEC	14	16	5.6	A4	FI
Merkur XR4Ti	18	21	2.3	A3	FI
Merkur XR4Ti	19	25	2.3	M5	FI
Mitsubishi Galant (SOHC)	22	28	2.0	L4	FI
Mitsubishi Galant (DOHC)	21	27	2.0	M5	FI
Mitsubishi Galant (SOHC)	23	30	2.0	M5	FI
Mitsubishi Sigma	18	22	3.0	A4	FI
Mitsubishi Sigma	18	24	3.0	M5	FI
Nissan Maxima	19	26	3.0	L4	FI
Nissan Maxima	20	26	3.0	M5	FI
Nissan Sentra	26	30	1.6	L3	FI
Nissan Sentra	29	35	1.6	M4	FI
Nissan Sentra	28	36	1.6	M5	FI
Nissan Stanza	21	27	2.0	L4	FI
Nissan Stanza	22	28	2.0	M5	FI
Oldsmobile Cutlass Calais	23	32	2.3	L3	FI
Oldsmobile Cutlass Calais	24	35	2.3	M5	FI
Oldsmobile Cutlass Calais	23	30	2.5	L3	FI
Oldsmobile Cutlass Calais	23	33	2.5	M5	FI
Peugeot 405 Sedan	20	27	3.3	L3	FI
Peugeot 405 Sedan	20	24	1.9	L4	FI
Peugeot 405 Sedan	20	26	1.9	M5	FI
Peugeot 405 Sedan 16-valve	20	27	1.9	M5	FI
Peugeot 505 Sedan Turbo	18	22	2.2	L4	FI
Peugeot 505 Sedan Turbo	18	24	2.2	M5	FI
Peugeot 505 Sedan	19	22	2.2	L4	FI
Peugeot 505 Sedan	18	24	2.2	M5	FI
Peugeot 505 Sedan	18	22	2.8	L4	FI
Peugeot 505 Sedan	18	22	2.8	M5	FI
Plymouth Horizon	24	30	2.2	L3	FI
Plymouth Horizon	26	35	2.2	M5	FI
Plymouth Sundance	24	28	2.2	L3	FI
Plymouth Sundance	24	34	2.2	M5	FI
Plymouth Sundance Turbo	19	24	2.5	A3	FI
Plymouth Sundance	23	29	2.5	L3	FI
Plymouth Sundance	24	34	2.5	M5	FI
Plymouth Sundance Turbo	20	29	2.5	M5	FI
Pontiac Grand Am	21	28	2.0	L3	FI
Pontiac Grand Am	21	30	2.0	M5	FI
Pontiac Grand Am	23	32	2.3	L3	FI
Pontiac Grand Am	24	35	2.3	M5	FI
Pontiac Grand Am	23	30	2.5	L3	FI
Pontiac Grand Am	23	33	2.5	M5	FI
Pontiac LeMans	27	31	1.6	L3	FI
Pontiac LeMans	30	39	1.6	M4	
Pontiac LeMans	31	40	1.6	M5	
Pontiac LeMans	22	28	2.0	L3	
Pontiac Sunbird	24	30	2.0	M5	
Pontiac Sunbird	23	31	2.0	L3	FI
Pontiac Sunbird Turbo	20	27	2.0	L3	FI
Pontiac Sunbird Turbo	21	31	2.0	M5	FI
Pontiac Sunbird	19	22	2.0	A3	FI
Saab 900	19	23	2.0	A3	FI
Saab 900 Turbo	22	28	2.0	M5	FI
Saab 900	22	28	2.0	M5	FI
Saab 900 Turbo	21	28	2.0	M5	FI
Subaru Sedan/3-Door	22	24	1.8	A3	FI
Subaru Sedan/3-Door	25	27	1.8	L3	FI
Subaru Sedan/3-Door	25	31	1.8	M5	FI
Subaru Sedan/3-Door 4wd Turbo	20	26	1.8	L4	FI
Subaru Sedan/3-Door 4wd Turbo	22	25	1.8	M5	FI
Toyota Camry	24	30	2.0	L4	FI
Toyota Camry	22	25	2.0	L4	FI
Toyota Camry	26	32	2.0	L4	FI
Toyota Camry	22	27	2.0	M5	FI
Toyota Camry	19	24	2.5	L4	FI
Toyota Camry	19	24	2.5	M5	FI
Toyota Cressida	19	24	3.0	L4	FI
Volkswagen Golf	23	28	1.8	A3	FI
Volkswagen Golf	25	34	1.8	M5	FI
Volkswagen GTI 16V	22	29	1.8	M5	FI
Volkswagen Jetta	23	28	1.8	A3	FI
Volkswagen Jetta GLI 16V	25	34	1.8	M5	FI
Volvo 240 DL/240 GL	22	29	1.8	M5	FI
Volvo 240 DL/240 GL	19	24	2.3	A4	FI
Volvo 240 DL/240 GL	19	24	2.3	A4	FI
Volvo 240 DL/240 GL	21	27	2.3	M5	FI
Volvo 780 Turbo	21	28	2.3	M5	FI
Volvo 780	19	23	2.3	A4	FI
	17	21	2.8	A4	FI
Audi 100	19	22	2.3	A3	FI
Audi 100	18	25	2.3	M5	FI
Audi 100 Quattro	18	24	2.3	M5	FI
Audi 200	18	22	2.2	A3	FI
Audi 200	18	26	2.2	M5	FI
Audi 200 Quattro	17	25	2.2	M5	FI
Bentley Eight/Mulsanne	10	12	6.8	A3	FI
Bentley Turbo R	10	13	6.8	A3	FI
BMW 735i	15	19	3.4	L4	FI
BMW 735i	15	23	3.4	M5	FI
BMW 750iL	15	19	3.4	L4	FI
Buick Century	12	17	5.0	L4	FI
Buick Century	23	30	2.5	L3	FI
Buick Century	20	27	2.8	L3	FI
Buick Century	20	28	2.8	L4	FI
Buick Century	20	27	3.3	L3	FI
Buick Regal	20	29	3.3	L4	FI
Buick Riviera	20	29	2.8	L4	FI
Cadillac Eldorado	19	28	3.8	L4	FI
Cadillac Seville	17	25	4.5	L4	FI
Chevrolet Celebrity	17	25	4.5	L4	FI
Chevrolet Celebrity	23	30	2.5	L3	FI
Chevrolet Celebrity	20	27	2.8	L3	FI
Chevrolet Celebrity	20	29	2.8	L4	FI
Chevrolet Corsica	24	31	2.0	L3	FI
Chevrolet Corsica	24	34	2.0	M5	FI
Chevrolet Corsica	20	27	2.8	L3	FI
Chevrolet Corsica	18	29	2.8	M5	FI
Chrysler LeBaron GTS	24	28	2.2	L3	FI
Chrysler LeBaron GTS	24	34	2.2	M5	FI
Chrysler LeBaron GTS Turbo	20	28	2.2	M5	FI
Chrysler LeBaron GTS Turbo	19	24	2.5	A3	FI
Chrysler LeBaron GTS	23	29	2.5	L3	FI
Chrysler LeBaron GTS	24	34	2.5	M5	FI
Chrysler LeBaron GTS Turbo	20	29	2.5	M5	FI
Chrysler New Yorker	18	26	3.0	L4	FI
Chrysler Newport/Fifth Ave	16	22	5.2	L3	2bc
Dodge Aries	24	30	2.2	L3	FI
Dodge Aries	25	34	2.2	M5	FI
Dodge Diplomat	23	28	2.5	L3	FI
Dodge Dynasty	16	22	5.2	L3	2bc
Dodge Dynasty	22	28	2.5	L3	FI
Dodge Lancer	18	26	3.0	L4	FI
Dodge Lancer	24	28	2.2	L3	FI
Dodge Lancer Turbo	24	34	2.2	M5	FI
Dodge Lancer Turbo	20	28	2.2	M5	FI
Dodge Lancer	19	24	2.5	A3	FI
Dodge Lancer	23	29	2.5	L3	FI
Dodge Lancer	24	34	2.5	M5	FI
Dodge Lancer Turbo	20	29	2.5	M5	FI
Dodge Spirit	24	28	2.2	L3	FI
Dodge Spirit Turbo	19	24	2.5	A3	FI
Dodge Spirit	23	29	2.5	L3	FI
Dodge Spirit	24	34	2.5	M5	FI
Dodge Spirit Turbo	20	29	2.5	M5	FI
Dodge Spirit	18	28	3.0	L4	FI
Dodge 600	24	28	2.2	L3	FI
Dodge 600 Turbo	19	24	2.5	A3	FI
Dodge 600	23	29	2.5	L3	FI
Eagle Medallion Sedan	21	27	2.2	A3	FI
Eagle Medallion Sedan	23	31	2.2	M5	FI
Ford Taurus	21	27	2.5	A3	FI
Ford Taurus	21	29	3.0	L4	FI
Ford Taurus	19	28	3.8	L4	FI
Lincoln Mark VII	17	24	5.0	L4	FI
Mercury Sable	21	29	3.0	L4	FI
Mercury Sable	19	28	3.8	L4	FI
Maserati 228	14	19	2.8	M5	FI
Mazda 626/MX-6	22	28	2.2	L4	FI
Mazda 626/MX-6 Turbo	19	25	2.2	L4	FI
Mazda 626/MX-6	24	31	2.2	M5	FI
Mazda 626/MX-6 Turbo	21	28	2.2	M5	FI
Mazda 929	19	23	3.0	L4	FI
Mazda 929	18	24	3.0	M5	FI
Mercedes-Benz 300SEL	17	19	3.0	A4	FI
Mercedes-Benz 420SEL	15	18	4.2	A4	FI
Mercedes-Benz 560SEL	14	16	5.6	A4	FI
Oldsmobile Cutlass Ciera	23	30	2.5	L3	FI
Oldsmobile Cutlass Ciera	20	27	2.8	L3	FI
Oldsmobile Cutlass Ciera	20	29	2.8	L4	FI
Oldsmobile Cutlass Ciera	20	29	3.3	L4	FI
Oldsmobile Cutlass Supreme	20	29	2.8	L4	FI
Oldsmobile Cutlass Supreme	18	28	2.8	M5	FI
Oldsmobile Toronado	19	28	3.8	L4	FI
Plymouth Acclaim	24	28	2.2	L3	FI
Plymouth Acclaim Turbo	19	24	2.5	A3	FI
Plymouth Acclaim	23	29	2.5	L3	FI
Plymouth Acclaim	24	34	2.5	M5	FI
Plymouth Acclaim Turbo	20	29	2.5	M5	FI
Plymouth Acclaim	18	26	3.0	L4	FI
Plymouth Caravelle	24	28	2.2	L3	FI
Plymouth Caravelle Turbo	19	24	2.5	A3	FI
Plymouth Caravelle	23	29	2.5	L3	FI
Plymouth Gran Fury	16	22	5.2	L3	2bc
Plymouth Reliant	24	30	2.2	L3

SPECIFICATIONS

Continued from page E38

Car Line	Est. MPG City	Hwy	Displ. (liters)	Trans	Fuel Sys
Pontiac 6000	20	27	2.8	L3	FI
Pontiac 6000	20	29	2.8	L4	FI
Pontiac 6000	18	23	3.1	L3	FI
Rolls-Royce Silver Spirit/Sour	10	12	6.8	A3	FI
Volvo 740 Turbo	19	23	2.3	A4	FI
Volvo 740	19	26	2.3	L4	FI
Volvo 740	20	26	2.3	L4	FI
Volvo 740 Turbo	20	25	2.3	M4	FI
Volvo 740	21	27	2.3	M5	FI
Volvo 760 Turbo	19	23	2.3	A4	FI
Volvo 760	17	21	2.8	A4	FI
Buick Electra	19	28	3.8	L4	FI
Buick LeSabre	19	28	3.8	L4	FI
Cadillac Brougham	17	24	5.0	L4	4bc
Cadillac Fleetwood/DeVille	17	25	4.5	L4	FI
Chevrolet Caprice	19	27	4.3	L4	FI
Chevrolet Caprice	17	25	5.0	L4	FI
Chrysler New Yorker/Fifth Ave	18	26	3.0	L4	FI
Eagle Premier	22	31	2.5	L4	FI
Eagle Premier	18	27	3.0	L4	FI
Ford LTD Crown Victoria	17	24	5.0	L4	FI
Mercury Grand Marquis	17	24	5.0	L4	FI
Lincoln Town Car	17	24	5.0	L4	FI
Oldsmobile Eighty-Eight	19	28	3.8	L4	FI
Oldsmobile Ninety-Eight/Touring	18	28	3.8	L4	FI
Pontiac Bonneville	18	28	3.8	L4	FI
Saab 9000	18	24	2.0	L4	FI
Saab 9000 Turbo	19	26	2.0	L4	FI
Saab 9000	22	28	2.0	M5	FI
Saab 9000 Turbo	22	28	2.0	M5	FI
Small Station Wagons					
Buick Skyhawk Wagon	25	32	2.0	L3	FI
Buick Skyhawk Wagon	26	36	2.0	M5	FI
Chevrolet Cavalier Wagon	25	32	2.0	L3	FI
Chevrolet Cavalier Wagon	26	36	2.0	M5	FI
Chevrolet Cavalier Wagon	20	27	2.8	L3	FI
Chevrolet Cavalier Wagon	18	29	2.8	M5	FI
Dodge Colt Vista	22	23	2.0	L3	FI
Dodge Colt Vista	22	28	2.0	M5	FI
Dodge Colt Wagon	27	29	1.5	L3	FI
Dodge Colt Wagon	30	35	1.5	M5	FI
Ford Escort Wagon	25	31	1.9	A3	FI
Ford Escort Wagon	27	36	1.9	M5	FI
Honda Civic Wagon	27	32	1.5	L4	FI
Honda Civic Wagon	31	35	1.5	M5	FI
Honda Civic Wagon 4wd	24	27	1.6	L4	FI
Honda Civic Wagon 4wd	25	26	1.6	M5	FI
Mercury Tracer Wagon	26	29	1.6	A3	FI
Mercury Tracer Wagon	28	35	1.6	M5	FI
Mazda 323 Wagon	24	28	1.6	A3	FI
Mazda 323 Wagon	28	33	1.6	M5	FI
Mitsubishi Mirage Wagon	27	29	1.5	L3	FI
Mitsubishi Mirage Wagon	30	35	1.5	M5	FI
Mitsubishi Space Wagon	22	23	2.0	L3	FI
Nissan Sentra Wagon	26	30	1.6	L3	FI
Nissan Sentra Wagon	27	35	1.6	M5	FI
Nissan Sentra Wagon 4wd	23	25	1.6	L3	FI
Nissan Sentra Wagon 4wd	25	29	1.6	M5	FI
Plymouth Colt Vista	22	23	2.0	L3	FI
Plymouth Colt Vista	22	28	2.0	M5	FI
Plymouth Colt Wagon	27	29	1.5	L3	FI
Plymouth Colt Wagon	30	35	1.5	M5	FI
Subaru Wagon Turbo	22	24	1.8	A3	FI
Subaru Wagon	25	27	1.8	L3	FI
Subaru Wagon 4wd Turbo	25	30	1.8	M5	FI
Subaru Wagon 4wd Turbo	20	26	1.8	L4	FI
Toyota Camry Wagon	22	25	1.8	M5	FI
Toyota Camry Wagon	24	30	2.0	L4	FI
Toyota Camry Wagon	26	32	2.0	M5	FI
Toyota Corolla All-Trac Wagon	19	24	2.5	L4	FI
Toyota Corolla All-Trac Wagon	23	29	1.6	L4	FI
Toyota Corolla Wagon	23	28	1.6	M5	FI
Toyota Corolla Wagon	27	30	1.6	L3	2bc
Volkswagen Fox Wagon	30	35	1.6	M5	2bc
Volkswagen Fox Wagon	25	30	1.8	M4	FI
Mid-Size Station Wagons					
Audi 100 Wagon	19	22	2.3	A3	FI
Audi 100 Wagon	18	25	2.3	M5	FI
Audi 200 Quattro Wagon	17	25	2.2	M5	FI
Buick Century Wagon	24	30	2.5	L3	FI
Buick Century Wagon	20	29	2.8	L4	FI
Buick Century Wagon	19	26	3.3	L3	FI
Chevrolet Celebrity Wagon	19	29	3.3	L4	FI
Chevrolet Celebrity Wagon	23	30	2.5	L3	FI
Eagle Medallion Wagon	20	29	2.8	L4	FI
Eagle Medallion Wagon	21	27	2.2	A3	FI
Ford Taurus Wagon	23	31	2.2	M5	FI
Ford Taurus Wagon V6 A/C	21	29	3.0	L4	FI
Ford Taurus Wagon V6 A/C	19	26	3.0	L4	FI
Mercury Sable Wagon	18	26	3.8	L4	FI
Mercury Sable Wagon V6 A/C	21	29	3.0	L4	FI
Mercury Sable Wagon V6 A/C	19	26	3.0	L4	FI
Mercedes-Benz 300TE	18	26	3.8	L4	FI
Oldsmobile Cutlass Cruiser	17	21	3.0	A4	FI
Oldsmobile Cutlass Cruiser	24	30	2.5	L3	FI
Oldsmobile Cutlass Cruiser	20	29	2.8	L4	FI
Oldsmobile Cutlass Cruiser	19	29	3.3	L4	FI
Peugeot 505 Station Wagon Turbo	18	22	2.2	L4	FI
Peugeot 505 Station Wagon	19	22	2.2	L4	FI
Peugeot 505 Station Wagon	18	22	2.2	M5	FI
Pontiac 6000 Wagon	24	30	2.5	L3	FI
Pontiac 6000 Wagon	20	29	2.8	L4	FI
Volvo 240 DL/240 GL Wagon	18	23	2.3	A4	FI
Volvo 240 DL/240 GL Wagon	19	24	2.3	A4	FI
Volvo 240 DL/240 GL Wagon	21	26	2.3	M5	FI
Volvo 240 DL/240 GL Wagon	21	27	2.3	M5	FI
Volvo 740 Wagon Turbo	19	23	2.3	A4	FI
Volvo 740 Wagon	19	24	2.3	L4	FI
Volvo 740 Wagon	19	25	2.3	L4	FI
Volvo 740 Wagon Turbo	20	25	2.3	M4	FI
Volvo 740 Wagon	21	26	2.3	M5	FI
Volvo 760 Wagon Turbo	19	23	2.3	A4	FI
Large Station Wagons					
Buick LeSabre/Electra Wagon	17	24	5.0	L4	4bc
Chevrolet Caprice Wagon	17	24	5.0	L4	4bc
Ford LTD Crown Vic. Wagon	17	24	5.0	L4	FI
Mercury Grand Marquis Wagon	17	24	5.0	L4	FI
Oldsmobile Custom Cruiser	17	24	5.0	L4	4bc
Pontiac Safari Wagon	17	24	5.0	L4	4bc
Small Pickup Trucks/2wd					
Chevrolet S10 Pickup	21	28	2.5	L4	FI
Chevrolet S10 Pickup	23	27	2.5	M5	FI
Chevrolet S10 Pickup	19	26	2.8	M5	FI
Dodge Ram 50	18	23	4.3	L4	FI
Dodge Ram 50	23	26	2.0	A4	2bc
Dodge Ram 50	23	28	2.0	M5	2bc
Dodge Ram 50	20	22	2.6	A4	2bc
Ford Courier	20	25	2.6	M5	2bc
Ford Courier	20	25	2.2	L4	2bc
Ford Ranger Pickup	21	26	2.2	M5	2bc
Ford Ranger Pickup	20	24	2.3	L4	FI
Ford Ranger Pickup	23	27	2.3	M5	FI
Ford Ranger Pickup	17	21	2.9	L4	FI
Ford Ranger Pickup	18	23	2.9	M5	FI
GMC S15 Pickup	21	28	2.5	L4	FI
GMC S15 Pickup	23	27	2.5	M5	FI
GMC S15 Pickup	19	26	2.8	M5	FI
GMC S15 Pickup	18	23	4.3	L4	FI
Isuzu Pickup	22	24	2.3	M5	2bc
Isuzu Pickup	19	23	2.6	L4	FI
Isuzu Pickup	19	24	2.6	M5	FI
Mazda B2200/B2600	20	25	2.2	L4	2bc
Mazda B2200/B2600	21	26	2.2	M5	2bc
Mitsubishi Truck	23	28	2.0	A4	2bc
Mitsubishi Truck	23	28	2.0	M5	2bc
Mitsubishi Truck	20	22	2.6	A4	2bc
Nissan Truck	20	25	2.6	M5	2bc
Nissan Truck	21	26	2.4	L4	FI
Nissan Truck	21	24	2.4	M4	FI
Nissan Truck	21	26	2.4	M5	FI
Nissan Truck	18	21	3.0	L4	FI
Toyota Truck	17	24	3.0	M5	FI
Toyota Truck	21	23	2.4	M4	2bc
Toyota Truck	23	25	2.4	M4	2bc
Toyota Truck	21	25	2.4	M5	2bc
Toyota Truck	23	24	2.4	A4	FI
Toyota Truck	22	26	2.4	M5	FI
Toyota Truck	19	25	3.0	L4	FI
Toyota Truck	19	24	3.0	M5	FI
Small Pickup Trucks/4wd					
Ford Ranger Pickup	21	24	2.3	M5	FI
Ford Ranger Pickup	16	19	2.9	L4	FI
Ford Ranger Pickup	18	21	2.9	M5	FI
Standard Pickup Trucks/2wd					
Chevrolet C1500 Pickup	17	22	4.3	L4	FI
Chevrolet C1500 Pickup	18	21	4.3	M4C	FI
Chevrolet C1500 Pickup	17	24	4.3	M5	FI
Chevrolet C1500 Pickup	15	21	5.0	L4	FI
Chevrolet C1500 Pickup	15	21	5.0	M5	FI
Chevrolet C1500 Pickup	15	20	5.7	L4	FI
Chevrolet C1500 Pickup	14	17	5.7	M4C	FI
Chevrolet C1500 Pickup	13	19	5.7	M5	FI
Chevrolet C1500 Pickup Diesel	19	25	6.2	L4	FI
Chevrolet C1500 Pickup Diesel	18	19	6.2	M4C	FI
Chevrolet C2500 Pickup	17	22	4.3	L4	FI
Chevrolet C2500 Pickup	16	18	4.3	M4C	FI
Chevrolet C2500 Pickup	17	24	4.3	M5	FI
Chevrolet C2500 Pickup	15	20	5.0	L4	FI
Chevrolet C2500 Pickup	14	20	5.0	M5	FI
Chevrolet C2500 Pickup	14	20	5.7	L4	FI
Chevrolet C2500 Pickup	14	16	5.7	M4C	FI
Chevrolet C2500 Pickup	13	18	5.7	M5	FI
Chevrolet C2500 Pickup Diesel	18	25	6.2	L4	FI
Chevrolet C2500 Pickup Diesel	18	18	6.2	M4C	FI
Dodge Dakota Pickup	21	26	2.5	L4	FI
Dodge Dakota Pickup	22	28	2.5	M5	FI
Dodge Dakota Pickup	15	20	3.9	L4	FI
Dodge D100/D150 Pickup	16	22	3.9	M5	FI
Dodge D100/D150 Pickup	15	18	3.9	L3	FI
Dodge D100/D150 Pickup	15	19	3.9	L4	FI
Dodge D100/D150 Pickup	14	18	3.9	M4C	FI
Dodge D100/D150 Pickup	13	19	3.9	M5	FI
Dodge D100/D150 Pickup	13	14	5.2	A3	FI
Dodge D100/D150 Pickup	14	17	5.2	L3	FI
Dodge D100/D150 Pickup	13	17	5.2	L4	FI
Dodge D100/D150 Pickup	13	18	5.2	M4	FI
Dodge D100/D150 Pickup	13	15	5.2	M4C	FI
Dodge D100/D150 Pickup	11	13	5.9	A3	FI
Dodge D100/D150 Pickup	11	14	5.9	M4C	FI
Dodge D250 Pickup	14	16	3.9	L3	FI
Dodge D250 Pickup	14	17	3.9	M4C	FI
Dodge D250 Pickup	13	14	5.2	A3	FI
Dodge D250 Pickup	13	17	5.2	L4	FI
Dodge D250 Pickup	13	15	5.2	M4C	FI
Dodge D250 Pickup	11	13	5.9	A3	FI
Dodge D250 Pickup	11	14	5.9	M4C	FI
Ford F150 Pickup	14	16	4.9	A3	FI
Ford F150 Pickup	16	17	4.9	M4C	FI
Ford F150 Pickup	15	19	4.9	M5	FI
Ford F150 Pickup	15	18	4.9	M5C	FI
Ford F150 Pickup	13	15	5.0	A3	FI
Ford F150 Pickup	14	18	5.0	L4	FI
Ford F150 Pickup	14	15	5.0	M4C	FI
Ford F150 Pickup	14	17	5.0	M5	FI
Ford F150 Pickup	12	13	5.8	A3	FI
Ford F250 Pickup	14	16	4.9	A3	FI
Ford F250 Pickup	16	17	4.9	M4C	FI
Ford F250 Pickup	15	19	4.9	M5	FI
Ford F250 Pickup	15	18	4.9	M5C	FI
Ford F250 Pickup	14	18	5.0	L4	FI
Ford F250 Pickup	14	15	5.0	M4C	FI
Ford F250 Pickup	14	17	5.0	M5	FI
Ford F250 Pickup	11	13	5.8	A3	FI
GMC C1500 Sierra	17	22	4.3	L4	FI
GMC C1500 Sierra	18	21	4.3	M4C	FI
GMC C1500 Sierra	17	24	4.3	M5	FI
GMC C1500 Sierra	15	21	5.0	L4	FI
GMC C1500 Sierra	15	21	5.0	M5	FI
GMC C1500 Sierra	15	20	5.7	L4	FI
GMC C1500 Sierra	14	17	5.7	M4C	FI
GMC C1500 Sierra	13	19	5.7	M5	FI
GMC C1500 Sierra Diesel	19	25	6.2	L4	FI
GMC C1500 Sierra Diesel	18	19	6.2	M4C	FI
GMC C2500 Sierra	17	22	4.3	L4	FI
GMC C2500 Sierra	16	18	4.3	M4C	FI
GMC C2500 Sierra	17	24	4.3	M5	FI
GMC C2500 Sierra	15	20	5.0	L4	FI
GMC C2500 Sierra	14	20	5.0	M5	FI
GMC C2500 Sierra	14	20	5.7	L4	FI
GMC C2500 Sierra	14	16	5.7	M4C	FI
GMC C2500 Sierra Diesel	13	18	5.7	M5	FI
GMC C2500 Sierra Diesel	18	25	6.2	L4	FI
Isuzu Pickup 1 Ton	18	18	6.2	M4C	FI
Jeep Comanche Pickup	18	22	2.6	M5	FI
Jeep Comanche Pickup	18	24	2.5	L4	FI
Jeep Comanche Pickup	20	25	2.5	M4	FI
Jeep Comanche Pickup	22	25	2.5	M4	FI
Jeep Comanche Pickup	19	24	2.5	M5	FI
Jeep Comanche Pickup	21	24	2.5	M5	FI
Jeep Comanche Pickup	16	21	4.0	L4	FI
Toyota 1-Ton	17	23	4.0	M5	FI
Toyota 1-Ton	19	25	3.0	L4	FI
Toyota 1-Ton	19	24	3.0	M5	FI
Standard Pickup Trucks/4wd					
Chevrolet K1500 Pickup	16	20	4.3	L4	FI
Chevrolet K1500 Pickup	15	18	4.3	M4C	FI
Chevrolet K1500 Pickup	16	20	4.3	M5	FI
Chevrolet K1500 Pickup	14	17	5.0	L4	FI
Chevrolet K1500 Pickup	14	18	5.0	M5	FI
Chevrolet K1500 Pickup	13	17	5.7	L4	FI
Chevrolet K1500 Pickup	13	14	5.7	M4C	FI
Chevrolet K1500 Pickup	13	17	5.7	M5	FI
Chevrolet K1500 Pickup Diesel	17	22	6.2	L4	FI
Chevrolet K1500 Pickup Diesel	18	18	6.2	M4C	FI
Chevrolet K2500 Pickup	16	20	4.3	L4	FI
Chevrolet K2500 Pickup	15	18	4.3	M4C	FI
Chevrolet K2500 Pickup	16	20	4.3	M5	FI
Chevrolet K2500 Pickup	14	17	5.0	L4	FI
Chevrolet K2500 Pickup	13	17	5.0	M5	FI
Chevrolet K2500 Pickup	13	17	5.7	L4	FI
Chevrolet K2500 Pickup	13	14	5.7	M4C	FI
Chevrolet K2500 Pickup	13	17	5.7	M5	FI
Chevrolet K2500 Pickup Diesel	17	22	6.2	L4	FI
Chevrolet K2500 Pickup Diesel	17	18	6.2	M4C	FI
Chevrolet S10 Pickup	18	25	2.8	M5	FI
Chevrolet S10 Pickup	17	22	4.3	L4	FI
Dodge Dakota Pickup	14	18	3.9	L4	FI
Dodge Dakota Pickup	15	19	3.9	M5	FI
Dodge Power Ram 50	17	19	2.6	A4	2bc
Dodge Power Ram 50	18	21	2.6	M5	2bc
Dodge W100/W150 Pickup	13	15	3.9	A3	FI
Dodge W100/W150 Pickup	12	15	3.9	M4C	FI
Dodge W100/W150 Pickup	12	14	5.2	A3	FI
Dodge W100/W150 Pickup	11	15	5.2	M4C	FI
Dodge W100/W150 Pickup	11	12	5.9	A3	FI
Dodge W100/W150 Pickup	10	13	5.9	M4C	FI
Dodge W250 Pickup	11	13	5.2	A3	FI
Dodge W250 Pickup	11	14	5.2	M4C	FI
Dodge W250 Pickup	10	11	5.9	A3	FI
Dodge W250 Pickup	10	13	5.9	M4C	FI
Ford F150 Pickup	14	15	4.9	A3	FI
Ford F150 Pickup	15	17	4.9	M4C	FI
Ford F150 Pickup	15	19	4.9	M5	FI
Ford F150 Pickup	15	18	4.9	M5C	FI
Ford F150 Pickup	13	14	5.0	A3	FI
Ford F150 Pickup	14	17	5.0	L4	FI
Ford F150 Pickup	13	15	5.0	M4C	FI
Ford F150 Pickup	13	17	5.0	M5	FI
Ford F250 Pickup	11	13	5.8	A3	FI
Ford F250 Pickup	15	17	4.9	M5C	FI
Ford F250 Pickup	13	17	5.0	L4	FI
Ford F250 Pickup	13	15	5.0	M5	FI
Ford F250 Pickup	11	13	5.8	A3	FI
GMC K1500 Sierra	16	20	4.3	L4	FI
GMC K1500 Sierra	15	18	4.3	M4C	FI
GMC K1500 Sierra	16	20	4.3	M5	FI
GMC K1500 Sierra	14	17	5.0	L4	FI
GMC K1500 Sierra	14	18	5.0	M5	FI
GMC K1500 Sierra	13	17	5.7	L4	FI
GMC K1500 Sierra	13	14	5.7	M4C	FI
GMC K1500 Sierra	13	17	5.7	M5	FI
GMC K1500 Sierra Diesel	17	22	6.2	L4	FI
GMC K1500 Sierra Diesel	18	18	6.2	M4C	FI
GMC K2500 Sierra	16	20	4.3	L4	FI
GMC K2500 Sierra	15	18	4.3	M4C	FI
GMC K2500 Sierra	16	20	4.3	M5	FI
GMC K2500 Sierra	14	17	5.0	L4	FI
GMC K2500 Sierra	13	17	5.0	M5	FI
GMC K2500 Sierra	13	17	5.7	L4	FI
GMC K2500 Sierra	13	14	5.7	M4C	FI
GMC K2500 Sierra	13	17	5.7	M5	FI
GMC K2500 Sierra Diesel	17	22	6.2	L4	FI
GMC K2500 Sierra Diesel	17	18	6.2	M4C	FI
GMC S15 Pickup	18	25	2.8	M5	FI
GMC S15 Pickup	17	22	4.3	L4	FI
Isuzu Pickup	18	19	2.6	M5	FI
Jeep Comanche Pickup	18	23	2.5	L4	FI
Jeep Comanche Pickup	20	24	2.5	M4	FI
Jeep Comanche Pickup	21	24	2.5	M4	FI
Jeep Comanche Pickup	19	24	2.5	M5	FI
Jeep Comanche Pickup	20	23	2.5	M5	FI
Jeep Comanche Pickup	15	19	4.0	L4	FI
Jeep Comanche Pickup	17	22	4.0	M5	FI
Mitsubishi Truck	17	19	2.6	A4	2bc
Mitsubishi Truck	18	21	2.6	M5	2bc
Nissan Truck	17	21	2.4	M5	FI
Nissan Truck	15	17	3.0	L4	FI
Nissan Truck	15	19	3.0	M5	FI
Toyota Truck	18	20	2.4	L4	FI
Toyota Truck	19	22	2.4	M5	FI
Toyota Truck	15	18	3.0	L4	FI
Toyota Truck	17	20	3.0	M5	FI
Cargo Vans					
Chevrolet Astro 2wd	19	25	2.5	L4	FI
Chevrolet Astro 2wd	21	26	2.5	M5	FI
Chevrolet Astro 2wd	17	22	4.3	L4	FI
Chevrolet G10/20 Van 2wd	17	24	4.3	M5	FI
Chevrolet G10/20 Van 2wd	17	23	4.3	L4	FI
Chevrolet G10/20 Van 2wd	16	19	4.3	M4	FI
Chevrolet G10/20 Van 2wd	15	20	5.0	L4	FI
Chevrolet G10/20 Van 2wd	14	18	5.0	M4	FI
Chevrolet G10/20 Van Diesel	18	25	6.2	L4	FI
Chevrolet G10/20 Van Diesel	20	24	6.2	M4	FI
Chevrolet G30 Van 2wd	17	23	4.3	L4	FI
Dodge B150/B250 Van 2wd	15	17	3.9	A4	FI
Dodge B150/B250 Van 2wd	15	18	3.9	L3	FI
Dodge B150/B250 Van 2wd	15	19	3.9	L4	FI
Dodge B150/B250 Van 2wd	13	19	3.9	M5	FI
Dodge B150/B250 Van 2wd	13	14	5.2	A3	FI
Dodge B150/B250 Van 2wd	13	17	5.2	L3	FI
Dodge B150/B250 Van 2wd	13	17	5.2	L4	FI
Dodge B350 Van 2wd	11	13	5.9	A3	FI
Dodge B350 Van 2wd	13	14	5.2	A3	FI
Dodge B350 Van 2wd	13	17	5.2	L4	FI
Dodge B350 Van 2wd	11	13	5.9	A3	FI
Ford Aerostar Van	17	23	3.0	L4	FI
Ford E150 Econoline 2wd	18	23	3.0	M5	FI
Ford E150 Econoline 2wd	14	16	4.9	A3	FI
Ford E150 Econoline 2wd	15	19	4.9	M5	FI
Ford E150 Econoline 2wd	13	17	5.0	L4	FI
Ford E250 Econoline 2wd	11	13	5.8	A3	FI
Ford E250 Econoline 2wd	14	16	4.9	A3	FI
Ford E250 Econoline 2wd	13	17	5.0	L4	FI
GMC G15/25 Vandura 2wd	11	13	5.8	A3	FI
GMC G15/25 Vandura 2wd	17	23	4.3	L4	FI
GMC G15/25 Vandura 2wd	16	19	4.3	M4	FI
GMC G15/25 Vandura 2wd	15	20	5.0	L4	FI
GMC G15/25 Vandura 2wd	14	18	5.0	M4	FI
GMC G15/25 Vandura 2wd	15	20	5.7	L4	FI
GMC G15/25 Vandura Diesel	18	25	6.2	L4	FI
GMC G15/25 Vandura Diesel	20	24	6.2	M4	FI
GMC G35 Vandura 2wd	17	23	4.3	L4	FI
GMC Safari 2wd	19	25	2.5	L4	FI
GMC Safari 2wd	21	26	2.5	M5	FI
GMC Safari 2wd	17	22	4.3	L4	FI
GMC Safari 2wd	17	24	4.3	M5	FI
Mitsubishi Van	20	22	2.4	L4	FI
Toyota Van 2wd	21	23	2.2	L4	FI
Toyota Van 2wd	22	24	2.2	M5	FI
Toyota Van 4wd	20	21	2.2	L4	FI
Passenger Vans					
Chevrolet Astro 2wd	17	22	4.3	L4	FI
Chevrolet Astro 2wd	17	24	4.3	M5	FI
Chevrolet G10/20 Sportvan 2wd	17	23	4.3	L4	FI
Chevrolet G10/20 Sportvan 2wd	16	18	4.3	M4	FI
Chevrolet G10/20 Sportvan 2wd	14	17	5.0	L4	FI
Chevrolet G10/20 Sportvan 2wd	14	19	5.7	L4	FI
Chevrolet G10/20 Sportvan Diesel	16	21	6.2	L4	FI
Chevrolet G30 Sportvan 2wd	18	21	6.2	M4	FI
Dodge B150/B250 Wagon 2wd	13	15	5.7	L4	FI
Dodge B150/B250 Wagon 2wd	14	16	3.9	A4	FI
Dodge B150/B250 Wagon 2wd	14	16	3.9	L3	FI
Dodge B150/B250 Wagon 2wd	14	18	3.9	L4	FI
Dodge B150/B250 Wagon 2wd	13	17	3.9	M5	FI
Dodge B150/B250 Wagon 2wd	12	14	5.2	A3	FI
Dodge B150/B250 Wagon 2wd	13	16	5.2	L3	FI
Dodge B150/B250 Wagon 2wd	13	16	5.2	L4	FI
Dodge B150/B250 Wagon 2wd	10	12	5.9	A3	FI
Dodge B350 Wagon 2wd	12	14	5.2	A3	FI
Dodge B350 Wagon 2wd	13	16	5.2	L4	FI
Dodge B350 Wagon 2wd	10	12	5.9	A3	FI
Ford Aerostar Wagon	17	22	3.0	L4	FI
Ford E150 Club Wagon	16	23	3.0	M5	FI
Ford E150 Club Wagon	13	15	4.9	A3	FI
Ford E150 Club Wagon	13	17	5.0	L4	FI
GMC G15/25 Rally 2wd	11	13	5.8	A3	FI
GMC G15/25 Rally 2wd	17	23	4.3	L4	FI
GMC G15/25 Rally 2wd	16	18	4.3	M4	FI
GMC G15/25 Rally 2wd	14	17	5.0	L4	FI
GMC G15/25 Rally 2wd	14	19	5.7	L4	FI
GMC G15/25 Rally 2wd Diesel	16	21	6.2	L4	FI
GMC G15/25 Rally 2wd Diesel	18	21	6.2	M4	FI
GMC G35 Rally 2wd	13	15	5.7	L4	FI
GMC Safari 2wd	17	22	4.3	L4	FI
GMC Safari 2wd	17	24	4.3	M5	FI
Mitsubishi Wagon	18	21	2.4	L4	FI
Toyota Van 2wd	21	23	2.2	L4	FI
Toyota Van 2wd	22	24	2.2	M5	FI
Toyota Van 4wd	20	21	2.2	L4	FI
Toyota Van 4wd	20	22	2.2	M5	FI
Volkswagen Vanagon Syncro 4wd	16	16	2.1	M5C	FI
Volkswagen Vanagon 2wd	17	18	2.1	A3	FI
Volkswagen Vanagon 2wd	18	19	2.1	M4	FI
Special Purpose Vehicles/2wd					
Chevrolet R1500 Suburban 2wd	14	19	5.7	L4	FI
Chevrolet R1500 Suburban 2wd Diesel	16	24

Domestic truck sales set record in Canada

By Bill Vance
SPECIAL CORRESPONDENT

Although cars retained their sales strength in Canada during August, domestic trucks really soared.

Each of the Big 3 set a truck sales record in August. Ford sales rose 16.48 percent over a year ago; General Motors was up 12.09 percent; and Chrysler, with a 9.56 percent gain, chalked up its 18th consecutive month of record-breaking truck sales, thanks to its minivans and Jeeps.

Overall domestic truck sales of 35,206 were up 13.03 percent over the year-ago month, and year-to-date truck sales were ahead by a healthy 11.04 percent.

Among imported trucks, Mazda sold almost twice as many units as it did last August, rising to 1,007 from 519, and GM sold 320 imported trucks, five times as many as the 60 it sold in August 1987.

Toyota was down 6.71 percent; Nissan was off 12.45; and Suzuki lost 19.10 percent.

August car sales held up well, too, thanks to year-end clear-out incentives. Four of the five companies that build cars in Canada showed year-to-year increases in sales of their domestically built cars, ranging from Honda's 52.34 percent gain to GM's 1.28 percent.

Ford was up 15.31 percent, while Chrysler fell off 6.15 percent from last August. Volvo sales rose to 301 from 210.

For the year, domestic sales were 2.86 percent ahead of the first eight months of 1987.

Almost half of the car importers showed sales gains in August, led by Suzuki, which was up by 250.40 percent, followed by Honda, up 49.24 percent; Mazda, up 19.84 percent; and Toyota, up 14.39 percent.

Overall, 1988 Canadian car sales managed to keep ahead of the first eight months of 1987, albeit by a slim 0.37 percent. The totals were 731,390 this year, compared with 728,726 last year.

CANADIAN CAR AND TRUCK SALES

	Aug. 1988	Aug. 1987	8 mos., 1988	8 mos., 1987
Domestic cars				
General Motors	28,004	27,690	247,761	247,645
Ford	15,753	13,661	136,014	132,429
Chrysler	9,963	10,616	104,452	96,606
Honda	2,378	1,561	9,699	7,322
Volvo	301	210	1,674	1,643
Domestic car total	**56,399**	**53,698**	**[illegible]**	**487,645**
Import cars				
Toyota	6,945	5,984	48,103	46,324
Honda	5,026	3,369	42,220	42,594
General Motors	2,836	3,028	20,046	14,581
Volkswagen	2,880	4,104	24,892	26,777
Nissan	2,680	2,892	21,012	24,670
Mazda	2,422	2,021	20,298	17,563
Hyundai	2,328	3,816	21,285	36,008
Chrysler	1,450	1,372	4,049	4,034
Suzuki	1,328	379	5,578	1,986
Subaru	788	1,174	5,256	5,265
Ford	728	948	4,524	6,920
BMW	432	429	3,430	3,306
Mercedes-Benz	382	375	2,975	3,118
Volvo	317	451	2,621	3,930
Jaguar	186	298	1,473	1,833
Saab	133	109	964	1,139
Lada	67	71	720	589
Skoda	25	47	265	444
Import car total	**30,912**	**30,988**	**229,791**	**241,981**
TOTAL — ALL CARS	**87,311**	**84,686**	**731,390**	**728,726**
Domestic trucks (including vans)				
GM	15,515	13,841	102,954	108,322
Ford	12,298	10,530	102,676	95,311
Chrysler	7,425	6,777	78,573	52,395
Domestic truck total	**35,198**	**31,148**	**284,303**	**256,028**
Import trucks (including vans)				
Toyota	1,140	1,222	10,329	9,715
Nissan	1,174	1,341	9,402	11,576
Mazda	1,007	519	7,991	7,278
GM	320	60	913	523
Suzuki	298	368	3,751	2,168
Chrysler	226	467	2,118	2,423
Volkswagen	88	82	681	945
Lada	15	11	101	84
Import truck total	**4,298**	**4,068**	**35,286**	**35,112**
TOTAL — ALL TRUCKS	**39,494**	**35,206**	**319,589**	**291,140**
TOTAL — CARS, TRUCKS	**123,775**	**118,786**	**1,050,97[illegible]**	**1,019,866**

Canadian goal

Big 3 aim at higher shares

By Alex Law
SPECIAL CORRESPONDENT

TORONTO — Each of the domestic automakers is forecasting the same thing for the 1989 model year in Canada: a stagnant total market, but increased penetration for themselves.

In separate press conferences, General Motors of Canada, Chrysler Canada and Ford Motor Co. of Canada estimated sales at just over one million cars (for the sixth consecutive year) and just under half a million trucks.

And each predicted an increased share of both markets.

GM of Canada President George Peapples forecast a passenger-car market of 1,070,000 units for the 1989 model year, with GM selling 400,000, including domestic and imported cars. That would "further improve our market share by 1.2 percentage points to 37.7," Peapples said. "That's more than two full points better than we did in 1987."

Maurice J. Closs, Chrysler Canada president, told his dealers that he wants their target to be "one in five" sales, but he was somewhat more restrained when talking to the media about Chrysler's share of the one-million-plus market.

Closs said he wants Chrysler's car market share to rise to 17 percent. For the first eight months of 1988, Chrysler had 14.83 percent.

Kenneth W. Harrigan, Ford of Canada president, is projecting about 1,060,000 cars for the 1989 model year, and thinks Ford will get about 21 percent of that market. For the first eight months of calendar 1988, Ford took 19.49 percent.

In truck sales, the consensus forecast is for about 500,000 units. GM said it wants about 37 percent; Ford's target is 31 percent; and Chrysler has its eye on 23 percent.

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Lawsuit filed in U.S. court on Ford van fires

By Helen Kahn
SENIOR CORRESPONDENT

Several businesses and individuals have filed suit in U.S. District Court in Denver, charging Ford Motor Co. with negligence in the design and manufacture of vans.

Plaintiffs charge they were victims of fires in Ford Econoline vans or motor homes built on Ford van chassis.

A similar, companion lawsuit was filed in Colorado state court. The plaintiffs hope to have the federal lawsuit certified as a class action, charging breach of expressed and implied warranties.

The suit was filed in U.S. District Court by ABC Carriers Inc., Vanex Inc., Albatross Adventures Inc. (doing business as Adventures to Vail), William Michael Arnold, Massachusetts-based Orange Trading Co., Richard and Mary Ogles and Bernard and Helen Cowsert.

The suit says that around Sept. 9, 1987, Ford issued a recall on the vans but dealers weren't notified until early 1988 and van owners weren't told until March 1988. All the Ford vehicles burned suddenly and catastrophically, whether or not the Ford recall work had been done, the suit claims.

The suit also was filed on behalf of buyers and/or owners and lessees of 1983-87 Ford E-350 vans and motor homes built on Ford chassis with dual fuel tanks.

Plaintiffs seek unspecified damages and want Ford to buy back the vehicles. They also want the court to force Ford to take all possible action to notify buyers — including buyers of used vehicles — of the problems.

A Ford spokesman said, "We have complete confidence in the (E-350) recall and its effectiveness and we are urging those who have not had the work done to have it completed."

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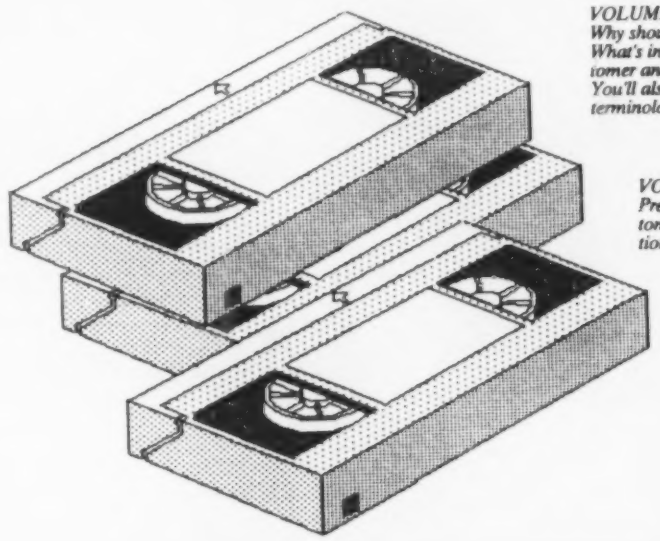

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AUCTION DATES

Chrysler Motors

Oct. 4 — Dallas Auto Auction, Grand Prairie, Texas; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; Portland Auto Auction, Portland, Ore.; Riverside Auto Auction, Riverside, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Oct. 5 — A.D.E. of Birmingham, Birmingham, Ala.; Columbus Fair Auto Auction, Obetz, Ohio; and Southern Auto Auction, Warehouse Point, Conn.

Ford Motor Co.

Oct. 4 — South Seattle Auto Auction, Kent, Wash.

Oct. 5 — Atlanta Auto Auction, Red Oak, Ga.; Wednesday Auto Auction, Obetz, Ohio; Southern California Auto Auction, Fontana, Calif.; and Newburgh Auto Auction Inc., Newburgh, N.Y.

General Motors

Oct. 4 — Harrisonburg Auto Auction, Harrisonburg, Va.; Florida Auto Auction of Orlando, Ocoee, Fla.; and A.D.E. of Birmingham, Moody, Ala.

Oct. 5 — Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; Golden Gate Auto Auction, Fremont, Calif.; and Indianapolis Auto Auction, Indianapolis

Used Car Sales
Auction Averages

September 88	$5,749
Month ago	$6,102
Year ago	$6,043

Model Breakdown
Auction Averages

	SEPT. 1988	AUGUST 1988	JULY 1988
1988 ...	$9,663	$12,473	$11,498
1987 ...	$7,795	$7,919	$8,487
1986 ...	$6,806	$6,891	$6,830
1985 ...	$5,540	$5,819	$5,881
1984 ...	$4,104	$4,308	$4,378
1983 ...	$3,583	$3,583	$3,718
1982 ...	$2,508	$2,479	$2,484
1981 ...	$1,840	$1,887	$1,952
Overall Average	$5,749	$6,019	$5,855

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TENNESSEE

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Paris, Frankfurt, Tokyo, Geneva . . . Detroit?

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

At the Paris Auto Show, a delegation of Detroit businessmen looks with enthusiasm at the latest in automotive technology. But their interest is in more than just the four-wheeled Paris exhibits.

They are watching the show management itself.

They are members of the Detroit Automobile Dealers Association and the visit is to prepare them in their charge to take the Detroit auto show to the big leagues.

If successful, this dealer-backed show will achieve world-class status and become the North American equivalent of the major factory-sponsored shows in Tokyo, Paris and Frankfurt.

If the extensive pre-show planning is an indication of their commitment to succeed, then the Detroit show — newly renamed the North American International Auto Show — might well become not just the premier auto show in the United States, but one of the top exhibitions worldwide.

The reason for their enthusiasm is growth — in the number of exhibitors, and in usable floorspace for the Detroit-based show, which is scheduled Jan. 7-15.

Consider: Next year, the number of exhibitors will nearly double to 42 from 24 the year previous. Display space at Cobo Hall's exhibition area will increase from some 270,000 square feet to nearly 420,000 — with 100,000 square feet more slated to be ready for the 1990 show.

Add to this equation the world premiers of the up-market Toyota Lexus and Nissan Infiniti sedans, the first U.S. peek at a half-dozen European models, as well a first-time viewing of Chevrolet's Lumina and Pontiac's Transport minivans, and the North American International Auto Show already begins to take on increasing importance.

The call to have a world-class auto exhibition in Detroit has been one that has rung loudly in years past. But scheduling, show display area constraints, and a dearth of international journalists, has always relegated Detroit to second string status behind mid-February's Chicago Auto Show.

All of those problems have been addressed for the 1989 show, and no one is more pleased than the manufacturers themselves.

"We would agree that Detroit is the appropriate place for the premier show in America," said a Lexus spokesman. He said the scheduling change was a primary reason for choosing Detroit as the venue at which to debut the high-line Toyota.

"Detroit gives us a chance to debut a car that we think will be attractive to the market," he said. "We are encouraged by the fact that the show's name change increases its scope to include journalists from other countries.

"If we didn't debut the car at Detroit, we would have wanted to wait for Chicago — the traditional site."

Organizers of the other traditionally early show, Los Angeles, said Detroit's move to achieve world-class show status no way threatens their show's success. "Anyone can be called an international show, but Detroit doesn't have the No. 1 market, the status, the position of L.A. that determines a show's popularity," said Ben Orloff, general manager of the L.A. auto show.

A Detroit Automobile Dealers Association spokesman said "we have received tremendous support from the manufacturers. We're having some of the manufacturers tell us they're going to introduce product, but won't tell us what."

Believed to be on the secret Detroit agenda are the redesigned 1990 Lincoln Town Car as well as the Mazda MX05 "sports light" — a production version of the firm's MX04 Tokyo Show car. The spokesman also predicted some dozen concept and show cars will debut.

He said while some of the international auto shows have a bias toward the host industry when it comes to assigning prime floor space, that will not be the case in Detroit. He said domestic manufacturers will be housed in the current Cobo Hall space, while the European and Asian automakers will be located in the new wing.

A dealer association spokesman said that because of this show's international scope, a strong push is under way to invite foreign press members, with two days set aside specifically for their review.

It is a plan that is not without its symbiotic purpose: A greater influx of international press would inspire manufacturers to look upon Detroit as an important venue at which to show new product.

Michelin Tire Corp. — doing its part — recently announced it would sponsor a media center with telephones, telecopiers, translation services, a hospitality center and a public relations staff to assist the media and show sponsors.

One mainstay of the show — a black-tie charity reception — will be held on the evening of Jan. 6. Some 6,000 partygoers are expected to attend.

The dealer association spokesman said moving the show dates closer to the New Year reflects a commitment to elevating the show's status. In making the move, organizers can call it the first show of the year — previously the bragging rights of the Los Angeles show.

"It was a strategic decision to move up the date and go head-to-head with Los Angeles," he said. But he added, "We're not doing this to one-up Chicago or one-up L.A. We want the Detroit show to be the best in the U.S."

AUCTIONS

FROM PAGE 1

Anglo American Auto Auctions and GE Capital Auto Auctions — say 1988 is shaping up to be another stellar year as the National Auto Auction Association gears up for its annual convention in Atlanta this week.

Eight of the top 10 auctions are affiliated with those three companies, while the other two are independents.

The Big 3 expect registrations of about one million vehicles each with a conversion rate of 60 percent. Consignments of another three million vehicles among the rest of the NAAA members is a reasonable estimate, industry sources say.

Although they agree 1988 volumes will surpass 1987 totals, actual numbers are difficult to estimate because the NAAA's nearly 200 members lack a central reporting system.

But the top auction in the nation — Manheim's Florida Auto Auction of Orlando — reported its volume of cars sold in the first nine months of this year surpassed last year's 12-month total.

"We are already over 70,000 vehicles for 1988 mainly because we handle later models," said Joe Greco, manager of the auction. A location in central Florida with huge numbers of daily rental companies serving thousands of vacationers contributes to its success.

The average price for vehicles sold at the Orlando operation was $9,200 last year up $100 over 1986. About 40 percent of its business is from daily rental companies and manufacturer program vehicles. Last year, Orlando had sales of $643 million on 70,000 vehicles.

Program vehicles sold to daily rental companies by the manufacturers are repurchased at a predetermined residual value and resold as used cars through auctions. The average price for those cars nationally in 1987 was $9,200, while the average price for dealer consignment vehicles hovers at $5,200.

According to industry officials, factory program cars have a 98 percent conversion rate (the percentage of cars sold compared to the number consigned). Fleet and lease vehicles, on the other hand, are at 68 percent and dealer-consigned used cars are between 45 and 50 percent.

Michael J. Richardson, president and chief executive of Nashville-based Anglo American, said manufacturers will continue repurchase programs with daily rent-a-car agencies through 1990.

"Program cars are increasing in volume but it is cyclical," he said. "As the basic economic environment improves, the manufacturers step up production and become involved in the program vehicles. But when the market declines the first thing cut will be the program cars."

Darryl E. Ceccoli, vice president of operations for Atlanta-based Manheim, said auctions are seeing more repossessions from financial institutions because owners who have purchased vehicles with long-term financing are unhappy that they are worth less than they owe on them.

As the business grows, the majors are on the prowl for new locations. Manheim, the nation's largest chain has grown this year from 17 to 23 auctions. That compares with Anglo American's 21 locations and GE's 17 auctions. GE is based in Barrington, Ill.

"It has been the biggest single acquisition year in the company's history," said Manheim's Ceccoli.

The second largest volume auction is another Manheim operation, National Auto Dealers Exchange in Bordentown, N.J., with sales of $408 million in 1987 on 79,000 vehicles, up from $395 million on a unit volume of 77,000 in 1986.

Anglo American's Dallas Auto Auction in Grand Prairie, Texas, moved from 10th to third on sales of $399.4 million for 52,864 vehicles at an average selling price of $7,557 last year. It had sales of $262.8 million on 36,000 units in 1986.

Richardson attributed the strong performance to a new management tack at the operation.

"We split the top responsibilities of the general manager, creating two positions at the same level," he explained. "There is a general manager for promotion and marketing, and another for administration. Dallas is now far and away our top earner."

Of the 10 biggest auctions only two are independent — Auto Dealers Exchange of Indianapolis, and Southern Auto Auction in East Windsor, Conn., which ranked seventh and 10th, respectively.

Auto Dealers Exchange sales rose dramatically to $357.5 million in 1987 from $279.0 million a year earlier while volume climbed only 3,000 units to 65,000. But average price rose by $1,000 to $5,500 per vehicle.

Larry Tribble, owner of Southern Auto Auction, said the auction experienced 5 percent growth in 1987 over the prior year with sales of $315 million for 59,000 vehicles at an average selling price of about $5,300.

California Auto Dealers Exchange in Anaheim, Calif. showed modest growth in 1987 with sales of $395 million on 79,000 vehicles, up from $385 million on 78,000 units a year earlier. Price per vehicle has remained steady at roughly $5,000.

Southern California Auto Auction in Fontana, Calif., had sales of $367 million on 72,158 vehicles in 1987, up from $302 million on 52,000 units a year earlier. Average sales price was $5,100.

Clanton's Auto Auction in Darlington, S.C., slipped to $367 million in 1987 from $387 million in 1986. Yet unit volume rose to 56,350 from 51,500 in 1986. The average sale price per vehicle dipped to $6,500 from $7,500.

Aptco Auto Auction in Taylor, Mich., had sales of $353.9 million on a unit volume of 47,874 in 1987 up from $274 million on 36,500 the prior year.

GM buys 40 Cincinnati Milacron robots

GREENWOOD, S.C. — General Motors has awarded a $3-million order for 40 robots to Cincinnati Milacron's industrial robot division.

The robots will be installed at GM's assembly plant in Baltimore, where Chevrolet Astro and GMC Safari minivans are built.

EPA sounds a warning

Asks immediate ban on air-cooling agent

By Helen Kahn
SENIOR CORRESPONDENT

WASHINGTON — In a change of position, the EPA is asking for an immediate worldwide end to the use of chlorofluorocarbons — used in automotive air conditioners — because it says the danger to the protective stratospheric ozone layer is far greater than first suspected.

The auto industry and E.I. du Pont de Nemours & Co., automotive supplier of Freon, a brand-named chlorofluorocarbon, already are searching for a replacement.

Last March, DuPont said it had started to phase out all of its chlorofluorocarbon production, including Freon, and would complete the phase-out by the year 2000.

EPA Chief Lee M. Thomas testified on the subject of chlorofluorocarbons before a House subcommittee.

He said a new analysis of recent studies showed that the 50 percent phase-out by 1999, earlier endorsed by EPA, was not enough to stabilize ozone levels.

Less than a year ago in Montreal, 46 countries signed an international treaty that called for a production freeze at 1986 levels and a 50 percent phased reduction of use of chlorofluorocarbons (used in auto air conditioning and in foam upholstery) and of halons (used in fire extinguishers).

The United States and seven other countries have ratified the Montreal treaty but three more ratifications by developed countries are needed for it to become effective.

Now, EPA is warning Congress that even if all countries agree to start phasing out chlorofluorocarbons and halons, it will not be enough.

EPA said that concentration of ozone-eating chemicals in the upper atmosphere will double in the next 87 years.

Half that projected amount, aggregated over the last 25 years, has already resulted in a 3 percent depletion of upper ozone.

The CFC Alliance, a group of producers and users, endorsed EPA's change in position even before Thomas testified.

The Natural Resources Defense Council wants the United States to start its own rapid phase-out and not wait for other countries.

Scientists believe chlorofluorocarbons live 100 years or more in the upper atmosphere. They report there already is a sizable hole in the upper ozone layer over Antarctica.

The primary dangers seem to be increases in skin cancer and eye cataracts in humans as well as damage to wildlife and plants.

OBITUARIES

Charles C. Brown

BRANSON, Mo. — Charles Carter Brown, 71, retired St. Louis zone manager for Chevrolet, died recently.

George Burt

WINDSOR, Ontario — George Burt, 85, who helped found the Canadian region of the UAW, died Sept. 6. He served as regional director — a post equivalent to the presidency of the present Canadian Auto Workers union — from 1939 to 1968, when he retired. He worked on the assembly line at General Motors' Oshawa assembly plant in the 1930s and became the local union's first treasurer in 1938.

Charles E. Eckhardt

OKLAHOMA CITY — Charles E. Eckhardt, 68, former owner of Eckhardt Motors (Volkswagen), died Sept. 16. He sold the dealership in 1981. He had been executive director of the Oklahoma Motor Vehicle Commission since 1985 and was president of the Oklahoma Automobile Dealers Association in 1979.

Car output edges ahead to 148,876

By Karen Dietkowski
SPECIAL CORRESPONDENT

Last week's targeted domestic auto production of 148,876 units increased slightly (0.94 percent) over the prior week's 147,496 and was 4.68 above the year-ago week's 142,216.

Last week's output was shared as follows: General Motors, 51.45 percent; Ford Motor Co., 23.75 percent; Chrysler Motors, 14.61 percent; Honda of America Manufacturing Inc., 5.00 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.19 percent; Nissan Motor Manufacturing Co., U.S.A., 1.93 percent; and New United Motor Manufacturing Inc., 0.07 percent.

Truck output was estimated at 83,857 units last week, 5.49 percent below the previous week's 88,732, but 8.17 percent above the year-ago week's 77,526.

NUMMI's Fremont, Calif., plant resumed output last week after being down for model changeover. The plant is building the 1989 Toyota Corolla sedan and will begin assembling the new Chevrolet Geo Prizm in November.

Ford Motor Co. will add a second shift at its Edison, N.J., assembly plant in March to offset lost Escort production when the Wayne, Mich., plant goes down in November 1989 for retooling. Wayne will build the new Escort to be introduced in early 1990.

Bronco II assembly was halted for model changeover last week at Ford's Louisville, Ky., plant. The plant also builds the Ford Ranger.

Daily overtime is scheduled this week at all Ford plants except Lorain, Ohio; Wixom, Mich; and Atlanta.

Ford's Kansas City, Mo.; Norfolk, Va.; Lorain; and Michigan truck plants were scheduled for overtime last Saturday.

GM slated overtime last Saturday at its Linden, N.J.; Oklahoma City; Buick City (Flint, Mich.); and Lordstown, Ohio, car assembly plants.

Also slated for Saturday overtime were GM's Flint; Moraine, Ohio; and Pontiac West, Mich., truck assembly plants. The Pontiac Central truck plant was closed last week for schedule adjustment.

Chrysler's St. Louis (No. 2) and Toledo, Ohio, plants were slated for overtime last Saturday. As previously reported, Chrysler's Newark, Del., plant is down for model changeover.

Week's build rises in Canada

Canadian carmakers scheduled production of 21,263 units last week, 2.63 percent above the previous week's 20,719 and 30.28 percent above the year-ago week's 16,321.

Truck output was slated at 21,555 units last week, slightly above the prior week's 21,461 and 17.52 percent above the year-ago week's 18,342.

General Motors scheduled overtime last Saturday at its Oshawa, Ontario, and Scarborough, Ontario, truck assembly plants.

Volvo's car plant in Halifax, Nova Scotia, remains on strike. Negotiations are continuing.

U.S. CAR	Week Ended Oct. 1, 1988	Week Ended Oct. 3, 1987	Week Ended Sept. 24, 1988	Sept. to Date	Jan. 1 to Oct. 1, 1988	Jan. 1 to Oct. 3, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	1,999	893	1,471	8,199	[illegible]	34,928
Sunrunner	2,100	1,891	2,149	8,985	76,800	69,770
Reliant	2,100	3,800	2,167	8,935	69,159	83,576
Caravelle	0	720	0	0	9,057	35,391
Gran Fury	200	280	150	892	16,710	5,035
Total Plymouth	5,999	7,324	5,086	24,995	229,582	239,709
LeBaron K	0	916	0	0	7,912	52,439
LeBaron J	1,700	2,801	1,965	9,070	57,930	66,405
LeBaron GTS	199	818	249	335	7,661	30,435
N. Yorker F-Class	0	0	0	0	0	58,368
N. Yorker C-Class	2,300	1,854	2,269	9,095	78,891	3,169
Fifth Avenue	963	3,041	948	4,002	23,082	46,368
Total Chrysler	5,059	8,630	5,357	21,992	174,845	275,295
Omni	1,400	644	1,470	6,070	59,412	30,061
Daytona	1,809	1,903	2,008	8,185	57,270	46,611
Shadow	2,200	1,843	2,254	9,140	76,491	72,544
Aries	2,199	3,392	2,149	8,810	64,517	68,395
Dodge 600	0	647	0	0	8,540	31,612
Dynasty	2,999	267	2,992	11,392	79,139	775
Lancer	200	478	153	737	6,745	10,973
Diplomat	300	567	367	1,421	14,823	9,599
Total Dodge	10,809	9,711	11,092	45,894	366,943	295,599
CHRYSLER MOTORS	21,759	25,695	22,407	92,181	771,369	828,592
Escort	9,841	9,364	9,464	37,997	297,469	280,198
Mustang	4,607	4,607	4,359	18,503	152,169	163,513
Tempo	3,933	1,319	3,139	14,597	138,151	103,460
Taurus	8,213	7,916	8,492	34,396	286,863	310,938
Thunderbird	0	3,994	0	0	90,245	119,399
Total Ford Div.	26,394	25,999	25,414	105,493	974,999	987,479
Lynx	0	0	0	0	0	21,352
Topaz	1,961	459	1,371	6,010	52,647	33,992
Cougar	0	2,991	0	0	99,699	109,422
Sable	2,902	1,146	2,737	11,311	160,799	94,675
Total Mercury	4,393	4,457	4,108	17,398	223,131	259,611
Continental	1,539	0	1,529	6,574	37,281	9,616
Mark VII	795	662	769	3,286	19,759	21,417
Lincoln	2,295	3,410	2,292	9,903	95,977	107,704
Total Lincoln	4,599	4,092	4,584	19,796	153,016	138,731
Total L-M Division	8,971	8,549	8,692	37,089	375,147	385,342
FORD MOTOR CO.	35,365	34,539	34,106	142,546	[illegible]13	1,382,821
Skyhawk	530	1,225	831	2,236	13,461	24,479
Skyhawk/Somerset	1,177	1,909	1,113	5,057	36,776	47,932
Century	4,788	1,087	4,714	19,736	94,439	122,373
Regal (rwd)	0	635	0	0	0	33,393
Riviera	599	319	599	2,097	5,991	9,913
Electra	1,999	1,916	1,222	5,702	62,226	68,613
LeSabre (fwd)	3,445	4,721	3,020	12,241	97,895	113,399
LeSabre (rwd)	0	206	234	1,762	10,112	6,884
Reatta	200	0	224	874	5,403	0
Total Buick	12,846	12,018	11,748	49,823	327,899	427,177
Cimmaron	0	321	0	0	3,888	8,909
Eldorado	695	499	672	2,336	25,404	14,702
Seville	328	544	505	1,708	16,712	12,897
Brougham (rwd)	903	1,846	874	3,841	24,942	52,878
Deville (fwd)	2,348	2,925	2,697	10,139	108,546	107,315
Allante	85	92	75	282	1,404	4,059
Total Cadillac	4,557	6,197	4,733	18,337	181,701	200,760
Cavalier	7,558	9,402	7,631	31,676	271,280	233,957
Camaro	2,883	2,244	3,064	10,542	68,511	92,600
Celebrity	3,235	4,896	4,086	15,317	136,415	222,423
Corsica/Beretta	9,073	8,261	11,112	42,967	317,949	243,707
Monte Carlo	0	1,725	0	0	0	53,521
Caprice	4,228	3,799	4,057	17,543	186,999	138,453
Corvette	450	648	450	1,992	16,713	20,865
Total Chevrolet	27,535	27,935	30,400	119,639	997,837	1,006,586
Calais	3,623	2,241	3,407	14,238	85,495	86,648
Firenza	0	312	0	0	5,230	4,[illegible]3
Cutlass Ciera	1,225	323	1,289	5,106	19,802	100,808
Cutlass Supreme	2,245	1,600	0	6,422	103,067	58,334
Toronado	295	383	292	886	11,493	11,763
88 (fwd)	3,483	4,007	3,147	12,797	115,572	130,575
88 (rwd)	200	111	113	682	8,885	10,900
Olds 98	1,317	1,725	1,067	4,818	54,526	53,255
Total Oldsmobile	12,568	10,742	9,335	44,949	404,150	495,687
Sunbird	2,628	1,429	2,320	10,609	60,822	67,171
Grand Am	5,280	5,037	5,181	22,828	175,752	181,013
Firebird	1,510	1,284	2,038	6,754	46,914	60,998
Grand Prix	4,253	0	4,122	17,333	101,474	0
Pontiac 6000	2,700	0	3,199	12,468	64,264	58,771
Bonneville	2,909	3,991	2,676	11,355	85,610	97,830
Safari/Parisienne	175	139	178	674	6,074	7,202
Fiero	0	672	0	0	13,280	23,177
Total Pontiac	19,305	11,852	19,714	82,021	574,170	494,162
GENERAL MOTORS	76,801	68,744	75,930	314,767	2,455,547	2,583,372
HONDA	7,440	6,057	7,892	31,953	276,928	248,958
Civic	2,106	415	2,316	9,806	80,317	72,208
Accord	5,334	5,642	5,566	22,145	196,609	176,650
MAZDA†	4,750	136	4,289	19,918	99,614	483
NISSAN	2,870	2,298	2,902	12,133	84,106	100,156
NUMMI	100	3,522	0	4,484	111,119	[illegible]
Corolla	100	960	0	1,698	40,631	[illegible]
Nova	0	2,562	0	2,785	70,488	[illegible]
VOLKSWAGEN	0	1,267	0	0	35,595	44,964
Golf/GTI	0	567	0	0	30,042	36,035
Jetta	0	700	0	0	5,553	8,829
Total Cars, U.S.	148,876	142,216	147,496	617,962	5,185,370	5,345,614
Total Cars, Canada	21,263	16,321	20,719	86,139	803,170	570,208
U.S., Canada Cars	170,139	158,537	168,215	704,121	5,988,540	5,916,022
U.S., Canada Cars and Trucks	275,551	254,405	276,408	1,157,613	9,778,045	9,376,748

Weekly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended Oct. 1, 1988	Week Ended Oct. 3, 1987	Week Ended Sept. 24, 1988	Sept. to Date	Jan. 1 to Oct. 1, 1988	Jan. 1 to Oct. 3, 1987
Eagle	0	—	0	0	0	—
Premier	1,275	—	1,200	5,400	46,167	—
CHRYSLER MOTORS	1,275	114	1,200	5,400	46,167	4,141
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	3,265	—	3,200	12,716	131,998	—
Topaz	1,631	—	1,560	6,255	50,469	—
Crown Victoria	2,773	—	2,750	11,350	99,185	—
Grand Marquis	2,997	—	2,900	12,091	97,370	—
FORD MOTOR CO.	10,666	5,499	10,502	42,399	378,006	225,036
Celebrity	242	—	187	980	15,514	—
Cutlass Ciera	3,630	—	3,364	14,340	177,901	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	0	29,676	—
Regal	4,000	—	4,300	17,560	120,577	—
GENERAL MOTORS	7,872	10,131	7,960	32,780	343,667	222,317
Civic	1,460	—	1,077	5,460	30,999	—
Accord	0	—	0	0	1,828	—
HONDA	1,460	415	1,077	5,460	32,827	16,972
VOLVO	0	226	0	0	4,513	7,722
Total Cars, Canada	21,263	16,321	20,719	86,139	803,170	570,208

U.S. TRUCK☆	Week Ended Oct. 1, 1988	Week Ended Oct. 3, 1987	Week Ended Sept. 24, 1988	Sept. to Date	Jan. 1 to Oct. 1, 1988	Jan. 1 to Oct. 3, 1987
Caravan	2,200	—	1,929	8,165	71,539	—
Dakota	2,300	—	2,813	10,014	79,615	—
Mini-Ram Van	300	—	239	1,089	10,100	—
Pickups	2,300	—	2,795	9,980	58,288	—
Total Dodge	7,100	9,095	7,777	30,228	219,711	214,879
Cherokee	4,400	—	3,818	17,762	136,998	—
Commanche	1,099	—	835	3,977	34,084	—
Grand Wagoneer	0	—	399	975	10,186	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	199	899	7,869	—
Total Jeep	5,600	4,811	5,170	23,602	189,054	198,241
Voyager	2,100	—	1,792	8,822	67,435	—
Total Plymouth	2,100	—	1,792	8,822	67,435	—
CHRYSLER MOTORS	14,800	13,874	14,739	62,452	476,209	383,117
Aerostar	5,020	—	5,530	21,321	155,109	—
Bronco	1,065	—	916	4,091	41,208	—
Bronco II	0	—	2,060	8,117	94,732	—
Econoline	5,599	—	5,532	22,562	179,099	—
Heavy trucks	1,275	—	1,311	5,407	49,736	—
Light trucks	11,947	—	9,828	44,016	288,947	—
Ranger	2,591	—	5,280	22,494	257,852	—
Total Ford Div.	27,354	32,736	30,427	128,009	1,146,677	1,118,005
FORD MOTOR CO.	27,354	32,736	30,427	128,009	1,146,677	1,119,005
Astro	3,500	—	4,000	15,029	132,598	—
Blazer	626	—	467	2,271	19,675	—
Medium/Heavies	0	—	491	1,891	15,239	—
P-Model	902	—	943	3,766	31,102	—
Pickups	8,514	—	9,980	34,977	266,545	—
S-10	6,537	—	6,856	26,920	229,221	—
S-10 Blazer	4,033	—	4,144	16,749	125,386	—
Sportsvan/Van	2,437	—	2,004	9,186	72,149	—
Suburban	1,598	—	1,249	5,828	52,611	—
Total Chevrolet	28,147	18,275	30,162	118,346	944,469	831,729
Jimmy	187	—	186	858	5,704	—
Medium/Heavies	0	—	627	1,909	28,235	—
P-Model	118	—	70	486	4,133	—
Pickups	2,376	—	1,942	10,441	81,778	—
S-15	1,633	—	1,680	6,416	52,170	—
S-15 Jimmy	1,087	—	906	4,377	35,231	—
Safari	877	—	1,007	3,775	33,755	—
Suburban	856	—	735	2,954	23,544	—
Vandura/Rally Vans	502	—	356	2,333	25,883	—
Total GMC	7,616	8,472	7,490	33,329	290,431	288,948
GENERAL MOTORS	35,763	24,747	37,660	149,675	1,234,881	1,120,672
NAVISTAR	1,800	1,585	1,744	7,146	64,707	55,630
NISSAN	1,390	2,034	1,412	5,862	70,808	66,579
AM GENERAL*	450	450	450	1,980	17,460	12,060
MISCELLANEOUS*	2,300	2,300	2,300	10,120	89,240	89,400
Total Trucks, U.S.	83,857	77,526	88,732	385,245	3,099,973	2,846,483

CANADIAN TRUCK	Week Ended Oct. 1, 1988	Week Ended Oct. 3, 1987	Week Ended Sept. 24, 1988	Sept. to Date	Jan. 1 to Oct. 1, 1988	Jan. 1 to Oct. 3, 1987
Caravan	2,328	—	2,950	12,239	108,048	—
Mini-Ram Van	204	—	218	898	9,609	—
Ram Wagon	766	—	726	2,984	19,273	—
Ram Van	2,052	—	2,167	8,497	51,983	—
Total Dodge	5,952	5,029	6,063	24,606	188,913	297,088
Voyager	3,012	—	3,040	12,527	95,721	—
Total Plymouth	3,012	—	3,040	12,527	95,721	—
Wrangler	1,248	—	1,273	5,302	37,949	—
Total Jeep	1,248	817	1,273	5,302	37,949	26,121
CHRYSLER MOTORS	10,212	5,946	10,376	42,435	320,583	323,219
FORD MTR. (L. trks.)	3,649	3,364	3,477	14,016	121,075	112,416
Light trucks	3,688	—	3,683	15,401	115,962	—
Vans	1,524	—	1,387	6,046	43,949	—
Total Chevrolet	5,212	—	5,070	21,448	159,911	—
Light trucks	1,592	—	1,812	6,553	57,435	—
Vans	621	—	652	2,656	22,206	—
Total GMC	2,213	—	2,264	9,209	79,641	—
GENERAL MOTORS	7,425	5,905	7,334	30,657	239,252	171,364
NAVISTAR	270	257	274	1,138	8,622	7,269
Total Trks., Canada	21,555	18,342	21,461	88,246	689,532	614,261
U.S., Canada Trks.	105,412	95,868	110,193	453,492	3,789,505	3,460,724

☆—Includes station van production. *—Estimates.
Jeep includes commercial only. AM General includes government-contract vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Weekly estimates may contain error of one or two units due to rounding.

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GM, UAW tap talent of all workers

Quality Network keyed to customer

By Michelle Krebs and Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTERS

In its drive to improve customer satisfaction, quality and productivity, General Motors has launched an across-the-board program aimed at something missing from its past efforts — people.

The so-called Quality Network is a blueprint for GM to better focus on customer satisfaction at all levels of the corporation and with suppliers, dealers and car buyers.

The emphasis on quality and customer satisfaction is expected to be a key issue this week as GM's top 900 executives meet in Traverse City, Mich., for their annual planning-strategy session.

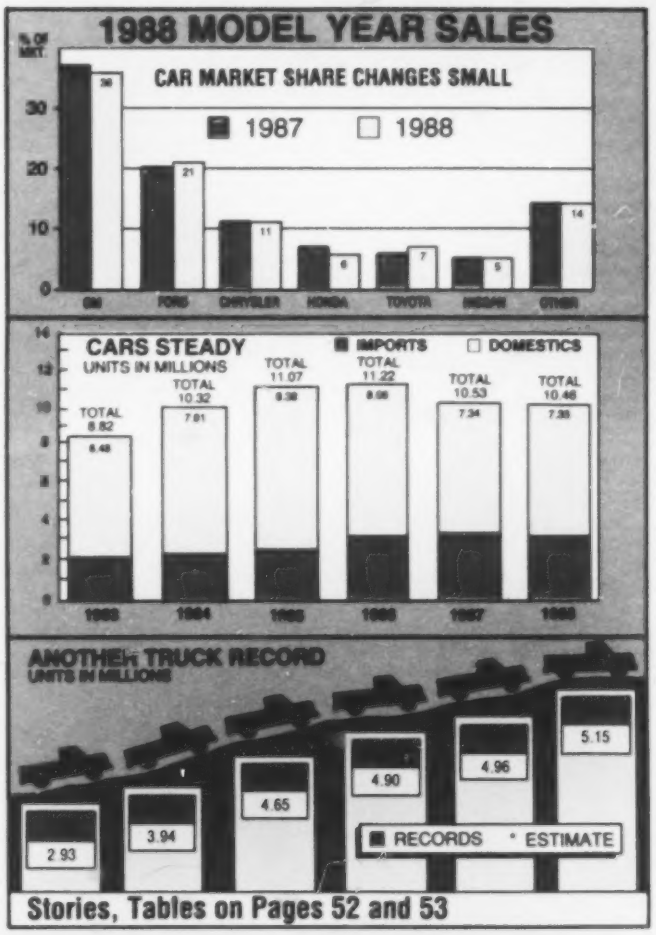
Under GM's new approach, quality is equated with customer satisfaction, and both are to be achieved by tapping into the talents of every person working for and with GM.

Meanwhile, in a three-year-old phase that became part of the larger program, an 80-member assembly strategy group, under the guidance of a Detroit-based consulting firm, has been developing sweeping plans to increase quality and productivity at 11 Buick-Oldsmobile-Cadillac Group plants.

The group's goals also include an overhaul of GM corporate culture, management style and people processes, according to Lee Sage, a partner at Arthur Young &. Co. and the lead consultant in the program.

At its own speed — but with data and ideas from all the other plants available to it — each B-O-C plant is following a "planning process model" developed by Arthur Young. The assembly strat-

see QUALITY, page 51



Stories, Tables on Pages 52 and 53

Shake-up at Chrysler

3 departments turned into subsidiaries

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

HIGHLAND PARK, Mich. — Chrysler Motors told about 200 employees at its headquarters last Wednesday that their departments became wholly owned subsidiaries of the company, effective Oct. 1.

Chrysler created three new companies from three departments in the administrative services area. But local UAW officials said units in those departments with UAW members are not included in the new companies.

Workers expressed concern last week about whether the move will reduce their wages, benefits or job security.

The separate companies created last week were: F.M. Group Inc.,

see SHAKE-UP, page 6

Chrysler, Fiat test joint deals in Alfa venture

By Mary Connelly and Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTERS
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Chrysler Corp.'s joint venture with Fiat to distribute Alfa Romeo in the United States is being viewed as a test that could lead to future cooperative projects.

The announcement came one week after Chrysler Motors Chairman Gerald Greenwald and Fiat Auto President Vittorio Ghidella signed a letter of intent at a private meeting during the Paris Auto Show (Automotive News, Oct. 3).

The two companies had been negotiating the deal for six months, Greenwald said.

Asked if the new venture could lead to a production agreement with Fiat in Europe, Greenwald said the possibilities are "wide open." He said the distribution agreement is a test of how well the Chrysler-Fiat relationship will work.

Fiat had previously been named by a Chrysler executive as one of the companies that could produce vehicles for the American maker in Europe.

However, Fiat officials in Italy say the recent talks with Chrysler have not included equity exchanges, co-production or distribution of Chrysler products in Italy.

"There were no other subjects, just this agreement," said a Fiat representative.

While the joint-venture operation will retain Alfa Romeo's 160 dealers and will add about 140 Chrysler-Plymouth dealers for 300 in all, Fiat's Alfa Romeo unit in Englewood Cliffs, N.J., will apparently be absorbed by the new combine, which will be the sole importer of Alfa Romeo product. The cars will be badged and sold as Alfas by all the dealers.

Sources say the venture will be directed by a six-member board, three representatives each from Chrysler and Alfa Romeo, but the company will be headed by a Chrysler executive. Indications last week pointed to Darrell L. Davis, Chrysler Division's general sales manager, as being named to head the new venture.

Serge Dermanian, chairman of the Alfa Romeo dealer council, and owner of High Performance Cars Inc. in Waltham, Mass., said he was told during a conference call to the dealer council last week that the new venture's president will replace Guiseppe Greco, current Alfa Romeo, Inc. president in the United States. It is not clear if Greco will be named a board member.

A Fiat spokesman said there should be no impact on Alfa's U.S. dealer body. "We will try to avoid overlaps," the spokesman said, adding that "the joint venture will decide where and how to integrate."

Greenwald said the yet unnamed venture will be a distribution company, "but day-to-day direction of the joint venture will be handled by Chrysler."

Chrysler-Plymouth dealers will be appointed, starting this spring,

see ALFA, page 51

JIGSAW

Maugh's task is meshing Ford worldwide operations

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

As job assignments go, Roger Maugh's latest in his 31-year career could be the one that helps reshape Ford Motor Co. in a way never imagined by the company's founder.

Since June, Maugh's assignment has been to make sure Ford's pieces fit together as the company links worldwide operations. It's a new position — and one that's been described as pivotal in Ford's unfolding global strategy.

"We have run into some pretty tough competitors in both Europe and Japan who come from a different heritage and are essentially competing worldwide

AUTOMOTIVE NEWS/JOE WILSEMS

ugh describes his role as a broker, a neutral party who will make sure two erations get together and iron out their differences

U.S. Proton delayed as problems mount

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

Job One for export to the United States was to have rolled out the door of the Proton plant in Malaysia today, but the project has been put on hold until at least 1989, and perhaps indefinitely.

Technical and financial problems have contributed to the delay, but the Proton is also beset by bureaucratic wrangling over what direction the effort to export the car should take.

A Mitsubishi management team, which recently replaced the plant's original Malaysian managers, is reportedly in disagreement with the project's remaining Malaysian bosses and with New Jersey-based Global Motors, the would-be U.S. importer and distributor of the Proton.

"We're having a lot of communication problems with the factory," said Dan Prior, who heads the Proton project for Global Motors.

"Mitsubishi has always kind of looked down on this project and the progress we're making," he said.

see PROTON, page 6

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aks of Lexus, MW 3 series Page 2
GM divisions improve; Iacocca asks price cut Page 3
Fresh models for Nissan; Mercedes U.C. warranty Page 4

GM divisions advance, save work

Hoglund praises parts quality, cost

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — General Motors has not outsourced as many components as it had expected to because labor and management efforts have turned unprofitable operations into money makers.

William Hoglund, GM executive vice president in charge of the automotive components groups, said that GM was "incredibly surprised" by the cooperation of people working on products that were in trouble.

More than a year ago, GM began to evaluate every product line within its components groups. Each was graded on competitiveness, with the most weight given to quality and cost. They then were ranked by assigning a red, yellow or green light.

Forty percent were in the green category — world-class competitive. Ten percent were in the red category, with little chance of becoming competitive. Fifty percent were yellow, with a good chance of becoming competitive.

GM said the red operations would be closed or sold. It already has closed a Fisher Guide plant in Elyria, Ohio, and has targeted the Fisher Guide Fort Street plant in Detroit to close by the end of the 1989 model year.

Hoglund said many operations with products classified as yellow have come up with plans to become competitive, chiefly by eliminating waste.

Workers and management at a GM metal fabricating plant in Pittsburgh, which had been categorized as red, even devised a plan to take on a different kind of work, producing sheet-metal parts for past-model GM vehicles.

At a seating plant, the time from receiving raw material to shipping the finished part was reduced by 90 percent by reorganizing the way the seats are made and materials are delivered.

Hoglund said the traffic light process forced components operations to compare themselves to the best suppliers in the world.

RICK LIEDER

Hoglund: "We'd much rather give the people a chance to get competitive so we can capitalize on those assets rather than just willy-nilly throw them out"

"When we started the red, yellow, green process, we really were not certain what opportunities we had," he said.

"Some of the improvement programs have just been astounding," he said. "Have we made all of them yet? No. But the key is, the people have to have the opportunity to make them."

Hoglund said there is no management mandate that GM components operations automatically get business from GM's vehicle divisions. Sourcing decisions will continue to be based on quality, cost and other competitive factors.

GM's components operations will continue to be reviewed for competitiveness. None of the red, green and yellow ratings are in concrete, Hoglund said.

"Green will never stay constantly green, because there's going to be someone coming out with a better mousetrap," he said. "The challenge is to make sure that your organization has that mousetrap."

He also said there continue to be parts operations that fall into the red category, though he calls them a "very minor chunk of the business." Further resources are not likely to be put into them.

"There will always be reds," he said. "Reds exist today and will always exist but they will be given an opportunity. And at this very moment, there are opportunities for more greens."

Where there is a chance to turn an uncompetitive product around, the division will be given the opportunity to do so, he said.

"We'd much rather give the people a chance to get competitive so we can capitalize on those assets rather than just willy-nilly throw them out without giving them a chance," he said.

Hoglund took over as head of components operations, which employ about 200,000 people and have annual sales of about $30 billion, in July after serving as group executive of the Buick-Oldsmobile-Cadillac Group.

His first priority is to oversee the turnaround or the elimination of non-competitive operations. Once that is done, the groups will look for new businesses.

"If we can compete effectively in any segment of the market where we feel we can gain a strategic advantage for our vehicle divisions, that's something we have to look at," he said. "But the first thing we have to do is get competitive in the basic businesses we have now."

He said the components groups as a whole are profitable. However, he said the current status of the operations is less important then what is down the road.

"The explosion of the competition in the components arena is just like we're seeing on the car side," he said.

He said he is trying to instill a new attitude within the components groups.

"We're trying to get across to our people that change is healthy, change is important and it is the lack of change that makes us complacent," he said. "If we don't continuously change — look for opportunities and test ourselves against outside competition — the list of red parts will grow bigger and bigger and bigger."

"If we are aggressive and are competitively driven, the number of green parts will grow bigger."

Iacocca to suppliers: Cut prices 1% for '89

DETROIT — Chairman Lee A. Iacocca has written to Chrysler's original-equipment suppliers requesting an "across-the-board price reduction of 1 percent" effective at the start of the 1989 model year.

The letter, dated Aug. 18, and addressed to chief executive officers of supplier companies, said the cost cuts were necessary to keep Chrysler and the suppliers competitive.

Many Chrysler suppliers contacted by Automotive News said they did not intend to comply with the request. Some said they might offer token price reductions. None expressed an obligation to comply with Iacocca's 1-percent request.

The suppliers based their reluctance on the fact that they have held the price line at Chrysler — as well as at Ford Motor Co. and General Motors — for two to three years and in some cases have reduced prices even as material costs have skyrocketed.

But the tone of Iacocca's letter was strong. It read, in part:

"For 1989 models, our price increases once again are modest and do not fully recover the higher costs we are incurring both in material and in keeping our products competitive in the market.

"We made a conscious decision to sacrifice profits in favor of higher sales. That's paid off for us, and for you. We've increased our share of market, and you've sold us more parts and materials. It's been a win-win proposition.

"But it has also been expensive, and we can't keep it up without your help. We've both shared in the benefits of Chrysler's incentives and aggressive pricing. Now I'm asking you to share part of the cost.

"I am asking you and our other suppliers for an across-the-board price reduction of 1 percent effective Job No. 1, 1989.

"One of our procurement and supply people will be contacting you in the next few days to ask for your commitment to this program, and I'm confident that you'll give it. It's absolutely vital if we're going to continue the progress we've made together through good times and bad. These are good times, and we need your commitment to keep them going.

"You don't like getting this letter, and I don't like writing it. But I've asked you to help share the sacrifices with us in the past; you've come through, and we're all healthier today because we shared the burden. That's how we'll stay healthy in the future, too."

Many supplier firms last week said they have yet to meet with Chrysler's procurement and supply staff concerning Iacocca's request.

Some suppliers said the last time they had heard from Iacocca was when he asked them for help in the form of price concessions and bond purchases during the auto company's government-bailout days of the late 1970s.

In 1987, Ford Motor Co. launched a program asking suppliers to strive for a 5 percent annual "productivity improvement" over a five-year period.

Exact percentages vary with products and materials, but generally are believed to be running in the 2 to 5 percent yearly range. The results in a number of cases have been price cuts for Ford and long-term production security for vendors.

Over the past year alone, suppliers say, prices of some materials have climbed as much as 30 percent.

Chrysler Mo. minivan plant on strike

FENTON, Mo. — Workers at Chrysler Motors' St. Louis No. 2 plant, which makes extended Caravan/Voyager minivans, went on strike Oct. 5 after negotiators for the company and UAW Local 110 failed to reach agreement on a local contract.

Local 110 President George Burr late last week predicted a short strike, and a Chrysler spokesman said management was "trying to get resolution as quickly as possible."

The strike deadline had been extended from Sept. 30; the local contract had expired Sept. 14.

INDEX

Around the world	20-22
Auction dates	38
Classifieds	39
Coming events	25
Inventories	53
Legal briefs	24
News briefs	8
Obituaries	51
Opinion	10
Personnel	33-34
Production	54
Sales, car	52
Sales, truck	53
Truck industry	14

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Incentives stoke flames in Big 3 lease battle

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

The incentive wars in retail leasing are heating up again, with emphasis on shorter-term leases that dramatically shorten the customer trade-in cycle as well as minimize finance losses.

Chrysler Motors has begun to roll out the Frequent Buyer Plan, a new 24-month lease program for Jeep-Eagle dealers while Ford Motor Credit Co. has cut short-term lease interest rates on some car and truck lines in its Red Carpet Lease AutumnFest program.

Just two weeks ago, General Motors launched its SmartLease by GMAC program that offers reduced interest rates and other incentives for open-end 48-month leases on certain models.

The Frequent Buyer Plan will be offered initially to the top 400 Jeep-Eagle dealers, said Robert Williams, Jeep-Eagle dealer marketing manager, although it is likely to be extended to Chrysler-Plymouth and Dodge dealers later.

The Frequent Buyer Plan is a lease where at the end of two years the customer can return the car and walk away, purchase the car or trade it for a new model, Williams said.

There will be no national campaign on the program and dealers are responsible for local advertising.

"It's a program where the factory, the dealer and customer benefit," said Williams. "Dealer grosses go up, customer satisfaction goes up and salesman turnover reduces by one half."

The Frequent Buyer Program uses 24-month leases — with or without a downpayment — to get customers into new vehicles twice as fast as conventional 48-month lease contracts.

The new Chrysler plan is similar to one Ford Motor Credit Co. has offered since 1982 when current Jeep-Eagle Group Vice President Joseph E. Cappy — then Lincoln-Mercury general marketing manager — tested the program at a large L-M dealership.

Ford's current two-year Red Carpet lease is simply called The Plan. It was developed in conjunction with Half-A-Car Inc., which has provided sales training for personnel at a number of Ford and Lincoln-Mercury dealerships, and also will train Jeep-Eagle dealer personnel in a similar effort.

Ted Ings, plan sales manager at Fette Ford, Clifton, N.J., said that dealership does nearly 100 of the short-term leases a month.

"You get your customer back in two years, he can't shop the trade anywhere else and the dealer gets a good supply of two-year-old used cars," Ings said.

Ings said that because he believes popularity of the two-year lease will spread, he has developed a new two-year lease sales training program called "Shorter is Better" in conjunction with retired Lincoln-Mercury dealer Bud Fette.

The Ford Credit AutumnFest program began late last week and runs through the end of the year. It includes 1989 Escort, Tempo, Taurus, Tracer, Topaz, Sable, Lincoln Mark VII, and Ranger, F-150, F-250 and F-350 models plus and 1988 and 1989 Scorpio models.

The reduced interest rates are 6 percent on leases up to 36-months and 8 percent on leases from 37 to 48 months, although Scorpio can go as long as 60 months at 8 percent. Vehicles in the program are not eligible for dealer reserve.

In conjunction, Ford started a cash-draw incentive with payoffs ranging from $150 to $1,000 for salespersons and from $30 to $250 for sales managers for every 36-month or shorter lease written on any 1987-89 model, excluding Probe and F-Super Duty models.

Ford Credit said that if dealers pass along the interest rate savings, consumers could save from $15 a month on a $9,000 Escort to as much as $50 a month on Lincoln Mark VII.

Car sales rebound in Europe

August up 12% after dip in July

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — After a slight decline in July, European new-car sales rebounded sharply in August and remain on target to eclipse Europe's record 1987 volume of 12.4 million units.

Fiat Group clings to the No. 1 spot in Europe, but second-place Volkswagen Group is narrowing the gap. VW has been Europe's sales leader for the past three years.

Industrywide sales rose in August rose 12.6 percent over the year-earlier month following a 2.7 percent decline in July, according to a 17-nation industry estimate compiled by Automotive News.

All four major markets registered gains during the month. Sales in West Germany, Europe's largest national market, improved 2.1 percent in August even though year-to-date numbers lag behind 1987's record pace.

Sales in the United Kingdom climbed 17.2 percent in August, while Italy increased 16.1 percent and the French market gained 8.2 percent compared with August 1987.

Overall sales for August totaled 1,150,600 units. Europe posted year-to-date sales of 9,010,800 units, 5.4 percent ahead of last year's 8,552,200.

At the recent Paris Auto Show, most industry executives forecast another record year in 1988 and showed new signs of optimism about 1989. Most had been predicting a slight downturn next year.

Fiat Group, including Lancia and Alfa Romeo, held first place with a 14.9 percent slice of the European pie for the January-August period. Group sales were 1,342,300 units through August, a 7.8 percent improvement over 1987.

Alfa Romeo, which is introducing its new 164 sedan in European markets outside Italy, has achieved the group's biggest gains. Eight-month sales were 150,500 units, 14 percent ahead of 1987.

Fiat's European share was 9.4 percent in August, while VW Group claimed 11.9 percent. The German manufacturer narrowed the gap between first and second place, outselling Fiat by nearly 30,000 units during the month.

VW, including Audi and Seat, held 14.4 percent of total European sales through August and has increased volume 2.6 percent in the eight-month period.

Peugeot SA, including Peugeot, Citroen and Talbot, continued to run a strong third with a 12.7 percent market share and year-to-date sales of 1,144,300 units. The company's 14.2 percent improvement this year is the best of Europe's six volume manufacturers.

Ford's sales inched up 1.5 percent for the January-August period on sales of 1,047,400 cars. The performance gave Ford fourth place and a 11.6 percent market share for the year.

August sales were up 19.5 percent for fourth-place General Motors. GM, which is preparing to launch its new Opel Vectra/Vauxhall Cavalier compact, is benefiting from the addition of a third shift at its Corsa/Nova small-car plant in Zaragoza, Spain.

Eight-month sales for GM were 964,100 units, good for a 10.7 percent market share. That was an increase of 3.7 percent over the same period last year.

Renault, which introduces its new R-19 subcompact this fall, holds 10 percent of the European market. Renault's sales were flat in August in the midst of product changeover and were up only 1.6 percent for the first eight months, to 901,300.

Among specialist makers, BMW continues to make waves with its new 5 series. BMW sales in August rose 38.3 percent compared with the same month in 1987. Full-year volume was up 17.7 percent to 242,300 — a 2.7 percent market share. Earlier in the summer, BMW sneaked past Toyota into 10th position in the European rankings.

Combined Japanese sales continued to reflect overall market growth. Sales were up 5.5 percent and market share was 11.2 percent, unchanged from the first eight months of 1987. Nissan remained No. 1 among Japanese brands in Europe with an 8.3 percent share and sales of 269,400.

Overall new-car sales in West Germany totaled 1,900,700 units for the January-August period, down 2.6 percent despite gains across most of Europe in August. Few analysts expect Germany to duplicate last year's record 2.9 million sales but a stronger-than-expected autumn could make it close.

The United Kingdom traditionally booms in August, when the new-car registration year changes. Sales rose 17.2 percent for the month and pulled the United Kingdom's year-to-date figure to 1,635,600 sales, a 12.1 percent increase over 1987.

The Italian market remains buoyant, with sales rising 16.1 percent in August. Year-to-date volume was up 8.4 percent to 1,517,500. France was 6.1 percent ahead of 1987 through August with sales totaling 1,418,500.

The Iberian Peninsula continues to be Europe's fastest-growing new-car sales region. Spain's two-year-old boom continued unabated as August volume rose 18.1 percent. With sales for the year up 15.1 percent at 723,400, the country is well on the way to its first 1-million-plus sales year.

Meanwhile, Portuguese sales jumped 109.4 percent to 17,900 units in August. Sales in Portugal increased to 136,900 units during the first eight months, a 61.7 percent improvement over the year-earlier period.

EUROPEAN SALES

Manufacturer	8 months 1988	1988 share*	8 months 1987	Volume Change '88 vs '87
Fiat Group*	1,342,300	14.9	1,245,100	+ 7.8
VW-Audi-Seat	1,297,500	14.4	1,264,500	+ 2.6
PSA**	1,144,300	12.7	1,002,300	+14.2
Ford	1,047,400	11.6	1,032,400	+ 1.5
General Motors***	964,100	10.7	930,100	+ 3.7
Renault	901,300	10.0	886,800	+ 1.6
Austin Rover	328,800	3.6	303,300	+ 8.4
Mercedes-Benz	306,500	3.4	300,300	+ 2.1
Nissan	269,400	3.0	248,800	+ 8.3
BMW	242,300	2.7	205,900	+17.7
Toyota	241,600	2.7	235,600	+ 2.5
Volvo	184,800	2.1	182,400	+ 1.3
Mazda	174,100	1.9	159,700	+ 9.0
Mitsubishi	105,900	1.2	106,800	– 0.9
Honda	100,600	1.1	92,600	+ 8.6
Others	359,900	4.0	355,600	+ 1.2
Total	9,010,800	100.0	8,552,200	+ 5.4

* Includes Alfa Romeo and Lancia
** Peugeot, Citroen, Talbot
*** Opel, Vauxhall, Isuzu, GM-U.S./Canada

NEW-CAR SALES BY COUNTRY IN EUROPE

Country	Jan.-Aug. 1988	Change on 1987
West Germany	1,900,700	– 2.6
United Kingdom	1,635,600	+12.1
Italy	1,517,500	+ 8.4
France	1,418,500	+ 6.1
Spain	723,400	+15.1
Netherlands	374,600	–13.1
Belgium-Luxembourg	344,900	+ 7.5
Switzerland	228,900	+ 7.1
Sweden	223,300	+12.1
Austria	180,900	+ 5.2
Portugal	136,900	+61.7
Finland	123,300	+15.8
Denmark	66,900	–24.2
Norway	49,200	–38.4
Ireland	48,800	+11.9
Greece	37,400	+ 4.6
Total	9,010,800	+ 5.4

DeTomaso minimizes divorce from Chrysler

By Luca Ciferri
STAFF CORRESPONDENT

TURIN, Italy — While Maserati's unions fear layoffs because of the recent divorce from Chrysler, Chairman Alejando DeTomaso downplays the significance of the move.

"First of all, I don't accept the word 'divorce'," he said. "It was a separation of mutual consent. This separation came from decisions that both companies made in their best interest.

"I also want to make clear that this separation didn't happen suddenly. We started to rediscuss our contract with Chrysler in March 1988 and what was announced at the end of August was the result of several options.

"This separation isn't absolutely dramatic for Maserati. I don't see the need of layoffs. And I am not looking for other partners."

While DeTomaso admitted the company lost 26 billion lira ($18.7 million) in 1987 and that 1988 will also see a loss, he predicted Maserati will make money next year although he declined to give a number.

Production of Chrysler's TC coupe began Aug. 29 at a rate of 30 per day, DeTomaso said, adding, "Production figures for the TC coupe are 1,200 units in 1988, from 5,000 to 6,000 in 1989 and from 4,000 to 6,000 per year in 1990-92 for a grand total of 19,000 to 25,000. I give flexible numbers because production will be related to market demand. The new agreement with Chrysler obliges them to buy a total of 7,300 units."

DeTomaso said Maserati plans to build about 25 of its own cars per day with the goal of producing about 5,000 per year.

"Orders for 1987 were about 600 to 700 units more than our production of 4,300 to 4,400, so we already have room for more than 5,000 Maseratis per year," he said. "The problem is only to produce them, and I am sure we will reach this level in 1989."

While the United States is important in Maserati's future plans, DeTomaso said Italy is the company's top market.

"The Italian market remains the most important," he said. "Orders are 3,000 to 3,200 per year. The United States is second with 1,000 to 1,500 per year. As the third market, I consider the 'rest of the world' where we sell 1,250 to 1,300 units annually.

"The main market in the rest of the world is Switzerland, but Japan is growing very fast. We sold 220 units there in 1987, and I think we will reach 250 cars this year. In Japan, I see a good growth also for 1989."

DeTomaso said the issue of passive restraints in the United States is behind the company now. "This year, we also had problems delivering all the cars ordered in North America because of passive restraints," he said. "But all the 1989-model Maseratis will be OK, so our sales in the U.S. will be able to follow orders."

DeTomaso said he doesn't expect the new Karif to be exported to the United States.

He also said that no successor is being planned for the Royale — an updated version of what used to be the flagship Quattroporte. "This year, we will produce about 100 units (mainly destined for Japan), a level we never reached in the past," he said.

DeTomaso said the company is working on a new mid-engine coupe, and if it goes into production, it will receive a new engine "with more than six cylinders."

The company is also developing for the near term four-valve-per-cylinder technology for its current V-6s, he said.

Around 75 percent of Maserati sales are in Europe, and DeTomaso expects the 1992 open market within the European Community to help the company.

"With the European homologation, we will save money," he said. "Now, we have to make national homologations for every European country, and that is very expensive for the limited numbers we export."

Domestic sales rise in S. Korea, but they won't reach 1988 goal

By Oles Gadacz
STAFF CORRESPONDENT

SEOUL, South Korea — The dollar value of 1988 domestic auto sales in South Korea is expected to surpass the 1987 total by 30 percent, although labor disputes have reduced the industry's sales forecast.

The value of domestic auto sales is expected to reach 6.8 trillion won ($9.5 billion) this year, a 30 percent increase over 1987's total of 5,212.6 trillion won. Domestic automobile production is expected to reach 1,231,000 units, an increase of 27 percent over last year's 967,500.

The estimated growth rates are considerably below the 50 percent increase originally targeted for 1988 by the industry. Automakers have scaled back production and sales targets for 1988, largely because of labor disputes that have hampered production.

However, sales of passenger cars remained brisk through July.

During the first seven months of the year, automobile sales totaled 186,893 units, an increase of 21 percent over the corresponding period last year, according to statistics compiled by the Office of National Tax Administration.

Details of the 1988 revised targets by the five automakers are as follows:

Company	1988 Output (1,000 units)	1988 Sales (1 bil. won)	1987 Output (1,000 units)	1987 Sales (1 bil. won)
Hyundai Motor	700	3,500	580.0	2,630.0
Kia Motors	300	1,500	192.0	1,026.0
Daewoo Motor	170	1,200	160.0	971.0
Ssangyong Motor	25	150	5.5	100.6
Asia Motor	36	450	20.0	285.0
TOTAL	1,231	6,800	967.5	5,212.6

Source: Hankook Ilbo

NO TARIFF: *Australia, New Zealand adopt free-trade pact on cars, parts*

By Pedr Davis
SPECIAL CORRESPONDENT

SYDNEY, Australia — While the United States and Canada are on the brink of a new free-trade agreement, Australia and New Zealand are set to begin a similar pact for their auto industries on Jan. 1.

On that date, all duties on imported car components between the two will be removed, with tariffs on built-up cars disappearing a year later. Complete cars sent from Australia to New Zealand currently are subject to a 20-percent duty.

The exact effects of the change have not yet been measured but it is believed that Australian cars will be priced more competitively in New Zealand, while that country's component manufacturers will have unrestricted access to an industry building many more cars than their own.

Under the new arrangements, both countries are free to reduce or remove its third-country tariff on complete knockdown kits.

New Zealand has also agreed to remove import licensing fees on automotive goods beginning January 1990.

Australian automakers also will be able to use an unlimited amount of New Zealand motor vehicle components that will count towards local content requirements. Australia requires 85 percent local content to be considered a domestic vehicle.

Safari wagon, big Mercury earn top ratings for crash protection

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — By analyzing insurance claims data for 207 automobiles, the Highway Loss Data Institute has ranked the relative crash protection each model offers in terms of injury claims and repair expense.

The institute rated injury claims for 1985-1987 models and collision claims for 1986-1987 models.

The two cars with the best results in the study for both injuries and crash damage were the full-sized Pontiac Safari station wagon and the Mercury Grand Marquis two-door. The models with the worst results were the Ford EXP, Nissan Pulsar, Mitsubishi Cordia and Mitsubishi Mirage.

The Mercedes-Benz 300-SDL and 560-SEL offered the lowest injury claims. The cars have an air bag as standard equipment.

The cars with the worst injury results in dollar terms were the Chevrolet Spectrum four-door, Chevrolet Sprint four-door, Hyundai Excel four-door, Ford EXP and Isuzu I-Mark four-door.

The Highway Loss Data Institute, which is affiliated with the Insurance Institute for Highway Safety, said injury and vehicle damage losses vary widely among car models, even among those of the same size and type. Generally, large domestic cars tend to have the fewest injury claims and damage results.

Exceptions to the general trend for injury protection among smaller cars were the Porsche 944 coupe, Saab 900 four-door and Volkswagen Vanagon.

INJURY AND DAMAGE RATES

Four-door models	Overall Injury	Collision
Large		
Pontiac Bonneville[2]	58	83
Mercury Grand Marquis	62	58
Plymouth Gran Fury	65	72
Dodge Diplomat	67	66
Chevrolet Caprice/Impala	67	61
Buick Electra	68	77
Ford Crown Victoria	69	56
Oldsmobile Ninety-Eight	69	71
Chrysler Fifth Avenue	74	72
Buick LeSabre[2]	74	77
Oldsmobile Delta 88[2]	87	75
Mid-size		
Oldsmobile Cutlass (rwd)	76	66
Toyota Camry[2]	79	74
Ford Taurus	81	83
Mercury Sable	83	85
Toyota Cressida[2]	84	101
Plymouth Caravelle	85	66
Oldsmobile Cutlass Ciera	85	75
Buick Century	85	82
Chrysler New Yorker	87	82
Volvo 240	87	91
Honda Accord	88	99
Chrysler LeBaron GTS	89	95
Pontiac 6000	89	89
Dodge Lancer	90	96
Chevrolet Celebrity	92	72
Dodge 600	93	73
Cadillac Cimarron	94	101
Nissan Maxima[2]	95	122
Chrysler LeBaron	96	75
Peugeot 505	99	150
Volkswagen Quantum	103	154
Audi 4000	104	163
Nissan Stanza	105	107
Dodge Aries	105	78
Mitsubishi Galant	108	131
Mercury Topaz[2]	112	81
Ford Tempo[2]	112	81
Buick Skylark[2]	113	91
Plymouth Reliant	115	51
Buick Skyhawk	120	74
Pontiac Sunbird	121	85
Chevrolet Cavalier	122	92
Oldsmobile Firenza	123	85
Small		
Saab 900	73	113
Mazda 626[2]	98	113
Acura Integra	100	144
Volkswagen Golf	100	101
Plymouth Sundance	103	95
Volkswagen Jetta	108	126
Subaru GL 4wd	113	124
Honda Civic	115	99
Chevrolet Nova	114	85
Plymouth Horizon	118	87
Toyota Corolla	120	90
Dodge Shadow	120	81
Dodge Omni	122	86
Mazda 323	124	116
Subaru DL/GL sedan	133	111
Ford Escort[2]	140	81
Nissan Sentra	140	115
Dodge Colt	140	123
Mitsubishi Tredia	142	170
Chevrolet Chevette	143	93
Renault Alliance/Encore	145	106
Plymouth Colt	149	123
Pontiac 1000	158	115
Isuzu I-Mark	163	108
Hyundai Excel	167	120
Chevrolet Sprint	167	105
Chevrolet Spectrum	178	102
Two-door models		
Large		
Mercury Grand Marquis	57	51
Chevrolet Caprice	70	68
Oldsmobile Ninety-Eight	72	84
Ford Crown Victoria	76	47
Mid-size		
Oldsmobile Cutlass (rwd)	86	81
Honda Accord[2]	89	107
Oldsmobile Cutlass Ciera	90	85
Buick Century	90	76
Pontiac Grand Prix[2]	95	95
Buick Regal[2]	95	87
Chevrolet Monte Carlo	96	110
Pontiac 6000	97	90
Chrysler LeBaron[2]	100	91
Ford Thunderbird	101	109
Pontiac Grand Am[2]	105	103
Chevrolet Celebrity	106	80
Mercury Cougar	107	110
Buick Somerset[2]	113	96
Plymouth Reliant	114	81
Dodge Aries	117	85
Oldsmobile Firenza	123	91
Mercury Topaz[2]	128	103
Pontiac Sunbird	128	128
Ford Tempo[2]	129	99
Buick Skyhawk	129	102
Chevrolet Cavalier	136	119
Small		
Saab 900	89	153
Honda Prelude[2]	96	126
Volkswagen GTI	96	109
Volkswagen Golf	100	116
Acura Integra	102	130
Honda Civic	103	96
Mazda 626	103	146
Mazda 323	104	104
Subaru hatchback	108	110
Volkswagen Jetta	109	128
Plymouth Sundance	109	106
Toyota Celica	118	141
Dodge Shadow	119	124
Toyota Tercel	122	94
Nissan 200-SX	124	159
Volkswagen Scirocco	124	228
Plymouth Colt	127	117
Dodge Colt	135	116
Isuzu Impulse[2]	138	163
Toyota Corolla	141	149
Chevrolet Chevette	142	97
Renault Alliance/Encore	143	122
Pontiac 1000	143	95
Plymouth Turismo	144	141
Dodge Charger	147	148
Mitsubishi Mirage	150	155
Ford Escort[2]	150	100
Nissan Sentra	152	131
Mitsubishi Cordia	152	225
Hyundai Excel	155	117
Nissan Pulsar	157	146
Yugo	159	100
Chevrolet Spectrum	161	116
Chevrolet Sprint	162	104
Sports & specialty models		
Large		
Mercedes SDL/SEL series[2]	42	137
BMW 735i[2]	50	188
Jaguar XJ-6	54	126
Cadillac Brougham (4-dr.)	62	82
Cadillac Fleetwood/Deville	68	86
Mercedes 260E/300D/E[2]	68	130
Lincoln Town Car	69	90
Cadillac Fleetwood/Deville (2-dr.)	84	91
Mid-size		
Saab 9000	51	150
Volvo 740/760 SW	58	100
Acura Legend (4-door)	60	102
BMW 5-Series	68	154
Cadillac Seville	68	104
Lincoln Continental	75	96
Lincoln Mark VII	76	102
Toyota Supra	81	153
Buick Riviera	81	113
Volvo 740/760 (4-door)	81	110
Cadillac Eldorado	82	111
Audi 5000 (4-door)	82	154
Mercedes 190D/E[2]	91	160
BMW 318i/325 (4-door)	91	187
BMW 318i/325 (2-door)	93	197
Merkur XR4Ti	100	159
Ford Mustang convertible	103	133
Pontiac Firebird	119	172
Ford Mustang	127	140
Chevrolet Camaro	128	162
Small		
Mercedes 300/560 SL convertible[2]	60	133
Porsche 944 coupe	60	257
Chevrolet Corvette	88	215
Mazda RX-7	91	184
Nissan 300-ZX 2+2	91	172
Volkswagen Cabriolet	95	124
Nissan 300-ZX	98	172
Toyota MR2	124	189
Pontiac Fiero	125	155
Honda Civic CRX	128	134
Ford EXP	164	155
Station wagons & passenger vans		
Large		
Pontiac Parisienne/Safari	44	45
Buick Electra	48	89
Buick LeSabre	52	65
Oldsmobile Custom Cruiser	55	63
Ford Crown Victoria	57	63
Mercury Grand Marquis	58	78
Chevrolet Caprice	59	83
Dodge Caravan	62	55
Plymouth Voyager	63	54
GMC Safari van	65	58
Ford Aerostar	69	65
Chevrolet Astro van	70	53
Mid-size		
Volvo 240	58	77
Ford Taurus	61	71
Pontiac 6000	63	61
Mercury Sable	64	72
Chrysler LeBaron	69	71
Buick Century	70	76
Oldsmobile Cutlass Ciera	71	74
AMC Eagle	78	47
Chevrolet Celebrity	82	63
Dodge Colt Vista	93	83
Dodge Aries	93	76
Plymouth Reliant	93	72
Pontiac Sunbird	94	74
Chevrolet Cavalier	103	83
Plymouth Colt Vista	104	98
Oldsmobile Firenza	106	81
Small		
Volkswagen Vanagon	65	73
Toyota van	78	82
Honda Civic 4wd	85	68
Subaru DL/GL 4wd	86	95
Nissan Stanza	87	85
Toyota Tercel 4wd	93	75
Subaru DL/GL	97	95
Honda Civic	98	76
Toyota Tercel	103	73

[1] Injury results based on 1985-87 models with manual safety belts; 1988 models of the same cars have either automatic belts or air bags as standard equipment and may, therefore, have better injury claims experience than the earlier models. Collision results can be expected to remain about the same.

[2] Injury results based on models equipped with air bags. Current models of these cars also have automatic restraints, so the injury results should be consistent among model years. Many additional 1988-89 models — and all 1990 models — will be equipped with air bags or automatic safety belts.

[3] Injury results based on models equipped with automatic belts. Current models of these cars also have automatic restraints, so the injury results should be consistent among model years. Many additional 1988-89 models — and all 1990 models — will be equipped with air bags or automatic safety belts.

NOTE: Injury results are stated in terms of the frequency of insurance claims filed under Personal Injury Protection Coverages for 1985-87 models. Collision results are presented in terms of the average loss payment per insured vehicle year for 1986 and 1987 models. All results are stated in relative terms, with 100 representing the average for all cars. Less than 70, substantially better than average; 70-79, better than average; 80-120, average; 121-130, worse than average; and greater than 130, substantially worse than average.

SOURCE: Highway Loss Data Institute

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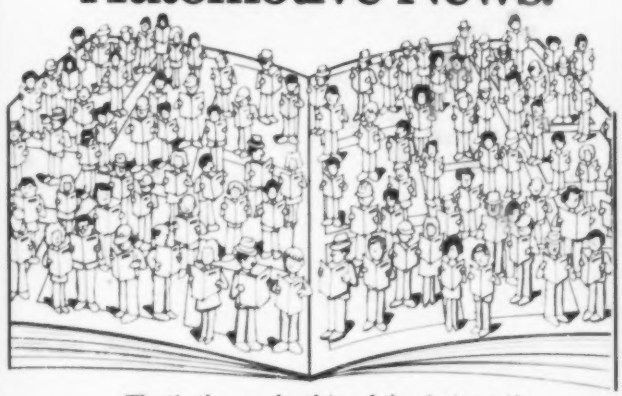

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Training site for Infiniti rises in Ariz.

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

CARSON, Calif. — Nissan's Infiniti Division has started construction of a $5 million National Training Center in Scottsdale, Ariz.

The two-story, 27,000-square-foot building, which will also house a model dealership when completed in April 1989, will serve as headquarters for Infiniti's comprehensive, first-phase dealer training program. The facility will incorporate all dealer sales, service and management functions, said William R. Bruce, Infiniti vice president and general manager.

As a model for all future Infiniti dealerships across the United States, Bruce said the Scottsdale facility will be used to test and fine-tune dealership design, materials and operating systems.

Approximately 65 to 75 Infiniti dealerships will be built prior to the new division's sales launch in late 1989, Bruce said. Each dealership will be based on the National Training Center's concept and design.

Bruce acknowledged that second-phase dealers will be the chief beneficiaries from the research in fine-tuning dealership design, "although there will be first-phase dealers whose facilities will still be in the building process next April."

"When we do learn things," he said, "we will immediately pass them along to the other dealers as they build their facilities."

When the facility is completed, key Infiniti dealership personnel will be invited to attend training sessions, which are designed to build a uniform approach to customer satisfaction throughout the Infiniti dealership network, said Richard R. Lueders, Infiniti national parts and service manager.

"Our goal is to have every dealership incorporate the same high-quality systems and procedures," Lueders said. "This uniform approach will help dealers reduce operating costs, increase efficiency and improve profitability."

Shortly before the introduction of the new Infiniti cars, Bruce said the training facility will be converted into a functional dealership and sold to Herbert C. Pell III and Michael J. Heims, who will operate it as an Infiniti dealership in Scottsdale.

Personnel from second-phase Infiniti dealerships will be trained in another training facility that will be built in the Los Angeles area.

"We're already looking at a site in Los Angeles," Bruce said. "In fact, we initially looked at Los Angeles and due to several things, such as timing and what we call the perfect setting and location, we ended up here (Scottsdale) because we thought this had all the criteria, especially the timing criteria.

"But now that we have more time, we have been looking in the greater metropolitan Los Angeles area," Bruce said.

"We may do something similar there in terms of either building the full-scale facility, or we might go into a commercial park and duplicate something like the Universal Studio stage for the facility and use that," he said. "But we will have a national training capability in Los Angeles."

AUCTION DATES

Chrysler Motors

Oct. 11 — Florida Auto Auction of Orlando, Ocoee, Fla.; American Auto Auction, Walpole, Mass.; Denver Auto Auction, Aurora, Colo.; Nashville Auto Auction, Nashville, Tenn.; South Seattle Auto Auction, Kent, Wash.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Oct. 12 — Northway Exchange, Clifton Park, N.Y.; Minneapolis Auto Auction, Plymouth, Minn.; and Butler Auto Auction, Gibsonia, Pa.

Oct. 13 — Clanton's Auto Auction, Darlington, S.C.; Big Sky Auto Auction Inc., Billings, Mont.; Aptco Auto Auction, Taylor, Mich.; Salt Lake Auto Auction, Salt Lake City; Ark-La-Tex Auto Auction, Shreveport, La.; and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Oct. 14 — Manheim Auto Auction, Manheim, Calif.

Oct. 18 — Dallas Auto Auction, Grand Prairie, Texas; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; Southern Auto Auction, Warehouse Point, Conn.; Hatfield Auto Auction, Hatfield, Pa.; Riverside Auto Auction, Riverside, Calif.; and Portland Auto Auction, Portland, Ore.

Oct. 19 — A.D.E. of Birmingham, Birmingham, Ala., and Columbus Fair Auto Auction, Obetz, Ohio

Oct. 20 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Southwest Auto Auction, Phoenix, Ariz.

Oct. 21 — St. Louis Auto Auction, Bridgeton, Mo.

Oct. 25 — Florida Auto Auction of Orlando, Ocoee, Fla.; American Auto Auction, Walpole, Mass.; Denver Auto Auction, Aurora, Colo.; Nashville Auto Auction, Nashville, Tenn.; South Seattle Auto Auction, Kent, Wash.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Ford Motor Co.

Oct. 11 — Harrisonburg Auto Auction, Harrisonburg, Va., and Bay Cities Auto Auction, Hayward, Calif.

Oct. 12 — Concord Auto Auction, Acton, Mass.; Aptco Auto Auction, Taylor, Mich.; and Lakeland Auto Auction, Lakeland, Fla.

Oct. 13 — Baltimore-Washington Auto Exchange, Baltimore; Texas Hobby Auto Auction, Houston; Omaha Auto Auction Inc., Omaha, Neb.; Southwest Auto Auction, Chandler, Ariz.; Skyline Auto Exchange, Fairfield, N.J.; and 166 Auto Auction, Springfield, Mo.

Oct. 18 — South Seattle Auto Auction, Kent, Wash.

Oct. 19 — Northway Auto Auction, Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Indianapolis Auto Auction, Indianapolis; and Southern California Auto Auction, Fontana, Calif.

Oct. 20 — Auto Auction of Billings, Billings, Mont.; Greater Chicago Auto Auction, Chicago; Manheim Auto Auction, Manheim, Pa.; Brasher's Sacramento Auto Auction, Rio Linda, Calif.; and St. Louis Auto Auction, Bridgeton, Mo.

Oct. 25 — Harrisonburg Auto Auction, Harrisonburg, Va.; Bay Cities Auto Auction Inc., Hayward, Calif.; Albuquerque Auto Auction, Albuquerque, N.M.; Concord Auto Auction, Acton, Mass.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Lakeland Auto Auction, Lakeland, Fla.

General Motors

Oct. 11 — Southern Auto Auction, East Windsor, Conn.; Dallas Auto Auction, Grand Prairie, Texas; South Seattle Auto Auction, Kent, Wash.; and Manheim Auto Auction, Manheim, Pa.

Oct. 12 — Atlanta Auto Auction, Atlanta; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Omaha Auto Auction, Omaha, Neb.; and Riverside Auto Auction, Riverside, Calif.

Oct. 13 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; and St. Louis Auto Auction, Bridgeton, Mo.

Oct. 18 — A.D.E. of Birmingham, Moody, Ala.; Florida Auto Auction of Orlando, Ocoee, Fla.; and National Auto Dealer Exchange, Bordentown, N.J.

Oct. 19 — Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Indianapolis Auto Auction, Indianapolis

Oct. 20 — Butler Auto Auction, Gibsonia, Pa.; Colorado Auto Auction, Commerce City, Colo.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; and Nashville Auto Auction, Nashville, Tenn.

Oct. 25 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas

Oct. 26 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Omaha Auto Auction, Omaha, Neb.; Southern California Auto Auction, Fontana, Calif.; and Puget Auto Auction, Auburn, Wash.

Used Car Sales
Auction Averages

September88	$5,757
Month ago	$6,019
Year ago	$6,029

Model Breakdown
Auction Averages

	SEPT. 1988	AUGUST 1988	JULY 1988
1988 ...	$9,772	$12,473	$11,408
1987 ...	$7,554	$7,919	$8,407
1986 ...	$6,816	$6,891	$6,930
1985 ...	$5,583	$5,819	$5,881
1984 ...	$4,177	$4,308	$4,378
1983 ...	$3,556	$3,583	$3,718
1982 ...	$2,535	$2,479	$2,464
1981 ...	$1,743	$1,887	$1,952
Overall Average	$5,757	$6,019	$5,855

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SALES

DOMESTIC CAR SALES

	Sept. 21, to Sept. 30, 1988	Same Period, 1987	Sept. 1988	Same Month, 1987	Jan. 1 to Sept. 30, 1988	Same Period, 1987
Alliance	0	913	497	1,913	4,418	21,583
Encore	0	145	0	245	1,392	3,145
Premier	1,745	0	4,046	0	29,686	0
Total Eagle	1,745	1,058	4,543	2,158	35,496	24,728
Horizon	2,237	196	5,756	531	49,350	39,136
Sundance	2,728	2,332	6,489	5,643	66,412	60,436
Turismo	0	521	0	1,259	1,115	15,889
Reliant	3,857	4,898	7,867	10,872	87,017	74,886
Caravelle	183	1,350	801	2,937	12,080	28,571
Gran Fury	346	301	852	618	10,635	5,951
Total Plymouth	9,349	9,598	21,565	21,860	228,609	224,538
Laser	0	0	0	0	0	4,308
LeBaron K	517	1,679	1,233	4,110	18,900	45,096
LeBaron J	2,496	5,074	5,911	10,596	78,842	59,773
LeBaron GTS	536	1,143	1,371	2,360	13,135	25,380
Fifth Avenue	650	3,049	1,660	6,984	30,900	39,823
New Yorker C	3,605	89	8,357	95	58,317	95
New Yorker E	23	1,701	47	4,218	14,381	43,286
Total Chrysler	7,827	12,735	18,579	28,363	212,475	217,563
Omni	2,004	238	5,686	541	47,521	31,339
Shadow	2,519	2,433	5,922	5,777	68,991	58,131
Charger	0	454	0	1,164	1,022	19,474
Daytona	1,959	2,024	4,902	4,466	58,697	29,467
Aries	3,287	4,034	6,504	9,729	77,193	70,693
Lancer	317	841	851	1,480	8,507	19,052
Diplomat	652	458	1,672	1,076	16,573	9,380
Dynasty	3,505	33	7,449	33	55,189	33
Dodge 600	150	1,192	471	2,620	10,999	27,460
Total Dodge	14,393	11,507	33,456	26,886	344,692	265,049
CHRYSLER MOTORS	33,314	34,898	78,143	79,267	619,272	730,778
Escort	13,529	19,721	33,760	41,188	294,610	305,640
Mustang	4,246	5,720	10,749	12,557	133,631	135,632
Tempo	9,787	4,295	21,635	11,015	216,696	171,444
Taurus	9,729	17,395	20,016	35,557	286,917	274,561
Thunderbird	2,989	6,023	8,067	13,955	97,362	102,629
Probe	4,488	0	10,551	0	45,647	0
Crown Victoria	3,000	4,347	7,623	8,851	88,083	91,583
Total Ford Div.	47,768	57,501	112,401	123,123	1,162,946	1,081,489
Lynx/Tracer	2,677	3,567	5,494	8,125	46,284	54,377
Topaz	3,702	1,485	7,508	3,659	68,429	50,419
Sable	3,561	4,786	7,048	11,126	93,548	78,934
Cougar	2,547	5,098	7,212	11,375	86,966	86,564
Marquis	0	0	0	0	0	2,510
Grand Marquis	3,656	3,887	8,836	8,875	87,716	86,386
Total Mercury	16,143	18,823	36,098	43,160	382,943	361,190
Continental	1,684	234	4,018	618	30,732	10,134
Lincoln	4,405	5,053	10,568	11,749	92,990	92,357
Mark VII	813	995	1,886	2,427	16,289	20,224
Total Lincoln	6,902	6,282	16,472	14,794	140,011	122,715
Total L-M Division	23,045	25,105	52,570	57,954	522,954	483,905
FORD MOTOR CO.	70,813	82,606	164,971	181,077	1,685,900	1,565,394
Skyhawk	978	1,902	2,018	3,946	20,707	29,928
Somerset/Skylark	1,544	3,025	3,851	6,579	47,264	55,927
Century	5,582	10,730	13,343	19,304	94,440	120,007
Regal	5,563	1,841	12,227	4,077	95,246	39,865
LeSabre	4,795	6,917	10,978	14,928	108,726	112,698
Reatta	225	0	422	0	2,759	0
Electra	3,285	4,157	7,934	8,497	65,084	60,005
Riviera	347	390	789	947	6,899	13,845
Total Buick	22,319	28,962	51,542	58,278	441,125	432,275
Cimarron	151	488	383	1,130	5,133	10,503
Allante	123	38	223	107	2,636	1,651
Seville	825	421	1,648	1,023	16,008	15,862
DeVille	7,306	6,162	12,667	14,251	115,213	112,989
Brougham	2,363	2,151	4,747	5,048	33,354	41,267
Eldorado	1,377	650	2,744	1,401	23,302	15,258
Total Cadillac	12,145	9,910	22,412	22,960	195,646	197,530
Chevette	0	103	0	277	205	16,622
Nova	3,425	5,152	8,421	12,682	84,745	121,547
Cavalier	8,467	9,196	20,522	21,225	230,415	235,634
Camaro	2,243	3,522	5,822	8,761	74,715	96,422
Celebrity	7,126	10,445	18,593	21,044	192,950	240,829
Corsica/Beretta	7,451	13,984	19,086	31,548	307,427	166,178
Monte Carlo	439	1,952	1,192	4,701	26,651	48,440
Caprice	4,559	6,843	11,123	16,930	128,533	140,304
Corvette	592	580	1,382	1,411	18,451	18,463
Total Chevrolet	34,302	51,777	86,141	118,579	1,064,092	1,086,439
Firenza	155	1,031	425	1,998	7,942	13,402
Calais	3,120	3,712	7,736	8,176	81,799	82,850
Cutlass Ciera	8,562	11,008	22,313	24,564	187,601	198,624
Cutlass Supreme	5,010	1,832	12,268	4,772	85,233	77,404
Olds 88	4,185	4,889	10,646	12,835	124,146	136,767
Olds 98	2,174	2,494	5,783	5,985	56,802	53,362
Toronado	415	377	971	1,049	12,285	13,329
Total Oldsmobile	23,621	25,343	60,142	59,379	555,808	575,738
Fiero	821	1,013	1,984	2,662	21,605	36,131
Pontiac 1000	0	58	0	133	154	4,615
Sunbird	2,784	2,218	6,851	5,739	63,740	64,880
Firebird	1,573	1,852	3,821	5,028	46,380	61,111
Grand Am	6,963	5,151	16,003	11,807	173,620	162,374
Pontiac 6000	2,870	4,855	7,010	10,359	75,108	92,478
Grand Prix	4,985	259	12,030	761	74,711	11,521
Bonneville H	3,410	4,575	7,507	10,424	83,420	75,935
Paris./Safari	235	510	579	1,124	5,388	8,077
Total Pontiac	23,641	20,491	55,785	48,037	544,126	517,131
GENERAL MOTORS	116,028	136,483	276,022	307,233	2,800,797	2,809,113
HONDA	14,781	11,240	30,397	23,628	277,884	234,467
Civic	5,159	423	11,703	2,453	85,393	71,101
Accord	9,622	10,817	18,694	21,175	192,491	163,366
MAZDA	1,334	0	2,780	0	23,040	0
NISSAN	10,320	5,981	18,046	12,516	91,956	101,119
TOYOTA	3,926	2,083	6,176	4,956	45,250	30,027
*VOLKSWAGEN	0	2,170	0	4,531	24,939	49,844
DOMESTIC TOTAL	250,334	275,461	576,535	613,208	5,769,040	5,520,742
IMPORT TOTAL			248,727	286,736	2,322,456	2,336,568
INDUSTRY TOTAL			825,262	899,944	8,091,496	7,857,310

*—U.S.-built Volkswagen models sold after June 30, 1988, are included in import totals.

Trucks pull sales to 3rd-best year

By Philly Murtha and Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTERS

Led by the record-breaking pace of light trucks, industrywide vehicle sales in the United States in the 1988 model year outpaced 1987.

The 1988 model-year total was the industry's third best, behind 1986 and 1985.

There were 15,606,041 cars and trucks sold in the United States during the 1988 model year. That was up 1.14 percent from 15,430,053 in the 1987 model year.

The model year began around the stock market nosedive on Oct. 19, 1987. But it turned out to be better than expected because the crash didn't create any serious problems with the economy.

"Consumer confidence did fall sharply in November and December, but then it snapped back very sharply in the early part of this year," said Michael Luckey, a consultant based in Cresskill, N.J. "There was a tremendous amount of incentive activity in the first four months. Then they pulled back some."

Car sales fell a fraction short of 1987 model year numbers; both domestic and import car sales lagged by less than a point behind 1987. For the first time in a non-strike year since 1957, Ford Division sold more cars than Chevrolet, and it again beat Chevy on trucks.

Truck sales broke the 5 million barrier for the first time, growing about 5.04 percent. It was the fourth consecutive year of record truck sales. Sales of light, medium and heavy trucks were estimated to be 5,146,538, up from 4,899,587 in the previous model year.

Light-duty truck sales climbed 4.78 percent to 3,725,834 from 1987's record 3,555,740.

In spite of buoyant car sales in the first nine months of the 1988 calendar year, import and domestic car sales from Oct. 1, 1987 through Sept. 30, 1988 — the industry's defined 1988 model year — slipped 70,963 units, to 10,459,503, compared with 10,530,466 in model year 1987.

Car market shares, including captives, were rearranged only slightly in 1988. General Motors' share dropped a point, to 36 percent, while Ford Motor Co. gained

continued →

MARKET SHARES, SEPT. 1988

	Total Sales	Pct. of Total
SUBCOMPACT	95,538	11.58
COMPACT	152,345	18.46
INTERMEDIATE	221,466	26.83
STANDARD	103,175	12.50
SPECIALITY	4,011	0.49
IMPORT	248,727	30.14
TOTAL	825,262	100.00

Where the U.S. Market was, Model Year 1988

	Total Sales	Pct. of Total
SUBCOMPACT	932,182	8.91
COMPACT	2,036,860	19.49
INTERMEDIATE	2,923,819	27.95
STANDARD	1,375,706	13.15
SPECIALITY	58,990	0.56
IMPORT	3,129,947	29.94
TOTAL	10,459,503	100.00

IMPORTED CAR SALES

	Sept. 1988	Sept. 1987	9 Mos. 1988	9 Mos. 1987
Acura	13,417	10,112	98,232	80,267
Alfa Romeo	230	449	3,663	5,024
Audi	1,734	3,096	18,335	35,239
BMW	6,024	8,486	53,286	67,401
Chevrolet	8,546	15,814	94,464	103,637
Chrysler	730	842	8,172	9,235
Daihatsu	1,021	0	8,566	0
Dodge	4,305	5,357	41,782	48,343
Ford	5,768	5,885	53,466	16,414
Eagle	1,935	1,173	12,435	9,493
Honda	22,079	28,057	187,921	210,928
Hyundai	17,194	21,099	208,966	205,477
Isuzu	2,478	3,424	19,860	30,603
Jaguar	1,832	2,192	14,913	16,340
Maserati	59	40	649	694
Mazda	18,427	18,404	174,523	148,769
Mercedes-Benz	6,160	7,796	63,905	67,799
Mercury	1,634	2,268	11,772	11,805
Mitsubishi	6,687	5,411	55,173	52,893
Nissan	29,347	35,511	275,016	315,389
Peugeot	505	894	5,094	6,960
Plymouth	3,530	4,824	37,463	42,031
Pontiac	5,252	8,135	46,055	26,948
Porsche	1,071	2,301	12,461	19,313
Saab	2,983	3,637	29,859	35,135
Sterling	910	1,465	7,492	10,782
Subaru	14,710	19,674	116,420	129,369
Toyota	46,282	47,002	447,828	404,515
Volkswagen	12,703	10,850	112,000	98,985
Volvo	8,664	8,647	76,679	89,598
Yugo	2,510	3,891	26,006	39,162
TOTAL	248,727	286,736	2,322,456	2,336,568

*—Volkswagen totals include U.S.-built models sold after June 30, 1988.

Sales charts compiled by Karen Dalkowski

U.S. CAR SALES BY MARKETING UNITS

	Sept. 1988	Percent Share	Sept. 1987	Percent Share	9 Mos. 1988	Percent Share	9 Mos. 1987	Percent Share
Alfa Romeo	230	0.03	449	0.05	3,663	0.05	5,024	0.06
American Honda	65,893	7.98	61,797	6.87	564,037	6.97	525,662	6.69
BMW	6,024	0.73	8,486	0.94	53,286	0.66	67,401	0.86
Buick	51,542	6.25	58,278	6.48	441,125	5.45	432,275	5.50
Cadillac	22,412	2.72	22,960	2.55	195,646	2.42	197,530	2.51
Chevrolet	94,687	11.47	134,393	14.93	1,158,556	14.32	1,190,076	15.15
Chrysler	19,309	2.34	29,205	3.25	220,647	2.73	226,798	2.89
Daihatsu	1,021	0.12	0	0.00	8,566	0.11	0	0.00
Dodge	37,761	4.58	32,243	3.58	386,474	4.78	311,392	3.96
Eagle	6,478	0.78	3,331	0.37	47,931	0.59	33,121	0.42
Ford	118,189	14.32	129,008	14.34	1,216,412	15.03	1,097,903	13.97
Hyundai	17,194	2.08	21,099	2.34	208,966	2.58	205,477	2.62
Isuzu	2,478	0.30	3,424	0.38	19,860	0.25	30,603	0.39
Jaguar	1,832	0.22	2,192	0.24	14,913	0.18	16,340	0.21
Lincoln	16,472	2.00	14,794	1.64	140,011	1.73	122,715	1.56
Maserati	59	0.01	40	0.00	649	0.01	694	0.01
Mazda	21,207	2.57	18,404	2.05	197,563	2.44	148,769	1.89
Mercedes	6,160	0.75	7,796	0.87	63,905	0.79	67,799	0.86
Mercury	37,732	4.57	45,428	5.05	394,715	4.88	372,995	4.75
Mitsubishi	6,687	0.81	5,411	0.60	55,173	0.68	52,893	0.67
Nissan	47,393	5.74	48,027	5.34	366,974	4.54	416,509	5.30
Oldsmobile	60,142	7.29	59,379	6.60	555,808	6.87	575,738	7.33
Peugeot	505	0.06	894	0.10	5,094	0.06	6,960	0.09
Plymouth	25,095	3.04	26,684	2.97	264,072	3.26	266,569	3.39
Pontiac	61,037	7.40	56,172	6.24	590,181	7.29	544,079	6.92
Porsche	1,071	0.13	2,301	0.26	12,461	0.15	19,313	0.25
Saab	2,983	0.36	3,637	0.40	29,859	0.37	35,135	0.45
Sterling	910	0.11	1,465	0.16	7,492	0.09	10,782	0.14
Subaru	14,710	1.78	19,674	2.19	116,420	1.44	129,369	1.65
Toyota	52,458	6.36	51,958	5.77	493,078	6.09	434,542	5.53
Volvo	8,664	1.05	8,647	0.96	76,679	0.95	89,598	1.14
VWoA	14,437	1.75	18,477	2.05	155,274	1.92	184,068	2.34
Yugo	2,510	0.30	3,891	0.43	26,006	0.32	39,162	0.50
TOTAL	825,262	100.00	899,944	100.00	8,091,496	100.00	7,857,310	100.00
TOTAL GM	289,820	35.12	331,182	36.80	2,941,316	36.36	2,939,698	37.42
TOTAL FORD	172,373	20.89	199,230	21.03	1,751,138	21.64	1,593,613	20.28
TOTAL CHRYSLER	88,643	10.74	91,463	10.16	919,124	11.36	837,880	10.66
TOTAL JAPANESE	211,847	25.67	206,695	23.19	1,821,671	22.51	1,738,346	22.12
TOTAL EUROPEAN	45,385	5.50	58,275	6.48	449,281	5.55	542,296	6.90
TOTAL KOREAN	17,194	2.08	21,099	2.34	208,966	2.58	205,477	2.62

Big 3 totals include their captive imports.
Percent share may contain error of one or two points due to rounding.

SALES

a point, rising to 21 percent. Chrysler's share remained at 14 percent in both years.

Honda and Toyota traded car market-share figures: Honda took 6 percent in 1988 versus 7 percent in 1987, while Toyota's share in 1988 rose to 7 percent from 6. Nissan's car share remained at 5 percent. Other foreign manufacturers took 14 percent of the car market in both model years.

The big news for Chrysler Motors was that it sold almost as many light-duty trucks as it did cars in the 1988 model year. Its Chrysler and Jeep light-truck sales totaled 1,006,523, while car sales totaled 1,050,551.

Domestic-car sales were off by a fraction of a percentage point, and imports fell 1.88 percent. Four of the six U.S. manufacturers posted gains in their domestic sales for the model year. Ford and Chrysler shared small percentage gains, 3.20 and 3.76, respectively, while sales of Hondas and Toyotas built in the United States surged, 13.64 and 75.63, respectively.

Ford Division produced four of the top 10 domestic cars.

GM domestic sales declined 4.63 percent. Although all car divisions reported declines, five of the 10 best-selling domestic cars last year belonged to GM.

Nissan was the only Japanese transplant to sell fewer cars in the model year. Sales of its Tennessee-built cars dropped 10.23 percent. Volkswagen, which stopped making cars at its Westmoreland, Pa., plant in July, sold 40 percent fewer U.S.-produced cars.

It was a great model year for light-duty truck sales. A new sales record was set, with domestic manufacturers on a big upswing and importers largely on the retreat.

The domestics retailed 3,175,492 light trucks, up 10.49 percent from 2,873,901 in the 1987 model year. They captured 85.23 percent of the light-truck market compared with an 80.82 percent share in 1987.

Conversely, foreign-based manufacturers retailed 550,342 light trucks, off 19.29 percent from 681,839 in the 1987 model year. Their market share dropped to 14.77 percent from 19.18 percent.

A number of truck manufacturers, including Ford, Chrysler, Jeep and GMC, set model-year light-duty truck sales records.

Ford retailed 1,123,502 light trucks, up 6.17 percent from 1,058,230 in the 1987 model year. Chevrolet retailed 1,005,421 percent light duties, up 12.35 percent from 894,929.

Chrysler, including Plymouth and Dodge nameplates, retailed 591,179, up 9.91 percent from 537,877 in 1987. GMC retailed 268,711, up 15.41 percent from 232,841, and Jeep retailed 186,674 trucks, up 24.43 percent from 150,024.

Among the truck importers, only Range Rover recorded a gain, with 2,527 sales, up from 1,549 in 1987.

In the month of September, sales of domestic and imported cars fell 8.30 percent to 825,262 from 899,944 a year ago when there was a dramatic infusion of incentives. U.S.-built car sales fell 5.98 percent to 576,535, compared with 613,208 in September 1987.

Inventories of U.S.-built cars grew to 1,385,938, an ideal 60-day supply on Sept. 30. The domestic stockpile was 5.32 percent higher than Aug. 31's 1,315,919 stock of unsold cars in dealer and factory lots and in transit, the equivalent of a 59-day supply.

Import-car deliveries fell 13.26 percent in September, declining to 248,727 from 286,736 in September 1987. Imports took 30.14 percent of the month's car market.

The Big 3 reported modest domestic car sales losses for the month, while the major three transplant companies, Honda, Nissan and Toyota, reported major gains in sales of U.S.-built cars.

Nissan showed the biggest gains for the month by selling 44.18 percent more U.S.-built cars than it did a year ago. Honda U.S.-built deliveries were up 28.65 percent.

Chrysler's domestic-car deliveries dropped 1.42 percent; Ford sold 8.89 percent fewer U.S.-built cars; and GM's U.S.-made car sales dropped 10.16 percent.

U.S.-built car sales slumped in the final 10-day period of September. They fell 9.09 percent to 250,416 compared with 275,461 in last year's comparable period.

MODEL YEAR SALES: LIGHT DUTY TRUCK

	1988	1987
Vans	187,591	186,166
Aerostar	177,039	163,898
Club Wagon	27,728	27,420
Ranger	303,666	293,333
Bronco	54,848	48,718
Bronco II	124,917	117,135
Pickups	588,452	519,704
Ford	**1,464,241**	**1,356,374**
Geo Tracker	14	—
Vans	129,148	110,525
Sportsvan	12,842	12,015
Astro	160,291	149,977
S-10	235,452	216,693
S-10 Blazer	160,586	153,436
El Camino	2,567	15,626
Blazer	28,540	30,304
Suburban	64,845	54,828
Pickups	489,882	405,722
Chevrolet	**1,294,167**	**1,149,126**
Vans	56,634	64,324
Ram Wagon	26,642	31,342
Voyager	187,715	130,245
Caravan	205,223	138,361
Mini Ram Van	19,019	13,472
Ram 50	56,342	76,913
Raider	9,362	18,962
Ramcharger	19,955	22,828
Dakota	91,850	104,865
Pickups	86,666	98,563
Chrysler	**761,428**	**783,895**
Vans	46,305	37,699
Safari	34,785	31,844
S-15	49,939	47,239
S-15 Jimmy	41,768	36,625
Jimmy	8,179	8,321
Caballero	325	1,882
Suburban	22,224	18,886
Pickups	137,003	109,980
P-Model	4,919	5,435
W-4	1,549	5,522
GMC	**347,897**	**296,433**
Wrangler	30,992	31,142
Wagoneer	9,397	14,017
Cherokee	141,279	109,011
Gr. Wagoneer	14,779	15,992
Comanche	39,224	36,580
J10/J20	454	1,334
Jeep	**245,885**	**216,876**
Toyota	257,643	329,647
Nissan	181,122	214,573
Mazda	98,012	139,390
Isuzu	82,633	92,896
Mitsubishi	46,858	49,563
Suzuki	66,807	80,745
Subaru	81	2,330
Range Rover	3,564	1,549
Imports	736,826	910,693
Industry Total	4,580,598	4,629,997

LIGHT-DUTY TRUCK SALES

	Sept. 1988	Sept. 1987	9 Mos. 1988	9 Mos. 1987
Vans	14,771	16,808	143,787	140,609
Aerostar	14,879	12,363	142,500	124,610
Club Wagon	2,328	1,491	20,169	19,741
Ranger	27,253	19,091	239,167	240,796
Bronco	3,938	4,098	39,473	36,407
Bronco II	11,884	10,733	96,359	92,347
Pickups	42,747	45,268	442,047	403,720
Ford	**117,898**	**105,572**	**1,123,502**	**1,058,230**
Vans	6,688	8,157	97,354	83,041
Sportsvan	529	777	9,930	9,067
Astro	9,274	9,421	124,426	112,340
S-10	19,959	18,893	189,090	178,445
S-10 Blazer	14,494	18,837	130,161	122,659
El Camino	0	1,521	420	11,598
Blazer	1,420	2,378	19,684	22,003
Suburban	3,682	3,873	48,756	41,873
Geo Tracker	14	0	14	0
Pickups	37,682	33,167	385,566	313,905
Chevrolet	**93,722**	**96,525**	**1,005,421**	**894,929**
Vans	3,877	4,315	44,816	52,447
Ram Wagon	2,214	2,243	19,732	23,595
Voyager	13,283	10,820	149,148	102,230
Caravan	14,564	12,062	160,975	108,944
Mini Ram Van	1,206	1,050	15,429	10,261
Ram 50	3,985	6,054	44,278	53,529
Raider	652	2,030	5,103	15,260
Ramcharger	1,200	1,979	14,481	18,193
Dakota	7,151	8,827	73,158	80,353
Pickups	5,814	8,071	64,061	73,065
Chrysler	**53,948**	**57,451**	**591,179**	**537,877**
Vans	2,988	2,423	36,234	28,403
Safari	2,251	1,852	26,416	23,863
S-15	3,972	4,681	39,927	39,179
S-15 Jimmy	3,850	4,100	31,713	28,766
Jimmy	414	567	5,547	5,966
Caballero	0	165	60	1,440
Suburban	1,315	1,103	16,979	13,865
Pickups	9,855	8,779	107,306	86,144
P Model	456	412	3,370	4,053
W-4	111	152	1,157	1,142
GMC	**25,212**	**24,234**	**268,711**	**232,841**
Wrangler	3,451	2,040	31,087	21,638
Wagoneer	773	1,075	6,517	9,359
Cherokee	12,522	9,081	108,025	78,691
Grand Wagoneer	1,337	1,003	10,431	9,754
Comanche	3,131	3,034	30,398	29,269
J-10/J-20	0	73	221	1,114
Jeep	**21,214**	**16,306**	**186,679**	**150,824**
Toyota	21,664	25,275	191,883	235,018
Nissan	15,908	18,732	131,756	167,129
Mazda	8,344	8,261	75,014	100,701
Isuzu	5,718	7,931	65,169	89,526
Mitsubishi	3,323	4,433	33,406	38,454
Suzuki	761	6,077	50,517	65,259
Subaru	0	85	10	1,203
Range Rover	329	248	2,527	1,549
Imports	56,047	71,042	666,842	681,839
Industry Total	371,940	375,760	2,725,634	2,556,749

Compiled by Maxon Dunkerwald

DOMESTIC MODEL YEAR CAR SALES

	1988	1987
Alliance	8,605	34,839
Eagle	2,911	4,567
Premier	29,878	0
Total Eagle	41,394	39,406
Horizon	57,007	64,563
Sundance	61,857	75,080
Turismo	2,217	21,908
Reliant	118,080	105,841
Caravelle	19,586	37,886
Gran Fury	12,486	9,792
Total Plymouth	291,183	315,050
Laser	0	8,041
LeBaron K	26,580	59,934
LeBaron J	106,871	60,604
LeBaron GTS	18,684	38,584
Fifth Avenue	49,547	61,406
New Yorker C	64,803	95
New Yorker E	21,572	85,296
Total Chrysler	290,037	294,970
Omni	53,906	54,172
Shadow	85,537	75,579
Charger	1,999	24,721
Daytona	70,998	33,095
Aries	105,539	101,161
Lancer	11,877	33,148
Diplomat	19,998	16,981
Dynasty	58,249	33
Dodge 600	19,895	39,327
Total Dodge	427,957	373,087
CHRYSLER MTRS.	1,050,551	1,012,512
Escort	381,330	394,999
Mustang	170,601	163,392
Tempo	284,548	234,653
Taurus	367,327	376,907
Thunderbird	127,356	128,767
Probe	45,647	0
Crown Victoria	114,534	125,761
Total Ford Div.	1,471,343	1,422,489
Lynx/Tracer	60,845	67,140
Topaz	51,210	67,722
Sable	119,132	109,394
Cougar	109,124	101,480
Capri	0	1,958
Grand Marquis	115,302	122,950
Total Mercury	485,613	470,644
Continental	33,507	16,534
Lincoln	126,642	136,085
Mark VII	23,184	28,093
Total Lincoln	183,333	180,712
Total L-M Div.	668,946	651,356
FORD MTR. CO.	2,140,289	2,073,845
Skyhawk	29,430	44,431
Somerset/Skylark	58,415	74,549
Century	122,230	171,973
Regal	119,234	54,401
LeSabre	137,154	153,158
Reatta	2,759	0
Electra	87,798	82,939
Riviera	9,241	19,838
Total Buick	586,261	601,289
Cimarron	6,925	14,651
Allante	3,502	1,651
Seville	21,661	22,304
DeVille	148,398	150,536
Brougham	49,400	57,705
Eldorado	29,514	20,587
Total Cadillac	259,400	267,434
Chevette	550	39,071
Nova	98,154	140,864
Cavalier	301,800	295,316
Camaro	93,617	122,761
Celebrity	258,601	331,847
Corsica/Beretta	355,323	179,057
Monte Carlo	41,788	68,472
Caprice	185,573	189,027
Corvette	25,425	25,266
Total Chevrolet	1,340,840	1,391,281
Firenza	12,166	18,520
Calais	100,810	103,510
Cutlass Ciera	233,584	284,860
Cutlass Supreme	100,608	106,303
Olds 88	156,232	184,402
Olds 98	75,441	75,680
Toronado	15,623	17,400
Total Oldsmobile	694,464	770,675
Fiero	27,304	47,156
Pontiac 1000	365	7,562
Sunbird	77,865	81,330
Firebird	58,459	77,635
Grand Am	222,438	216,085
Pontiac 6000	103,003	133,881
Grand Prix	79,573	18,827
Bonneville H	109,892	93,565
Paris./Safari	7,388	11,927
Total Pontiac	686,257	686,588
GENERAL MTRS.	3,547,222	3,719,267
HONDA	380,035	316,812
Civic	100,825	89,905
Accord	259,210	226,907
MAZDA	24,707	0
NISSAN	110,517	123,113
TOYOTA	60,076	34,209
VOLKSWAGEN	36,159	60,727
DOMESTIC TOTAL	7,329,558	7,340,482
IMPORT TOTAL	3,129,947	3,189,994
CAR IND. TOTAL	10,459,503	10,530,466

DOMESTIC DAYS' SUPPLIES

	Oct. 1, 1988	Sept. 1, 1988	Oct. 1, 1987
Alliance	—	143	109
Eagle	—	—	209
Premier	105	128	—
Total Eagle	93	129	119
Horizon	54	36	112
Sundance	67	58	58
Turismo	—	—	44
Reliant	48	54	60
Caravelle	67	91	68
Gran Fury	34	41	74
Total Plymouth	55	50	62
LeBaron K	42	82	80
LeBaron J	62	46	91
LeBaron GTS	84	73	127
Fifth Avenue	114	118	72
New Yorker C	93	84	—
New Yorker E	214	176	130
Total Chrysler	66	69	95
Omni	59	45	91
Shadow	75	62	60
Charger	—	—	43
Daytona	67	48	94
Aries	57	53	59
Lancer	167	108	147
Diplomat	47	66	91
Dynasty	47	72	—
Dodge 600	94	102	75
Total Dodge	61	57	73
CHRYSLER MTRS.	63	61	79
Escort	60	63	45
Mustang	77	54	53
Tempo	55	52	40
Taurus	84	47	47
Thunderbird	71	60	46
Probe	37	46	—
Crown Victoria	65	58	44
Total Ford Div.	64	57	46
Lynx/Tracer	102	131	45
Topaz	57	53	55
Sable	78	44	55
Cougar	41	51	47
Grand Marquis	40	37	37
Total Mercury	61	57	47
Continental	40	38	44
Lincoln	49	66	46
Mark VII	90	91	43
Total Lincoln	52	62	46
Total L-M Division	56	58	47
FORD MOTOR CO.	62	57	46
Skyhawk	61	75	74
Somerset/Skylark	75	50	71
Century	53	53	44
Regal	83	90	98
LeSabre	65	73	63
Reatta	185	186	—
Electra	51	60	61
Riviera	73	59	54
Total Buick	66	68	60
Cimarron	64	76	66
Allante	92	85	—
Seville	71	79	83
DeVille	40	47	43
Brougham	42	56	81
Eldorado	66	72	63
Total Cadillac	47	56	58
Chevette	—	—	62
Nova	78	106	50
Cavalier	69	54	62
Camaro	109	74	80
Celebrity	67	77	84
Corsica/Beretta	105	89	52
Monte Carlo	70	70	151
Caprice	100	90	42
Corvette	102	80	155
Total Chevrolet	84	70	65
Firenza	71	101	67
Calais	57	57	57
Cutlass Ciera	39	46	34
Cutlass Supreme	70	111	116
Olds 88	75	88	62
Olds 98	49	53	59
Toronado	65	62	54
Total Oldsmobile	59	66	54
Fiero	56	86	79
Pontiac 1000	—	—	89
Sunbird	42	52	51
Firebird	81	62	67
Grand Am	52	51	77
Pontiac 6000	68	65	75
Grand Prix	80	74	94
Bonneville H	74	93	74
Paris./Safari	76	96	63
Total Pontiac	60	65	72
GENERAL MTRS.	67	67	62
HONDA	15	14	11
MAZDA	42	37	—
NISSAN	16	50	29
TOYOTA	9	28	33
VOLKSWAGEN	—	—	57
DOM. TOTAL	60	59	57
Subcompact	37	44	—
Compact	51	47	—
Intermediate	70	64	—
Standard	61	67	—
Specialty	88	92	—

PRODUCTION

Truck build sets a pair of records

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

U.S. truck production for the third quarter totaled 936,140 and was the highest ever for that period. The previous record was 903,622 in 1987.

Third-quarter output was 13.77 percent below the second quarter's 1,085,676 which was also a record quarter.

Truckmakers set a September record with production of 362,011, surpassing the former peak of 328,604 in 1987.

Last month's truck output was 8.30 percent more than August's 334,266.

Targeted output of 85,370 trucks last week was 2.75 percent more than the previous week's 83,086 and 8.24 percent more than the year-ago week's 78,870.

Car production for the third quarter totaled 1,488,090, 26.80 percent below the second quarter's 2,032,772 but 6.30 percent more than the year-ago quarter's 1,399,859.

September car output of 622,616 was 25.01 percent more than August's 498,043 and 8.89 percent more than the year-ago month's 571,768.

Carmakers scheduled 151,038 units last week, 3.46 percent below the prior week's 156,445 but 2.77 percent more than the year-ago week's 146,972.

Companies split last week's estimated output as follows: General Motors, 52.51 percent; Ford Motor Co., 23.01 percent; Chrysler Motors, 13.84 percent; Honda of America Manufacturing Inc., 4.77 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.81 percent; Nissan Motor Manufacturing (USA) Corp., 1.90 percent; and New United Motor Manufacturing Inc., 0.16 percent.

Trucks at peak in Canada, too

Like the U.S. truckmakers, Canadian truckmakers set a third-quarter production record. Output of 192,399 surpassed the prior peak of 179,894 built in 1985's third quarter.

September truck output was also a record. At 85,723, it topped the former standard of 71,920 set in September 1985.

Last month's truck production was 19.01 percent more than August's 72,029 and was 46.12 percent above the year-ago month's 58,667.

Car output for the third quarter of 185,957 dipped 43.22 percent from the second quarter's 327,486 but rose 44.16 percent over the year-ago quarter's 128,991.

September car production of 85,038 was the highest for that month since 1985 when 92,463 cars were built.

Last month's car output was 30.84 percent more than the August total of 64,996 and 30.32 percent more than the year-ago month's 65,253.

The strike that began Aug. 24 against Volvo in Halifax, Nova Scotia, was settled last Monday, however the company issued no car production schedule for the week.

U.S. CAR						
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	1,569	899	1,554	6,271	62,851	35,610
Sundance	2,109	1,716	2,066	8,009	79,361	71,412
Reliant	2,139	3,894	2,213	9,122	68,759	97,454
Caravelle	0	556	0	51	9,265	36,372
Gran Fury	269	347	210	885	17,000	5,335
Total Plymouth	5,900	7,141	6,053	24,948	237,275	246,176
LeBaron K	0	924	0	0	7,912	53,610
LeBaron J	1,900	2,533	1,961	8,572	69,667	90,854
LeBaron GTS	180	781	176	894	7,282	20,998
N. Yorker E-Class	0	0	0	0	0	57,102
N. Yorker C-Class	2,600	0	2,176	8,904	61,077	3,068
Fifth Avenue	900	2,993	934	4,035	24,090	48,312
Total Chrysler	4,950	7,501	5,288	22,236	181,033	293,974
Omni	1,500	821	1,548	6,242	61,671	30,732
Daytona	1,200	1,991	1,991	8,413	59,211	48,368
Shadow	2,200	1,811	1,957	8,577	76,084	74,009
Aries	2,100	3,488	2,177	8,948	67,273	89,253
Dodge 600	0	666	0	0	8,548	32,436
Dynasty	2,600	0	2,910	11,516	82,257	692
Lancer	200	533	188	748	7,030	10,362
Diplomat	300	538	402	1,539	16,382	10,051
Total Dodge	10,100	9,777	11,101	46,279	380,055	304,903
CHRYSLER MOTORS	20,900	24,419	22,483	93,463	798,388	851,114
Escort	11,114	9,383	9,841	39,103	310,573	285,562
Mustang	4,422	4,412	4,580	18,542	157,539	166,289
Tempo	3,966	2,853	3,948	14,836	142,867	104,938
Taurus	7,772	6,678	8,084	34,272	226,221	315,998
Thunderbird	0	4,193	0	0	80,935	121,825
Total Ford Div.	27,174	27,304	26,211	105,969	1,088,135	1,094,295
Lynx	0	0	0	0	0	21,352
Tracer	1,691	993	1,992	6,995	54,619	34,372
Cougar	0	2,775	0	0	70,348	169,081
Sable	2,774	1,552	2,736	11,288	104,050	86,152
Total Mercury	4,465	5,130	4,320	17,271	229,016	280,172
Continental	1,050	0	1,510	6,534	38,339	9,610
Mark VII	529	666	723	3,243	20,299	21,806
Lincoln	1,580	3,430	2,235	9,825	97,651	109,680
Total Lincoln	3,175	4,116	4,469	19,602	156,258	141,076
Total L-M Division	7,580	9,246	8,789	36,873	385,274	401,248
FORD MOTOR CO.	34,754	36,552	35,000	142,426	1,383,409	1,495,541
Skyhawk	1,175	1,018	491	2,107	14,539	25,686
Skylark/Somerset	0	1,661	1,303	5,312	37,452	49,879
Century	4,525	1,931	4,746	19,726	99,915	124,337
Regal (rwd)	0	749	0	0	0	34,524
Riviera	800	380	891	2,123	8,620	9,993
Electra	2,385	1,931	1,916	5,804	65,153	70,677
LeSabre (fwd)	2,925	3,093	3,065	13,325	104,489	117,900
LeSabre (rwd)	160	286	31	739	7,675	6,916
Reatta	243	0	220	886	7,546	0
Total Buick	12,452	11,511	13,234	49,962	343,388	439,792
Cimmaron	0	283	0	0	3,693	9,240
Eldorado	717	597	706	2,393	27,294	15,150
Seville	544	586	530	1,776	17,360	13,497
Brougham (rwd)	910	1,806	867	3,747	26,177	56,648
Deville (fwd)	3,702	3,352	3,574	11,776	116,242	105,706
Allante	75	50	75	259	1,469	3,870
Total Cadillac	6,038	6,583	6,152	19,910	192,245	205,021
Cavalier	3,085	7,155	7,973	30,575	279,963	237,896
Camaro	2,600	2,394	2,633	10,514	71,509	85,552
Celebrity	3,245	5,137	3,910	15,417	141,392	234,819
Corsica/Beretta	10,280	8,584	8,782	42,476	330,477	258,999
Monte Carlo	0	1,903	0	0	0	56,740
Caprice	4,240	3,783	4,091	17,204	161,998	144,027
Corvette	580	661	450	1,992	17,365	21,676
Total Chevrolet	26,996	29,227	28,846	118,178	1,002,299	1,049,699
Calais	0	3,140	4,011	14,850	67,167	69,182
Firenza	0	468	0	0	5,230	10,363
Cutlass Ciera	1,460	458	1,453	5,285	21,823	101,817
Cutlass Supreme	3,465	1,536	2,859	6,870	109,830	59,870
Toronado	304	401	298	885	11,870	11,937
88 (fwd)	3,793	3,882	4,026	13,339	121,212	139,852
88 (rwd)	135	156	199	678	9,019	10,930
Olds 98	1,840	2,298	1,283	4,770	66,127	51,274
Total Oldsmobile	10,947	12,336	13,935	46,807	421,078	478,631
Sunbird	2,852	1,691	2,288	9,637	63,186	67,201
Grand Am	6,000	4,905	6,308	23,853	164,784	192,431
Firebird	1,840	1,447	1,803	6,892	49,971	62,336
Grand Prix	4,070	0	4,194	17,327	109,237	0
Pontiac 6000	2,800	939	3,375	12,553	88,015	57,948
Bonneville	3,510	2,867	3,159	11,843	90,579	101,141
Safari/Parisienne	100	196	149	696	6,238	7,666
Fiero	0	810	0	0	13,297	23,854
Total Pontiac	20,972	12,847	21,073	82,973	601,307	512,257
GENERAL MOTORS	79,307	72,294	83,242	317,690	2,560,387	2,695,630
HONDA	7,210	7,521	7,073	31,617	284,890	260,012
Civic	2,534	725	1,998	9,795	83,049	71,734
Accord	4,676	6,796	5,084	21,822	201,841	176,278
MAZDA†	5,757	154	5,525	20,573	107,911	856
NISSAN	2,870	1,267	2,857	12,213	87,344	89,979
NUMMI	240	3,598	195	4,684	111,577	151,974
Corolla	240	967	185	3,056	42,288	32,929
Nova	0	2,632	0	1,609	69,289	119,045
VOLKSWAGEN	0	1,178	0	0	35,997	48,456
Golf/GTI	0	478	0	0	30,444	36,113
Jetta	0	700	0	0	5,553	10,348
Total Cars, U.S.	151,038	146,972	156,445	622,616	5,379,673	5,491,362
Total Cars, Canada	20,526	16,596	20,767	85,038	621,978	587,667
U.S., Canada Cars	171,564	163,567	177,232	707,654	6,201,651	6,079,249
U.S., Canada Cars and Trucks	276,880	260,092	280,173	1,155,369	10,093,391	9,577,896

Monthly estimates may contain errors of one or two units due to rounding.
p—Total includes Mitsubishi and Chevy Nova.

CANADIAN CAR						
Eagle	0	—	0	0	0	—
Premier	1,020	—	1,303	5,394	49,375	—
CHRYSLER MOTORS	1,020	86	1,303	5,394	49,375	4,269
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	3,200	—	3,243	12,886	125,188	—
Topaz	1,631	—	1,632	6,351	52,088	—
Crown Victoria	2,773	—	2,788	11,280	96,917	—
Grand Marquis	2,987	—	3,000	12,012	100,321	—
FORD MOTOR CO.	10,696	8,696	10,661	42,530	386,521	334,469
Celebrity	529	—	185	776	15,579	—
Cutlass Ciera	2,991	—	3,736	13,979	180,731	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	0	29,999	—
Regal	4,000	—	3,976	17,523	124,437	—
GENERAL MOTORS	7,520	9,249	7,879	32,176	350,726	236,182
Civic	1,330	—	944	4,929	32,088	—
Accord	0	—	0	0	1,826	—
HONDA	1,330	359	944	4,929	33,914	10,991
VOLVO	0	249	0	0	4,439	7,965
Total Cars, Canada	20,566	18,635	20,787	85,038	821,978	587,667

U.S. TRUCK*						
Caravan	2,200	—	1,865	8,821	74,788	—
Dakota	2,300	—	2,413	10,139	82,986	—
Mini-Ram Van	200	—	234	1,001	10,272	—
Pickups	2,300	—	2,419	10,102	61,378	—
Total Dodge	7,000	9,777	6,931	30,057	229,300	225,689
Cherokee	4,400	—	4,232	17,040	141,119	—
Commanche	600	—	1,997	3,803	34,827	—
Grand Wagoneer	300	—	0	975	10,480	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	253	699	8,419	—
Total Jeep	5,700	4,616	5,582	22,667	194,696	173,582
Voyager	1,900	—	1,733	8,298	89,803	—
Total Plymouth	1,900	—	1,733	8,298	89,988	—
CHRYSLER MOTORS	14,600	14,393	14,216	61,019	480,216	399,971
Aerostar	4,935	—	5,073	21,466	190,027	—
Bronco	924	—	1,952	4,095	42,124	—
Bronco II	414	—	0	8,186	85,146	—
Econoline	5,542	—	5,574	22,621	184,648	—
Heavy trucks	1,308	—	1,295	5,424	51,084	—
Light trucks	10,134	—	11,795	44,039	379,029	—
Ranger	2,934	—	2,584	22,670	280,789	—
Total Ford Div.	26,191	34,158	27,393	128,540	1,172,897	1,139,374
FORD MOTOR CO.	26,191	34,158	27,393	128,540	1,172,897	1,139,374
Astro	4,044	—	3,458	15,113	135,589	—
Blazer	626	—	739	2,274	20,412	—
MedSume/Heavies	310	—	0	1,883	15,540	—
P-Model	915	—	884	3,779	31,980	—
Pickups	8,475	—	8,377	34,787	275,883	—
S-10	6,144	—	6,454	25,999	235,282	—
S-10 Blazer	4,236	—	3,873	16,224	129,436	—
Sportsvan/Van	2,221	—	2,379	8,795	74,309	—
Suburban	1,853	—	1,420	5,345	54,109	—
Total Chevrolet	29,934	14,992	27,584	113,999	973,521	952,145
Jimmy	199	—	98	541	5,895	—
MedJume/Heavies	460	—	0	1,858	28,725	—
P-Model	105	—	148	488	4,288	—
Pickups	2,160	—	2,594	10,812	84,944	—
S-15	1,480	—	1,631	6,382	53,658	—
S-15 Jimmy	1,224	—	1,198	4,339	38,548	—
Safari	1,051	—	938	3,817	34,857	—
Suburban	765	—	730	3,092	24,212	—
Vandura/Rally Vans	709	—	534	2,281	25,015	—
Total GMC	8,146	8,824	7,832	33,603	299,642	298,883
GENERAL MOTORS	38,820	23,788	35,416	147,602	1,273,169	1,251,028
NAVISTAR	1,810	1,844	1,912	8,803	66,620	57,119
NISSAN	1,300	2,139	1,409	5,956	72,217	67,975
AM GENERAL*	450	450	450	1,980	17,910	12,800
MISCELLANEOUS*	2,300	2,300	2,300	10,120	91,548	92,160
Total Trucks, U.S.	85,370	78,870	83,089	362,011	3,194,572	2,988,927

CANADIAN TRUCK						
Caravan	2,595	—	2,441	11,764	108,146	—
Mini-Ram Van	170	—	139	533	9,711	—
Ram Wagon	620	—	591	2,957	19,716	—
Ram Van	1,730	—	1,814	8,132	53,975	—
Total Dodge	5,105	7,943	4,982	23,886	191,048	300,674
Voyager	2,305	—	2,419	11,982	97,493	—
Total Plymouth	2,305	—	2,419	11,982	97,493	—
Wrangler	988	—	1,200	5,085	38,899	—
Total Jeep	988	1,034	1,200	5,085	38,899	25,991
CHRYSLER MOTORS	8,458	8,977	8,601	40,753	327,430	330,665
FORD MTR. (R. trks.)	3,848	3,492	3,542	13,969	124,617	115,032
Light trucks	3,285	—	3,506	14,986	118,745	—
Vans	1,390	—	1,344	5,886	45,159	—
Total Chevrolet	4,855	—	4,850	20,852	163,904	—
Light trucks	1,535	—	1,982	6,423	59,080	—
Vans	560	—	911	2,779	23,056	—
Total GMC	2,095	—	2,583	9,202	82,116	—
GENERAL MOTORS	6,750	5,955	7,443	29,854	246,020	178,525
NAVISTAR	270	231	289	1,127	8,891	7,467
Total Trks., Canada	19,126	17,715	19,855	85,723	706,958	629,686
U.S., Canada Trks.	104,496	96,585	102,941	447,734	3,901,530	3,598,613

*—Includes window van production. †—Estimated.
Jeep includes commercial only. AM General includes government-contract vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Navistar includes cab-and-chassis production and sales due to rounding.

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Automotive News

October 17, 1988

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Pepe deals auctioned at $30 million

10 N.J. outlets sold in 2 hours

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

CAMDEN, N.J. — Bidders snapped up all 10 of megadealer Richard T. Pepe's dealerships at a standing-room-only auction in U.S. Bankruptcy Court. They offered a total of more than $30 million in less than two hours.

"He (Pepe) oughta do this every month," New Jersey dealer William Pirretti joked after looking at the packed courtroom. "He's gonna make money on this."

Actually, last week's auction will probably just cover Pepe's debts, said attorney Robert Baime, who represented the court-appointed trustee Sanford Feld, who has been running the dealerships.

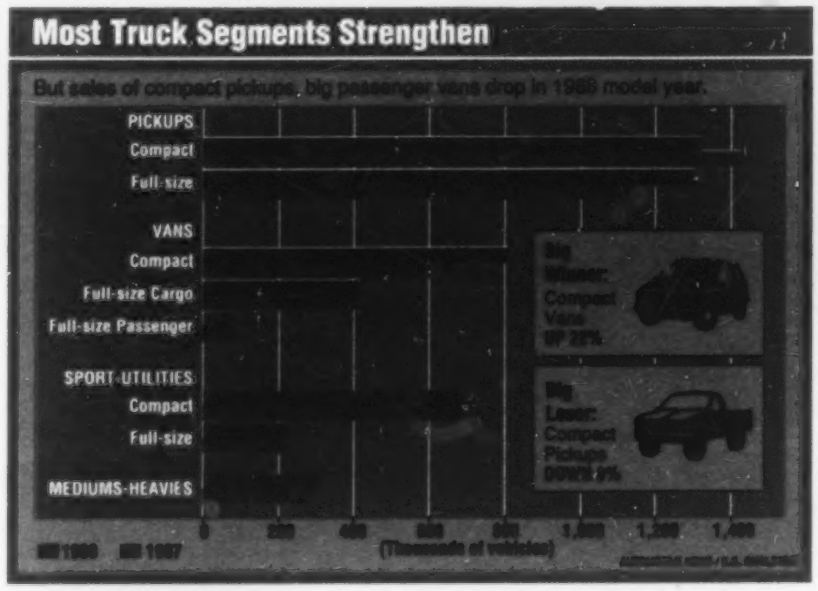
Pepe and his wife, Virginia, who owned four of the dealerships, were tense and unsmiling throughout the proceeding, as the auction dismantled their family career piece by piece.

"I couldn't stand this every month," Mrs. Pepe replied quietly when someone repeated Pirretti's remark.

In filing for protection from creditors, the Pepe dealerships cited more than $50 million in liabilities against $54 million in assets.

Most of the liabilities were floor-

see PEPE, page 64



HAULING: *Truck sales roll to record, propelled by full-size pickups*

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Truck sales in the United States set their fourth straight record in the 1988 model year, buoyed by the resurgence of full-sized pickups and the continuing growth of compact vans.

Compact pickup truck sales were depressed by a slide on the import side. Compact sport-utilities have plateaued — at least for the time being. That segment is awaiting a new batch of four-door domestic models to rev it up.

Other segments, like full-sized vans and sport-utilities, stayed pretty much on a par with recent years.

Industrywide, manufacturers retailed 5,146,360 trucks in the 1988 model year, including light, medium and heavy-duty models. That was up 4.81 percent from 4,910,364 in the 1987 model year.

The 1988 figures include 4,838,538 light duties, up 4.51 percent from 4,629,587 in 1987, and 307,322 medium and heavy trucks, up 9.45 percent from 280,777.

Truck manufacturers are looking for another strong — though not necessarily record — 5.1 million to 5.2 million sales in the 1989 model year, barring unforeseen circumstances such as another stock market plunge.

As a major spark plug in the industry's performance in 1988, compact vans chalked up 812,182 sales, up 22.06 percent from the 1987 model year. Of those, 85.30 percent were sold as passenger models and the balance as cargo vans.

see TRUCKS, page 65

2 of 9 dump Saturn pact, cite expense

By Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTER
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Two of Saturn Corp.'s first nine dealers backed out of handling the new, cutting-edge General Motors franchise in Southern California, blaming the huge financial and facilities requirements.

A 10th dealer, who traveled to Detroit with the original nine and was offered a franchise, declined to sign after taking the agreement home for further study.

The super-heated Southern California real estate market and other expensive requirements — including stringent facilities demands and fixed-fee service contracts — were apparently at the core of their decisions.

Dealers Joe D. MacPherson and Kenneth M. Nieman have canceled their previously announced agreements with Saturn, which is scheduled to deliver its first cars in June 1990.

San Diego dealer Bob Baker said he decided to pass after looking the agreement over carefully following the summer meeting in Detroit.

"I predict many of the first wave of dealers will drop out once their accountants figure out what kind of costs are really involved in it," said Baker, principal of the Bob Baker Enterprises chain in San Diego, which had been offered three Saturn locations. "I love the car and I think their mission is correct, but the numbers just didn't work."

Baker owns 10 stores, including two Chevrolet, two Ford, two Chrysler-Plymouth and one each Jeep/Eagle, Isuzu, Volkswagen and Acura.

"They were unwilling to be flexible on site locations, on design and a number of other points. I believe they're mistaken to think that dealers will be willing to work with them on that basis," he said.

see SATURN, page 62

More dealers, more repos in auction boom

By Charles M. Thomas
AUTOMOTIVE NEWS STAFF REPORTER

The number of franchised dealers attending closed factory-sale auctions has risen dramatically as the number of low-mileage, current-model program vehicles has increased, but the auction boom has brought with it some trouble spots, including cross-line buying by dealers at auctions.

Meanwhile, automakers say they will get tougher in 1989 with the daily rental companies, insisting that they buy more "at-risk" vehicles in relation to program vehicles.

Automakers also report that the number of repossessions is on the rise, helping increase auction sales.

Vehicle resale departments at Ford Motor Credit Corp., General Motors and Chrysler Motors will send more than 900,000 program vehicles, company cars, leased and

see AUCTION, page 63

The British press calls Virage "the most important Aston Martin ever"

Beloved but beleaguered

Birmingham showcases British industry, marques

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

BIRMINGHAM, England — Great Britain's decline as an auto industry powerhouse was dramatized last week when the arts were declared a bigger British export business than cars.

But the biennial Birmingham Auto Show, which opens this week, will nevertheless draw global attention by showcasing new incarnations of some of the world's most beloved marques.

Jaguar is still at least two years away from presenting a successor to the legendary E-type sports car, but it is expected to have

see SHOW, page 64

Minivan strike tab mounts for Chrysler

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

Last Friday, the strike at Chrysler Motors' St. Louis minivan plant logged its ninth profit-draining day, with no end in sight.

The strike at the St. Louis No. 2 plant had cost the company 6,300 vehicles by last Friday — vehicles the company will be unable to recoup because its minivan plants have been running flat-out to fill back orders.

The daily drain on profits amounts to $4 million a day, according to Wall Street analysts.

Late Friday afternoon, Chrysler was still assessing possible courses of action. The company was considering holding a meeting at the plant to explain the impact of lost profits on the workers' next bonus payment.

Last Wednesday, members of UAW Local 110 for the second time turned down a local agreement that had been reached between Chrysler and the local bargaining committee.

Workers first rejected the contract on Oct. 9, but that vote was thrown out because of voting irregularities.

So far, the ripple effects of the strike on other Chrysler plants have been felt only by 246 Chrysler workers at a stamping plant in Warren, Mich., who were laid off Oct. 10. Since Chrysler workers do not

see STRIKE, page 65

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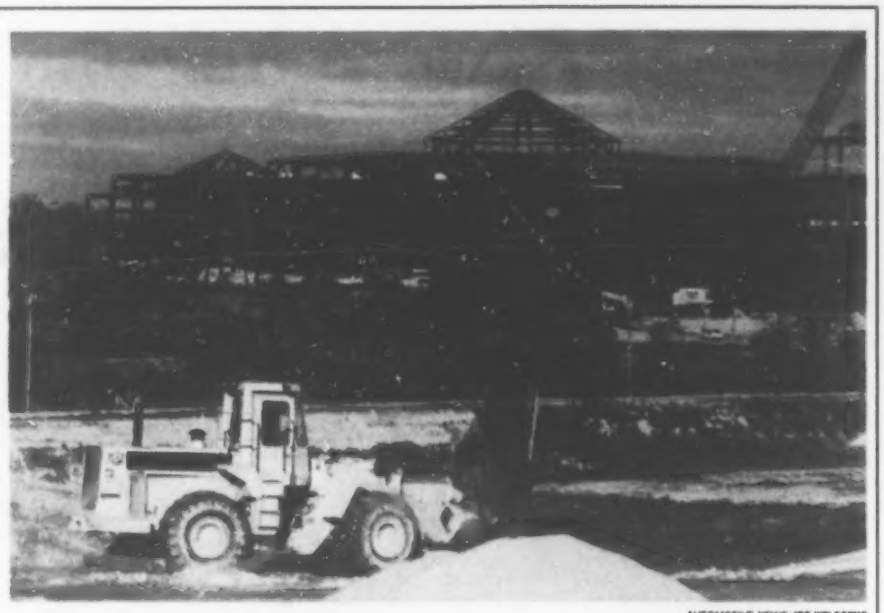
crunch Medallion Page 2
GM to scrap salaried-pay test Page 3
Ford tries Fast Lube idea Page 4

Chrysler tech center
The steel profile of Chrysler's technology center is emerging in Auburn Hills, Mich. The center, on a 500-acre site in the northern Detroit suburb, represents Chrysler's largest investment in a non-manufacturing facility. Chrysler and its suppliers are investing $800 million in the development. Of the total, $675 million will be for Chrysler's 2.6-million-square-foot center and a product evaluation road. The remainder is earmarked for an adjacent supplier park. Chrysler's technology center, scheduled to open in 1990 or 1991, eventually will employ 6,000.



AUTOMOTIVE NEWS/JOE WILSSENS

No uproar due as NADA picks leaders

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

Little real controversy appears to be brewing for the National Automobile Dealers Association board of directors meeting in Pebble Beach, Calif., next week.

The 58 directors are expected to ratify the next generation of leadership for the 20,000-member organization and discuss issues related to the growth and unification of the national dealer movement.

"I don't expect any surprises or problems," NADA President Jimmy C. Payton said last week. "I think it will be a quiet meeting — but then that's always when I'm caught by surprise."

Other directors contacted last week foresaw no problems, controversy, or difficulties likely to arise.

The final agenda will be mailed to NADA directors this week. In addition to regular business, Payton said last week he hopes that after Congress recesses, NADA will be able to put "a great deal of emphasis" on ethics in advertising by new-car dealers.

"It is getting more attention from state and local governments," Payton said, "and we need to address it."

One of the items on the agenda at the directors' meeting will be the election of officers who will take office at the NADA national convention in New Orleans Jan. 28-31, 1989.

Ron Tonkin, nine-franchise dealer in Portland, Ore., who was elected first vice president last October, will almost certainly be elected 1989 president.

Unlike last year when there were four candidates for 1988 first vice president, next week's election features a single candidate nominated by the board's nominating committee — Ray Green, the NADA director from Illinois.

Green, 60, is president of the nine-franchise Green Holding Co. in Jacksonville, Ill. He has been a new-car dealer since 1958 and an NADA director since 1980. His past NADA offices include secretary and Region III vice president plus trustee and fund-raising chairman of the Dealers Election Action Committee, NADA's political arm.

It is not likely a candidate will be nominated from the floor or offered as a write-in candidate, most directors said. That means Green is virtually assured of becoming first vice president in 1989 and — almost as certainly — president in 1990.

"He is very popular and no one wants to run against him," said James T. Caplinger, NADA immediate past president and chairman of the nominating committee. "I tried to get other candidates to run because it's good to have more than one candidate," Caplinger said, "but there is no opposition."

However, there is a horserace for the position of secretary. There are three candidates: William S. Dodge, 45, a six-franchise dealer from Falmouth, Maine; Robert E. Moody, 62, a Chevrolet-Buick-Pontiac-Oldsmobile dealer from River Falls, Wis.; and Syl J. Schumacher, 61, NADA Region III vice president and a Ford-Lincoln-Mercury-Dodge-Chrysler-Plymouth dealer from Linton, N.D.

The candidates have been campaigning since they were nominated in June.

In addition, the directors also will elect new members to the enlarged finance committee, plus a treasurer, insurance fund trustees and retirement fund trustees.

Another matter likely to be discussed at the Pebble Beach meeting is the status of merger talks between NADA and the American International Automobile Dealers Association.

High-ranking officials from NADA and AIADA — including NADA's Payton and Tonkin and AIADA Chairman Lee Seidman — held preliminary talks in July, just after the last NADA directors' meeting.

Payton said last week that he has no meetings scheduled with AIADA before the directors meet next week.

There is likely to be discussion about mandatory dealer ad association membership and "taxation" imposed by some manufacturers, as well as the status of the NADA professional staff, which has been hit with a number of departures and changes this year, including the resignation of John J. Ferron. Ferron, an NADA vice president, was the second-ranking professional staff member. He has not been replaced.

"I don't think anyone anticipated the (staffing) upheaval," Payton said, "but I think in every instance the restructuring strengthened our organization."

Payton said the executive committee has kept the directors abreast of developments.

There also will be reports by standing committees, with some special attention to the success of NADA's current image-development initiative — fostered by Payton — that includes an ad campaign and the NADA president's show on the Automotive Satellite Television Network.

Ford on watch to buy firms, but won't rush

By Al Fleming
AUTOMOTIVE NEWS STAFF REPORTER

WHITE SULPHUR SPRINGS, W. Va. — Ford Motor Co. is in no rush to spend the $10.2 billion cash balance it had on hand as of mid-year 1988. But diversification into non-automotive businesses is high on the list of spending possibilities.

"We believe it would be desirable if we can find ways to moderate the automotive (market) cycle by diversification, adding businesses that would have a different pattern as far as financial results are concerned — and, ideally, with more growth or growth potential," Ford Chairman Donald E. Petersen said last week. His remarks came during an informal conversation following his speech at the fall meeting of SAE's Detroit section.

"The area in which we've had real success so far has been financial services, and we've been quite pleased with the progress we've made there," Petersen said.

"Whether and when we would take additional steps, I wouldn't want to conjecture. But it is conceptually, I think, a good thing for the company and our shareholders to find a way to broaden our base.

"But that by no means would indicate we'd do anything other than visualize Ford as having a core business that is automotive."

Ford's interest in a financial services purchase helped fuel speculation last week that the company could be ready to acquire Dean Witter Reynolds, the stock brokerage division of Sears Roebuck & Co. Sears shares rose $2.125 Thursday on the rumors. Spokespersons at Ford and Dean Witter would neither confirm nor deny the reports.

The Ford chairman also is mindful of vehicle manufacturing capacity — his own company's and that of Japanese transplants in the United States.

"There's no question we could have sold more trucks in the North American market this year," Petersen said. "In trucks, we need (more) capacity. We have plans. We've announced some of them that will help us as far as capacity is concerned."

They include the addition of a second shift at the company's Wayne, Mich., truck plant and expansion of a light-truck transmission plant in Sharonville, Ohio.

"And we've now come to an agreement with Nissan, which will add to our capability," he said. In September, Ford and Nissan announced plans to build minivans at Ford's truck plant in Avon Lake, Ohio.

Petersen said he believes Ford's passenger-car production capability is in good shape.

"I think we have tracked quite well as far as cars are concerned, in terms of trying to judge just what capacity we need in relation to our demand," he said. "We went up strongly in our (market) share from '86 to '87, and again from '87 to '88. That says to us that with cars, overall, we're still in pretty good balance."

Asked whether he is concerned about additional Japanese transplant operations coming on stream during the next 18 months, compounding what industry observers see as a glut of vehicle-manufacturing capacity in the United States, Petersen said, "It's one more cranking up of several notches of competitive intensity. But excess capacity is a problem only for the companies that have it."

INDEX

Around the world	38-42
Auction dates	50
Classifieds	51-61
Inventories	24
Marketing and media	18-20
Obituaries	62
Opinion	10
Personnel	34-36
Production	66
Recreation on wheels	14
Sales, car	6

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TRY AGAIN: *GM to scrap salaried-pay experiment; opponents claim idea has not worked*

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — General Motors plans to scrap the salaried compensation plan put into place only last year that based raises on performance.

It is not known how GM will replace the performance-based pay system. A GM spokesperson would say only that the salaried compensation structure is reviewed annually, and GM's 114,000 U.S. white-collar employees would be notified by year-end if any changes are to be made for 1989.

However, high-ranking sources within the company said the change is in the works.

Some GM executives complain the performance pay structure hasn't worked. It has not fostered the teamwork spirit that GM has tried to instill in salaried workers, they said.

A group of salaried workers has threatened to sue GM because, they say, older employees are discriminated against on raises.

Thomas Williamson, a salaried GM worker who filed a complaint with the U.S. Equal Employment Opportunity Commission in June over the system, advertised a meeting for disgruntled salaried workers. About 100 people attended last week's meeting to discuss the possibility of a class-action suit. No decision has been made on filing such a suit.

Key proponents of the performanced-based pay structure are no longer employed by GM. Roy S. Roberts, former vice president in charge of the personnel administration and development staff, and his mentor, Elmer Johnson, former executive vice president, have departed.

Johnson, reportedly frustrated with the slow pace of change at GM, last spring returned to the Chicago law firm he worked for before joining GM in the early 1980s. Roberts, who skipped several rungs of the GM corporate ladder upon Johnson's recommendation, took a top management job at Navistar International.

The performance-based pay system was put into effect for 1988. It was designed to force GM's white-collar workers to "carry their own weight," Roberts said in a January interview.

Under it, some employees received no raises — weak performers, those without great potential and strong performers who were already at the top of their pay range.

In a study by GM of other large companies, GM said it found it was overpaying employees in the lowest five levels by 15 to 25 percent. That meant fewer employees in the lower salaried ranks received raises.

The study found that employees at levels 6 to 8 were paid slightly above the competition.

The salaried pay package for 1988 also contains profit sharing based on GM's U.S. profits and sales. It also includes recognition awards, which can be cash or be a non-cash item like tickets to a sporting event or gift certificates for dinner.

For 1988, GM set aside 2.5 percent of its salaried payroll for merit increases plus 3.5 percent for recognition awards. That compares with 3.5 percent for all performance pay allocated in previous years. GM does not reveal the size of its payroll.

GM, Ford fire up incentives on big batch of '89s

By Laura Clark
and Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTERS

General Motors and Ford Motor Co. wasted little time in following Chrysler Motors with incentives on 1989 cars and trucks last week. Both placed consumer rebates on selected models.

Every GM vehicle division except Cadillac announced rebates for selected vehicles. Ford, meanwhile, revised its week-old rebate program and added 1989 trucks. Its program for 1988 cars is unchanged.

Mitsubishi Motor Sales of America also has launched a series of regional incentives for dealers. They offer cash for 1988 cars and for 1988 and 1989 pickups and vans.

BUICK: The division is offering $750 on 1988 Electra/Park Avenue and 1988 Regal. In place of the rebate, Regal buyers may select loans with 3.9 percent interest for 24 months; 5.9 percent, 36 months; 8.9 percent, 48 months; or 9.9 percent, 60 months.

Buick is offering $500 rebates on 1989 Centurys and Skylarks. That is in addition to option package discounts of as much as $1,200 on Skylark and $1,000 on Century.

No dealer financial participation is required. Customers may order cars or purchase from dealer stock, but cars must be delivered by Dec. 31.

CHEVROLET: In a revised national program and new regional programs, Chevy is offering $750 rebates nationwide on 1989 Caprice models until Dec. 25. It is also giving buyers $500 on 1989 S-10 pickups (including EL models) and cab chassis.

The 1989 S-10 Blazer has a $400 rebate on two-wheel-drive models and a $600 rebate for 4wd units. The 1989 C/K full-sized pickup and cab chassis have a $300 rebate.

The truck incentive runs until Nov. 30 and requires no dealer financial participation.

Chevrolet's new national program includes option-package discounts on a variety of 1989 cars and trucks. Included are: $200-$300 savings on Cavalier Value Leader; $500-$800 on Cavalier RS coupe, sedan and wagon; $400-$800 on Cavalier wagon; $700-$800 on Cavalier Z-24 coupe; $700-$1,000 on Cavalier Z-24 convertible; $900-$1,300 on Corsica LTZ; and $600-$1,300 on Corsica hatchback and sedan.

Also: $1,100-$1,500 on Beretta GT; $600-$1,500 on Beretta; $1,100-$1,500 on Beretta GTU; $1,500-$1,900 on all Camaros; $675-$1,100 on Celebrity; $500 on Caprice Classic Brougham, including the LS; and $1,300-$1,900 on C/K 1500 pickups equipped with manual transmission.

Also: $1,100-$1,400 on C/K 1500 equipped with manual transmission and extended cab; $1,000-$1,700, on C/K 2500 equipped with manual transmission; $900-$1,400 on C/K 2500 equipped with manual transmission and extended cab; $1,000-$1,500 on C/K 3500 equipped with manual transmission; and $900-$1,400 on C/K 3500 equipped with manual transmission and extended cab.

Buyers in Maine, Massachusetts, New Hampshire, Vermont, Rhode Island, Connecticut, New York and New Jersey receive a $300 rebate or free automatic transmission on 1988 and 1989 Cavaliers. There is no dealer financial participation.

Buyers in California, Texas and Florida receive a $500 rebate on 1988 and 1989 Camaro RS and 1988 Camaro sport coupes. The program includes both retail and lease vehicles.

Buyers in Texas, Oklahoma and Louisiana can receive option-package discounts ranging from $1,700 to $1,900 on C/K pickups equipped with manual transmission. No dealer financial participation is required, and the program includes both retail and lease vehicles.

The regional programs run from Oct. 1 to Dec. 31.

FORD: Ford added 1989 trucks to its one-week-old incentive program. Ford placed a $300 rebate on 1989 F-series trucks equipped with manual transmission. A $300 rebate is also available on 1988 F-series trucks. The F-series incentive ends Dec. 5.

Ford also increased the rebate on the Ranger S from $300 to $500. All 1988 Rangers now have a $500 rebate until Nov. 24.

Consumers must purchase eligible vehicles from dealer stock. There is no dealer financial participation in the new Ford program.

GMC TRUCK: GMC Truck is offering rebates on 1989 models through Nov. 30. It is offering $600 on 2wd and 4wd S-15 Jimmys; $500 on S-15 compact trucks including commercial cabs and chassis models; $300 on Sierra C/K full-sized pickups including commercial cab and chassis; and $300 on R/V series full-sized pickups including four-door and commercial cab and chassis.

No dealer financial participation is required. Vehicles must be purchased from dealer stock.

OLDSMOBILE: Oldsmobile is offering rebates on selected 1988 and 1989 models. Included are: $500 on 1989 Cutlass Calais, Cutlass Ciera and Cutlass Supreme; $600 on 1988-89 88 Royale; $750 on 1988-89 98; $1,000 on 1989 Touring Sedan and Toronado; and $1,000 on 1989 Trofeo.

The rebates are for cars purchased from dealer stock or ordered and delivered by Nov. 30.

In addition to those rebates, Olds is offering buyers of its 1988 Cutlass Supreme $1,000 or GMAC financing of 3.9 percent for 24 months; 5.9 percent, 36 months; 8.9 percent, 48 months; or 9.9 percent, 60 months.

PONTIAC: Pontiac launched "Excitement Kickoff '89," which offers rebates on selected 1989 models until Jan. 3.

The rebates are offered on purchased and leased vehicles: $600 on Bonneville; $500 on Pontiac 6000, Grand Prix (except SE models), Grand Am and LeMans (except Value Leader models); and $350 on Firebird. Customers may order a car, but they must take delivery by Jan. 3. No dealer financial participation is required.

MITSUBISHI: A dealer program offers cash for 1988 cars and 1988-89 pickups and vans.

Dealers in the Northeast and Southwest regions receive $1,000 for each Cordia and Starion sold, and $500 for each Sigma.

Dealers get $250 per unit if they sell two or more three-door Precis models, and $500 per unit if they sell two or more five-door models.

They receive no money for the first five pickups and vans; however, the payment is $500 each for 6-25 units; $750 each for 26-50; and $1,000 each for 51 and above.

The program also pays a $2,000 bonus for each wagon, $1,000 per Montero and $1,500 for each Montero Sport model.

The program for dealers in the Western Region is the same with one exception — the bonus on the 1988 wagon is $1,000.

The program for dealers in the Southeast Region offers the same payments for Precis but lumps Cordia, Starion and Sigma sales for volume-attainment payments.

Dealers receive $750 per unit for the first 25 combined Cordia-Starion-Sigma sales; $1,000 per unit for 26-50; and $1,500 per unit for 51 and above.

The program also lumps sales of 1988-89 pickups and vans and 1988 wagons and Monteros. Mitsubishi said wagon and Montero sales will count toward volume attainment, but no payments will be made. Dealers will be paid nothing for the first five combined sales; $500 per pickup or van for 6-25 combined sales; $750 for 26-50 units; and $1,000 for 51 and above.

Western region dealers also will receive a $2,000 bonus per wagon sold, $1,000 per Montero and $1,500 for each Montero Sport.

Sales of U.S.-built cars jump 21.6%

By Philip Martin
AUTOMOTIVE NEWS STAFF REPORTER

Early-October sales of U.S.-built cars surged 21.60 percent ahead of the year-ago period because of an infusion of incentives.

U.S.-built car and light-truck deliveries for Oct. 1-10 were 279,112, up 16.93 percent from 238,707 a year ago.

Ford's domestic car and truck total rose 32.91, and GM's total was up 16.38 percent. Chrysler Motors' car and light-truck total slipped 1.17 percent, and Nissan's transplant car and truck sales dropped 36.33 percent.

There were 183,652 domestically produced cars sold in the first 10 days of October vs. 151,043 a year ago. The daily selling rate was 22,957, up 36.79 percent from last year's 16,783. This year's period had eight selling days; last year's, nine.

In the first 10 days, Ford sold 51.07 percent more U.S.-built cars than it did last year; Honda transplant car sales rose 27.21 percent; GM climbed 17.07 percent. Chrysler dipped 0.60 percent.

Toyota's transplant car sales fell 46.81 percent, and Nissan's were off 53.32 percent from last year's comparable period.

U.S.-built light-truck sales rose 8.89 percent in early October — 95,460 vs 87,664. GM and Ford were up; Chrysler sales declined.

DOMESTIC SALES

	Oct. 1-10, 1988	Oct. 1-10, 1987
Eagle	1,149	656
Chrysler	4,901	9,187
Plymouth	6,897	6,627
Dodge	11,619	8,244
Chrysler Motors	24,566	24,714
Ford	42,944	26,066
Mercury	10,281	8,826
Lincoln	5,182	3,770
Ford Motor Co.	58,407	38,662
Buick	14,766	11,589
Cadillac	6,012	7,476
Chevrolet	33,334	27,648
Oldsmobile	17,089	15,397
Pontiac	18,962	14,922
General Motors	90,163	77,032
Volkswagen	—	805
Honda	8,630	6,784
Nissan	1,005	2,153
Toyota	475	893
Mazda	366	—
U.S. Industry Total	183,652	151,043

Toyota woos Midwest

It's important in quest for million sales

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Toyota will continue to increase its presence in the United States, thanks largely to a booming Midwest economy, a greater number of U.S.-built Toyotas and a growing acceptance of Japanese-nameplated vehicles throughout the heartland.

AUTOMOTIVE NEWS: JOE WILSENS

McCurry expects "a shoot-out year"

Also aiding Toyota in its quest for more sales are new products for 1989, chief among them the flagship Cressida sedan and a redesigned pickup truck family.

"We anticipate this will be a shoot-out year," said Robert McCurry, Toyota Motor Sales U.S.A. executive vice president. "But we're looking forward to a very good year."

For the 1989 calendar year, Toyota executives are predicting industry car sales will reach 10.2 million units, while light-truck sales will add another 5 million.

He also said that by 1995, Toyota plans to sell 1.5 million cars and trucks annually in the United States, including some 130,000 Lexus cars from its upmarket division.

Traditionally, Toyota has enjoyed strong sales along each of the nation's seaboards. It has captured 11 percent of the car and truck market on the West Coast (12 percent in California) and 8 percent on the East Coast.

McCurry said the time is ripe to move into the Midwest, as the region's economy has surged, due in part to foreign investment.

McCurry credited competitor Honda with helping pave the way with its job-producing plant in Marysville, Ohio, and its more than 10-year history there.

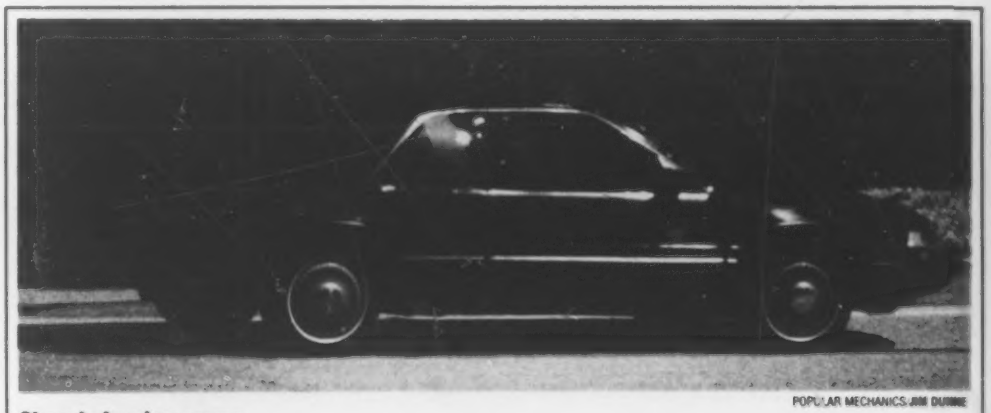
Toyota expects to sell 935,000 cars and trucks in calendar 1988 and predicts sales will rise to slightly more than 1 million in calendar 1989 aided by the addition of North American manufacturing plants producing Toyota vehicles, McCurry said.

He said the company hopes to gain a significant portion of the import-car market during the short and long terms.

The new Georgetown, Ky., manufacturing plant will be able to produce about 200,000 Camry sedans. Add to that the production at the joint-venture facility with General Motors in Fremont, Calif. — 100,000 Corolla sedans — and a new Canadian plant scheduled to come on line next year in Cambridge, Ontario, and Toyota is poised to make its market assault.

For the company to achieve its 1.5 million sales forecast in 1995, a new U.S. truck plant would have to produce 250,000 to 300,000 vehicles, McCurry said. He said the parent company should announce the plant's location by year's end.

With [illegible] that expansion, Toyota has been signing new dealers — a first since the export quotas hit in 1981. The company, now with some 1,100 dealers, expects to reach 1,175 by year-end 1989.



POPULAR MECHANICS: JIM DUNNE

Chevy's Lumina coupe

Chevrolet's 1990 Lumina coupe pick ups a few styling cues from the Beretta and Buick's Reatta. Note the sloping hood and fender lines, a la Beretta, and the high, wraparound rear-light treatment, a Reatta highlight. A four-door sedan bows next spring while the coupe is aimed for a fall 1989 intro. The car replaces the aging Celebrity.

Recreational Vehicle Wholesale Deliveries

	July 1988	July 1987	% change	7 mos. 1988	7 mos. 1987	% change
Travel trailers	4,800	5,100	– 5.9	39,400	39,600	– 0.5
Park Trailers	500	500	+ 0.0	4,300	3,600	+19.4
Travel trailers—fifth wheel	2,200	2,200	+ 0.0	19,300	15,800	+22.2
Folding camping trailers	2,800	3,200	–12.5	25,900	25,000	+ 3.6
Truck campers	900	700	+28.6	7,100	6,400	+10.9
Towable RV total	11,200	11,700	– 4.3	96,000	90,400	+ 6.2
Conventional (type A)	3,100	3,300	– 6.1	24,500	23,200	+ 5.6
Van Campers (type B)	400	500	–20.0	3,200	3,800	–15.8
Chopped vans (all)	1,900	2,100	– 9.5	16,100	16,900	– 4.7
Motor home total	5,400	5,900	– 8.5	43,800	43,900	– 0.2
Van conversions	16,100	14,800	+ 8.8	120,700	112,900	+ 6.9
TOTAL ALL RVs	32,700	32,400	+ 0.9	260,500	247,200	+ 5.4

Source: Recreation Vehicle Industry Association

RVs continue hot pace; July's shipments inch up

RV wholesale shipments increased slightly in July from their year-earlier levels, and 1988 as a whole is on track to turn in the best calendar-year performance of the decade.

The van-conversion segment continued to score stronger gains in July and for the first seven months of the year than the industry as a whole.

RV manufacturers wholesaled 32,700 units in July, a 0.93 percent increase over the 32,400 reported in like 1987.

For the first seven months of the calendar year, the industry shipped 260,500 units, 5.38 percent more than the 247,200 reported a year earlier, according to the Recreation Vehicle Industry Association.

Year-to-date through July, the industry maintained a seasonally adjusted rate of 425,000 shipments, the highest level during the 1980s.

Wholesale shipments of customized-van conversions totaled 16,100 in July, up 8.78 percent from 14,800 a year earlier.

Year-to-date through July, 120,700 van-conversion shipments were reported, up 6.91 percent from 112,900 a year ago.

Chassis availability, as measured by RVIA's seat-delete option survey, was slightly ahead for the month but remained slightly behind on a year-to-date basis.

Detroit manufacturers shipped 15,400 van chassis to converters in July, up from 15,000 in the year-earlier period.

They also shipped 126,500 chassis to converters during the January-July period, off 0.39 percent from the 127,000 moved a year earlier. Full-sized van chassis accounted for most of the shipments.

Manufacturers shipped 11,800 full-sized van chassis to converters in July, slightly off the pace of 12,000 a year earlier. For the seven-month period, they shipped 97,300 full-sized chassis, down 5.63 percent from 103,100 a year earlier.

Ford 'to get closer' to converters

Chevy winds up picking consignment-pool firms this month

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

Chevrolet is close to finalizing its new van chassis distribution program, while Ford is studying possible changes of its own.

Ford Motor Credit Co. may adopt the financing portion of the Chevrolet program by next April, according to industry sources.

Ford officials recently visited some dealers and van converters in the Elkhart, Ind., area to assess the new Chevrolet program, said James Ludlow, Ford Division light-truck sales promotion manager.

But Ludlow denied reports that Ford Credit would become more heavily involved in the van-conversion business, saying the company had reached no conclusions about what it might do and was, in fact, still studying and researching the whole issue of whether any changes should be made.

"To my knowledge, there are no plans to make any changes at this point in time," Ludlow said, adding that if there were, he would likely know about them.

Ford does, however, plan to "get closer" to van converters, though in what manner hasn't been determined, Ludlow added.

"As a general rule, we looked at the issue of whether to get closer to converters or farther away from them. And we decided that since the customer views us (as a chassis manufacturer) almost interchangeably with the final conversion product, we'd better get closer," Ludlow said.

"But it doesn't follow that you'd have to do something different with (chassis) distribution. There are lots of ways to get closer to converters without authorizing some — and not others — to do conversions."

Some industry sources have said that, during the next couple years, all chassis manufacturers will have to exert tighter controls over the way van conversions are put together because of more stringent federal regulations in the offing.

Meanwhile, Chevrolet has already approved more than 70 new companies for its consignment pool system under its new program, giving it a total of 123 factory-approved van converters as of early October.

Thomas Pfingst, assistant director of fleet and RV sales, estimated the division might end up with 150 to 175 converters by the time its selection process is completed at the end of this month.

As part of the selection process, Chevrolet and General Motors Acceptance Corp. inspected the plant operations and premises of 165 applicants and reviewed their financial qualifications.

It was, as Pfingst noted, "a yeoman's job" to bring the program on line during a short time period, considering the "constraints and pressures" on the various GM personnel involved. GMAC became integrated into the selection process — making it essentially a twofold program — because it will become involved in both wholesale and retail financing for converters and dealers.

Chevrolet has retained an open mind, and it has left open the possibility of exploring an idea presented by the Van Industry Alliance. The proposal calls for Chevrolet to set up a cooperative vehicle pool upon which small converters could draw for chassis.

Chevrolet officials haven't made up their minds on adopting that modification to their program, although they didn't rule it out. They were adamant, however, about retaining their original program guidelines, regardless of any possible modification.

Meanwhile, the flow of van chassis to converters — which had been slow — has been accelerating rapidly, Elkhart-area companies confirmed.

Chevrolet got off to a slow start in filling the van chassis pipeline because of its extremely low level of carryover 1988 model chassis, Pfingst said. It is now running 50 percent ahead of last year's production level, and "people should begin to really see a surge" in availability, he added.

Larry LaGuardia, vice president and general manager of Aviator Conversions, Elkhart, was one of the converters who confirmed the recent increase of chassis shipments into Elkhart.

Meanwhile, Chevrolet has created a pool of about 1,800 to 2,000 chassis for recently appointed new members of its pool system to draw on until their own orders begin arriving. The pool is intended to help newcomers survive during the six-week wait normally required to get chassis orders filled.

Winnebago aims 2nd van plant at East

RV TRENDS

JOSEPH BOHN

Winnebago Industries is gearing up to become a major player in the van-conversion market.

The company recently opened a new van-conversion production facility in Bear, Del., increasing its access to the New England and mid- and south-Atlantic states, according to Rex Shorten, general sales manager of Winnebago's van division.

The company previously had van-conversion production facilities only at its Forest City, Iowa, headquarters, thus its sales potential was limited.

As Shorten noted, "It becomes prohibitive from a cost/freight standpoint to ship van conversions to the East Coast markets" out of a Western facility.

Now, Winnebago has some ambitious sales targets.

After wholesaling about 1,800 van conversions in its 1988 fiscal year that ended Aug. 17 — an increase of nearly 60 percent over the previous year — Winnebago is sighting 3,000 sales for fiscal 1989.

That includes about 2,000 shipments out of Forest City and about 1,000 out of its new Delaware facility.

The company also has been signing new dealers and expects to have 35 to 40 "strong" new dealers by the end of fiscal 1989.

Winnebago has bailment pool agreements with Ford, Chevrolet and Dodge at its Forest City facility. It has received approval on additional agreements from Ford and Chevrolet covering its new Delaware operation and is in the process of being approved by Dodge, Shorten added.

The company provides a complete range of mini- and full-sized van conversions, he added.

The new Delaware plant is just starting to get up to "a line rate conducive to popping out some real numbers. We've been running minimum volume there up to now, as part of a learning curve," Shorten said.

The company's new-dealer efforts will be pretty well spread among Ford, Chevrolet and Dodge outlets, he said, noting that the Winnebago models have been "well accepted in the East."

Starcraft boats

Starcraft Corp. of Topeka, Ind., signed a definitive agreement to sell its Starcraft Power Boats Corp., a wholly owned subsidiary, to Brunswick Corp.

Terms were not disclosed.

The acquisition is expected to be completed this month.

Starcraft Power Boats Corp. has its major manufacturing facilities in Topeka and Delhi, La.

Starcraft intends to use the proceeds from the sale to reduce debt resulting from the company's management-led buyout, which was completed in July 1987, and focus its efforts on its van-conversion and RV products businesses, according to its Chief Executive Officer Don Cuzzocrea.

Ford, Conrail team up

Consolidated Rail Corp. opened a new automotive terminal in Elkhart, Ind., to facilitate delivery of Econoline vans from Ford's van assembly plant in Lorain, Ohio, to Elkhart van converters.

Conrail is coordinating the entire transportation package — from Ford's assembly plant to the van converters, including forwarding of the vans from the new terminal by truck. That enables Ford to deal with only one party.

Shipment time from Lorain, Ohio, to Elkhart is 24 hours.

Cruise seeks dealers

Cruise America, one of the nation's largest retailers and renters of RVs, has undertaken a program to expand its rental dealer network.

The company is encouraging qualified potential dealers to contact the firm for information.

The Miami-based firm operates a fleet of 3,000 vehicles.

TraTech's 1989 Diamond Edition
TraTech, Fort Worth, Texas, features a top-of-the-line Centennial, along with Regatta and Diamond Edition models, in its 1989 lineup. The Diamond Edition shown here was redesigned with a crisp, uncluttered look, with economy in mind.

Yoder elected RVIA chairman

RESTON, Va. — The Recreation Vehicle Industry Association has elected officers for 1989.

Allen Yoder Jr., president of Jayco Inc., Middlebury, Ind., was elected RVIA chairman.

Melvin L. Adams, vice president and general manager — RV group of Coleman Co., Wichita, Kan., was elected first vice chairman. Wayne Dahl, senior vice president and chief financial officer of Holiday Rambler Corp., Wakarusa, Ind., was elected second vice chairman.

John Casey Jr., president of Shurflo, Santa Ana, Calif., is secretary. Stephen T. Decker, president of Skamper Corp., Bristol, Ind., is treasurer.

Six persons were elected to the 21-member board of directors. Robert B. Lee, president of Country Coach Inc., Junction City, Ore., was elected Western motor home representative. Don R. Pletcher, chairman of Damon Corp., Elkhart, Ind., was elected Eastern travel trailer representative.

Four at-large directors were elected: Gerald E. Boman, senior vice president of Winnebago Industries, Forest City, Iowa; Michael S. Mitchell, president of Nu Wa Industries, Chanute, Kan.; RVIA immediate past chairman Don Cuzzocrea of Starcraft Corp.; and Yoder.

RVIA has formed a new committee to address unique supplier issues because suppliers felt their concerns had not been addressed by the association.

Import stocks hit 11-month low

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

Imported-car and light-truck stocks on Oct. 1 were whittled down to the leanest levels in 11 months, although September's slower sales pace kept the days' supply up.

Each of the last two months opened with a 58-day supply. On Oct. 1 a year ago, imported-car and truck stocks equaled a slimmer 49-day supply.

On Oct. 1, there were 723,482 imported cars and light trucks in stock at U.S. ports, in transit to dealerships and in stores. That was 5.58 percent below last month's combined total of 766,262. A year ago, October opened with 714,897 unsold imported cars and light trucks.

Imported-car stocks shrank 4.02 percent to 582,350 on Oct. 1, compared with 606,740 a month earlier. Although stocks dipped, they represented a 59-day supply vs. a 58-day supply on Sept. 1 because of weaker September deliveries. A year ago, there was a fatter stockpile, 647,966 unsold imported cars, but a leaner days' supply of 48.

The domestic-car stockpile on Oct. 1 totaled 1,385,938, equal to a 60-day supply (Automotive News, Oct. 10). That was 5.32 percent greater than on Sept. 1 when 1,315,919 cars, representing a 59-day supply, were reported.

A year ago, domestic-car stocks totaled 1,396,454, equal to a 57-day supply.

October also opened with 11.53 percent fewer unsold imported light trucks than on Sept. 1. The total was 141,132, equal to a 55-day supply compared with last month's 159,522, representing a 56-day supply. The total was 15.45 percent below the year-ago figure of 166,931, representing a 53-day supply.

Over the last two months, the German automakers' share of unsold cars in this country dropped two percentage points. The Japanese share declined slightly during September.

Three major Japanese firms with U.S.-transplant operations — Toyota, Nissan and Honda — began October with an 8.23 percent share of combined domestic and import car stocks compared with a 10.15 percent share on Sept. 1.

On Oct. 1, the Big 3's combined car stocks — domestic and captive import — grew to 76.1 percent, up from 73.35 percent on Sept. 1.

Of the three transplants, the leanest combined car stocks were Toyota's, which equaled a 15-day supply.

Honda's combined stocks edged up slightly to equal 16 days' worth. Nissan cut its combined car stocks to a 51-day supply from 74 a month earlier.

A few Japanese makes had high stock levels. General Motors' captive Chevrolet stocks equaled a 113-day supply, and Chrysler Motors' captive Mitsubishi stocks reported a 125-day supply.

IMPORT DAYS' SUPPLIES

	Oct. 1, 1988	Sept. 1, 1988	Oct. 1, 1987
Chevrolet	113	88	90
Chrysler/Mitsubishi	125	130	82
Acura	36	52	19
Daihatsu	72	83	—
Honda	16	22	14
Isuzu	108	103	68
Mazda	48	46	44
Mitsubishi	70	64	67
Nissan	73	85	83
Subaru	75	79	59
Toyota	16	17	24
JAPAN	50	52	49
Audi	142	89	47
BMW	61	77	61
Mercedes-Benz	34	44	48
Merkur	80	105	49
Porsche	82	82	58
VW*	103	98	55
GERMANY	80	82	54
Alfa Romeo	147	91	103
Festiva	111	103	51
Hyundai	59	37	20
Jaguar	32	26	18
Peugeot	80	52	85
Pontiac	88	86	31
Eagle/Renault	231	310	279
Saab	57	62	46
Sterling	60	80	73
Volvo	44	47	43
Yugo	127	103	53
Other Countries	76	63	40
Total Import Cars	58	58	48
Isuzu	96	94	91
Mazda	58	68	49
Mitsubishi	96	130	63
Nissan*	37	51	74
Range Rover	44	53	20
Suzuki	—	15	32
Toyota	20	34	35
Chrysler	113	137	39
Total Imp. Trucks	55	56	53
Total Imp. Vehicles	58	58	49

*Includes domestic vehicles

ALLANTE

Italian group cites Cadillac, Ferrari

NEW YORK — Executives of General Motors and Industrie Pininfarina S.p.A. have received an award citing their joint production of the Cadillac Allante as a contribution to stronger ties between Italy and the United States.

The award is sponsored by Gruppo Esponenti Italiani, a group representing major Italian organizations in the United States. Recipients of the 1988 award are John O. Grettenberger, Cadillac general manager, and Sergio Pininfarina, chairman of Industrie Pininfarina.

The Allante, designed by Pininfarina in Italy, is produced and assembled jointly by Pininfarina plants in Italy and Cadillac facilities in the United States.

The award, a sculpture by Italian artist Arnaldo Pomodoro, has been given in the past to Sen. Edward M. Kennedy, D-Mass.; Giovanni Agnelli, chairman of Fiat; David Rockefeller, chairman of Chase Manhattan Bank; and New York Gov. Mario Cuomo.

EPA rebuffed on used-oil labels

By Helen Kahn
SENIOR CORRESPONDENT

WASHINGTON — A federal appeals court has overturned EPA's 1986 ruling that used oil collected by car dealers and gas stations for recycling need not be labeled a "hazardous waste."

The agency, in response to complaints filed mainly by gasoline stations, said the "stigma" of the label might make firms reluctant to collect and recycle oil, resulting in stations dumping oil on the ground or into sewers.

However, a three-judge panel of the U.S. Court of Appeals for the District of Columbia said that basing a decision on the "stigmatic effects" was not possible under the Clean Air Act. Instead, said the court, EPA should make the decision based on "technical criteria."

The challenge was brought by the Natural Resources Defense Council.

EPA, which had originally proposed listing used oil from vehicle oil changes as "hazardous," will now take another look and make its decision based on the ingredients of the waste oil.

The EPA has estimated that as much as 1.2 billion gallons generated annually is reusable. The Natural Resources Defense Council said only about half that amount is collected and reused, mostly for heating oil. Toxic chemicals that may be present are benzene and heavy metals such as lead, cadmium and chromium.

Museum piece: hot Buick GNX

FLINT, Mich. — Buick General Manager Edward H. Mertz presented the Sloan Museum with a GNX, a higher-performance edition of the 1987 Buick Regal Grand National. Mertz also announced Buick will donate $5,000 to help the museum develop its new "Flint and the Automobile" display.

The limited-edition GNX has been highly prized on the collector market. The suggested retail price of the GNX was $29,290, but prices on the collector market have often been much higher.

ASC Inc. of Southgate, Mich., a maker of limited-edition vehicles, announced in February 1987, that it would offer 547 GNX models, based on the Regal Grand National, in cooperation with McLaren Engines of Livonia, Mich. The GNX presented to the Sloan Museum is No. 500.

The GNX features modifications of the turbocharged and intercooled 3.8-liter V-6 engine used in the Grand National, as well as special wheels and tires, suspension and exhaust system modifications.

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AUCTION DATES

Chrysler Motors

Oct. 18 — Dallas Auto Auction, Grand Prairie, Texas; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; Southern Auto Auction, Warehouse Point, Conn.; Hatfield Auto Auction, Hatfield, Pa.; Riverside Auto Auction, Riverside, Calif.; and Portland Auto Auction, Portland, Ore.

Oct. 19 — A.D.E. of Birmingham, Birmingham, Ala., and Columbus Fair Auto Auction, Obetz, Ohio

Oct. 20 — Fredericksburg Auto Auction, Fredericksburg, Va.; Indianapolis Auto Auction, Indianapolis; Omaha Auto Auction, Omaha, Neb.; and Southwest Auto Auction, Phoenix, Ariz.

Oct. 21 — St. Louis Auto Auction, Bridgeton, Mo.

General Motors

Oct. 18 — A.D.E. of Birmingham, Moody, Ala.; Florida Auto Auction of Orlando, Ocoee, Fla.; and National Auto Dealer Exchange, Bordentown, N.J.

Oct. 19 — Metro Auto Auction of Kansas City, Lee's Summit, Mo.; Minneapolis Northstar Auto Auction, Shakopee, Minn.; and Indianapolis Auto Auction, Indianapolis

Oct. 20 — Butler Auto Auction, Gibsonia, Pa.; Colorado Auto Auction, Commerce City, Colo.; Aptco Auto Auction, Taylor, Mich.; Big H Auto Auction, Houston; and Nashville Auto Auction, Nashville, Tenn.

Ford Motor Co.

Oct. 18 — South Seattle Auto Auction, Kent, Wash.

Oct. 19 — Northway Auto Auction, Clifton Park, N.Y.; Clanton's Auto Auction, Darlington, S.C.; Mississippi Auto Auction, Hattiesburg, Miss.; Indianapolis Auto Auction, Indianapolis; and Southern California Auto Auction, Fontana, Calif.

Used Car Sales
Auction Averages

October 88	$5,810
Month ago	$5,874
Year ago	$6,010

Model Breakdown
Auction Averages

	Oct. 1988	SEPT. 1988	AUGUST 1988
1988 ...	$9,768	$9,772	$12,473
1987 ...	$7,865	$7,554	$7,919
1986 ...	$6,618	$6,816	$6,891
1985 ...	$5,996	$5,593	$5,819
1984 ...	$4,330	$4,177	$4,308
1983 ...	$3,169	$3,556	$3,583
1982 ...	$2,591	$2,535	$2,479
1981 ...	$1,707	$1,743	$1,887
Overall Average	$5,810	$5,757	$6,019

AUCTION DIRECTORY

PENNSYLVANIA

Todd Auto Auction, Old Route 309, P.O. Box 380, Telford, Pa. 18969. 215-721-1300 or 800-234-TODD. Next Sale — Oct. 20th.

PENNSYLVANIA

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HYUNDAI

FROM PAGE 2

year, a Hyundai spokesman said.

In 1987, Hyundai's global exports of the rear-wheel-drive 1.6-liter Stellar and a 2-liter derivative (confusingly enough, also named Sonata) totaled 33,765 units. Only 6,776 were exported in the first half of this year.

"For Hyundai, the importance of the Sonata is something like the second stage booster for the space shuttle. If it fires, Hyundai sails into orbit. If it misfires . . . it'll take a long time to put all the pieces back together," said a Ford executive in Seoul.

The Sonata's development and launch have received all the care of a space shot. Hyundai has poured 30 billion won ($42 million) and five years of development into the project.

More than 90 percent of Sonata is Korean-produced, leading the local press to tout the car as an indigenous product.

However, an auto industry analyst with the Korean Institute for Economics and Technology said that underneath the Sonata beats the heart of a Mitsubishi Galant. Although both engine and transmission are produced by Hyundai, the drivetrain is being built under license from Mitsubishi, which designed it.

Both Daewoo Motor and Kia Motors acknowledge Hyundai's superior degree of engineering self-reliance, leaving some question about the need for foreign equity partners when the required automotive technology can be obtained off the shelf and engineered into products in-house. In that regard, Hyundai is the envy of Korean industry.

Meanwhile, domestic reception of the Sonata has been enthusiastic. A Hyundai spokesman said 12,617 units have been delivered since the car was introduced July 4, and another 11,000 are on back order with customers having to wait eight weeks for delivery.

Initial concerns about finish and trim installation have largely dissipated during the last two months as production has been fine-tuned.

"Domestic car buyers have been reacting very favorably. It looks as if the car will do well, at least domestically," said Jardine's Lim. "Daewoo is the car company that will be hurt most (by the Sonata). Their Royale Salon has been going on forever. It's a very tired presentation."

Despite the warm reception at home, Yoon Ik-Soo, a senior industry research with Ssangyong Economic Research Institute (a securities analyst firm that is part of the Ssangyong Group, a Hyundai rival), predicts Hyundai will find the going tougher the second time around North America.

With the Excel subcompact, Hyundai managed a brilliant performance largely due to the vacuum created by the Big 3 and even some Japanese companies who abandoned the subcompact segment, Yoon said.

"But the Sonata is a compact, and it's going to be up against the U.S. Big 3 compacts as well as the Japanese. There's much more at stake here," he said.

Ironically, Yoon said, it may be tough for Hyundai to compete but, at the same time, danger lurks in being too successful.

"I believe that if exports of the Sonata exceed 100,000 units per year, we're going to see some kind of 'voluntary restraint' agreements imposed by the U.S. government," Yoon said.

Anything over 100,000 units annually is "voluminous," according to Yoon, and overstepping that mark may invoke the wrath of U.S. makers and even Japanese transplants. He maintains that both have their fingers ready on the trigger for a trade action against Hyundai.

While Hyundai denies having set the Sonata's price at this stage, industry sources here are predicting that the 2-liter model will carry a sticker price of $10,000 in the United States, with the price climbing as high as $13,000 depending on the option package.

SONATA

FROM PAGE 2

Park said 20,000 to 30,000 Sonatas will be built in 1989. Production is scheduled to increase to 70,000 in 1990 and to reach full capacity, 100,000 cars on a two-shift basis, in 1991.

The plant eventually will employ 1,200 people, although there are only 200 full-time employees at Bromont now, including 50 Korean nationals. The plant will have 600 employees when commercial production begins in January.

In addition to a million-square-foot plant consisting of a body shop, paint shop, final trim shop and office space, the 413-acre site has a container storage yard, a car storage compound and a 1.4-kilometer (0.9-mile) test track.

Most of the 120 robots used in the welding shop are of Hyundai's own design and manufacture.

Total investment in the plant will be $325 million Canadian ($269 million).

All body stampings, assembled engines and transmissions will be shipped from Korea. Canadian-sourced parts include seats; trim pieces; tires from Michelin's plant in Bridgewater, Nova Scotia; and aluminum wheels from Hyundai's parts plant in Newmarket, Ontario.

Park estimated that "Canadian value added" of Bromont-built cars will be around 20 percent at Job One.

Sonata is the first car to use a General Electric Xenoy fasica front- and rear-bumper system combined with a Xenoy blow-molded beam. Three air-filled bladders collapse progressively under impact. Following a minor collision, air is re-aspirated automatically and the bumper resumes its original shape.

The car is powered by a 2.4-liter port-injected four-cylinder engine that develops 110 horsepower at 5,600 rpm and 138 pounds-feet of torque at 3,500 rpm. A 3-liter V-6 will bow in 1989.

A five-speed manual transmission is standard and an electronically controlled four-speed automatic transmission with overdrive is optional.

MODEL YEAR TRUCK SALES

By segment

	Model year 1988	Model year 1987	Percent Change
Compact pickups	1,326,177	1,439,426	– 7.87
Compact vans	812,182	665,384	+22.06
Compact sport-utilities	682,447	686,092	– 0.53
COMPACT SEGMENT	**2,820,806**	**2,790,902**	**+ 1.07**
Full-size pickups	1,313,817	1,163,768	+12.89
Full-size cargo vans	416,557	399,736	+ 4.21
Full-size passenger vans	70,424	73,753	– 4.51
Full-size sport-utilities	216,934	201,426	+ 7.70
FULL-SIZE SEGMENT	**2,017,732**	**1,838,686**	**– 9.74**
TOTAL LIGHT TRUCKS	**4,838,538**	**4,629,587**	**+ 4.51**
MEDIUMS-HEAVIES	**307,322**	**280,777**	**+ 9.45**
TOTAL TRUCKS	**5,146,360**	**4,910,364**	**+ 4.81**

TRUCKS

FROM PAGE 1

Automotive News' sales tabulation includes only the compact vans that importers report as trucks. The truck industry figure for small vans would be higher if some Japanese van sales, which are reported as car sales, were included in the truck total.

Small van sales benefited from a full year of additional production capacity at Chrysler's St. Louis No. 2 plant and smaller production boosts at Ford Motor Co. and General Motors.

Ford will boost Aerostar production again in the 1989 model year by about 20 percent to accommodate its new stretched model. However, all manufacturers continue to be pretty much capacity-constrained on these vehicles. There won't be any big jump until GM introduces its new front-drive small vans next year.

Full-sized pickups staged an historic turnaround in 1988 by reversing a long-standing downward trend and scoring a 12.89 percent gain for the year.

Big pickup sales should, if the industry continues strong, see the biggest gain of any segment this year because of boosts in production capacity by the domestic makers. Ford recently added a second shift at its Wayne, Mich., truck plant. GM added a second shift in Pontiac, Mich., and Chrysler Motors boosted production in Warren, Mich.

Both Ford and GM were tapped on full-sized pickups in 1988 — Ford more so than GM — and could have sold additional models if they had been available.

Meanwhile, full-sized sport-utility sales were up 7.70 percent, while compact sales in that segment were off slightly, primarily due to a sharp drop at Suzuki. That segment would be larger if some models that importers report as car sales were included.

The class is expected to benefit this year from the introduction of some new models, such as the Chevrolet Tracker and Suzuki Sidekick, initially being imported from Japan but going into production in Canada by spring.

Full-sized cargo van sales increased and passenger vans declined, after manufacturers adjusted the mix to accommodate the van converters.

Additional sales are expected in this segment this year, with overtime at GM's Lordstown, Ohio, and Scarborough, Ontario, plants. Chrysler also boosted big van production sharply at its Pillete Road plant in Windsor, Ontario.

In direct contrast to minivans, 85.53 percent of full-sized vans were sold as cargo or commercial models last year.

Full-sized passenger van sales of 70,424 were off 4.51 percent from 73,753 in 1987.

Compact pickups had, of course, a big slide, due to soft import sales, triggered by higher prices resulting from the strong yen.

Compact pickup sales of 1,326,177 were off 7.87 percent from 1,439,426 in the previous year.

Nissan rewrites dealer agreement

More emphasis on customer satisfaction, handling complaints

By Francis J. Gawronski
AUTOMOTIVE NEWS STAFF REPORTER

CARSON, Calif. — Nissan Motor Corp. in U.S.A. has revised its dealer sales and service agreement and will begin replacing the current agreement with its 1,100 Nissan Division dealers in the United States.

The new agreements are being mailed to all dealers for their signature today.

The new agreement replaces one in existence since 1979 and addresses "changes in business practices and needs over the past 10 years," according to Nissan Division General Manager Robert J. Thomas.

"The agreement does not represent any revolutionary changes, such as mandatory arbitration, or the right of first refusal in the case of proposed dealership sales," Thomas said. "We feel the new form of agreement maintains the same basic operating philosophy between Nissan and its dealers as the existing agreement."

Nissan will continue to offer a perpetual agreement, however, a provision that gave the dealer's named successor in event of death a two-year agreement has been amended to automatically include the dealer's heirs.

The new agreement also continues a provision for a policy review to handle certain issues that cannot be resolved through usual communication channels, Thomas said.

Nissan said the agreement also calls for updated performance measurements on customer satisfaction, primarily in service and parts areas of the dealership. But he did not elaborate what measurements would be used, who would do the survey and what consumer satisfaction levels would be acceptable.

A spokesman said the new agreement requires that dealers appoint a staff member in charge of customer complaints.

The new agreement also places a greater focus on the importance of the executive manager of the dealership, the person authorized under the agreement to run the dealership on a day-to-day basis.

Nissan had final approval of the executive manager under the old agreement, but now specific requirements and performance review procedures are addressed in the new franchise agreement.

Another new provision requires Nissan to respond to a dealer's proposed buy-sell offer within 60 days of receipt of all required documentation. There was no timing provision in the old agreement.

The changes incorporated in new agreement were reviewed by the Nissan Dealer Advisory Board and the National Automobile Dealers Association, Thomas said.

He said the modifications were based on their input.

"It will better serve the needs of both Nissan and its dealers," Thomas said of the new pact.

STRIKE

FROM PAGE 1

produce the vans' engines or trim, no further layoffs are anticipated, a Chrysler spokesman said.

Besides health and safety matters, the St. Louis strikers are also reportedly upset about what they believe to be Chrysler's plans to increase outsourcing, including the outsourcing of subassembly components. But both the national and local agreements address the problem of outsourcing, a UAW spokesman said.

Outsourcing is not an issue in local bargaining, the Chrysler spokesman said. Local officials could not be reached for comment.

Workers walked off the job at Chrysler plants in St. Louis this summer because of excessive heat. The new contract provides for air-conditioned break areas and other relief measures.

Other factors have been suggested as contributing to the rejection of the contract.

Voting on the new local agreement took place against the background of the recent bitterly fought Region 5 election, in which Jerry Tucker defeated longtime director Ken Worley.

Heavy overtime might also have taken its toll. Workers have been putting in nine-hour shifts and many Saturdays to keep up with the demand for the popular vans.

"They could just be resting up," said an observer, who noted that Chrysler workers recently received a healthy performance bonus check that could tide them over during the shutdown. The minivan plant workers received about $1,150 apiece on Oct. 7.

The politics of a local election, which will be held soon, reportedly also figured in the "no" votes.

The extended-wheelbase Plymouth Grand Voyager, Dodge Grand Caravan and Mini Ram van built in St. Louis and the shorter versions built in Windsor, Ontario, rank with Jeep Cherokee as Chrysler's most profitable products.

"If you look at our bottom line, a disproportionate share of it really is contributed by minivans and Cherokees," said Bennett E. Bidwell, Chrysler Motors president of product and marketing in July.

Last January, Chrysler Corp. Vice Chairman Robert S. Miller Jr. said that truck sales represented 45 percent of the company's volume and accounted for 60 percent of the company's gross profit.

The St. Louis plant produces 700 minivans a day.

The first vote was 792-50 against the contract. The second vote was 1,197 to 1,156.

PRODUCTION

Car output moves up; trucks dip

By Karen Detkowski
SPECIAL CORRESPONDENT

U.S. truckmakers scheduled 80,151 units last week, 3.10 percent less than the prior week's 82,712 and 0.71 percent below the year-ago week's 80,723.

Year-to-date, 3,262,065 trucks have been assembled, 6.94 percent more than the 3,050,347 completed last year at this point.

Car output was estimated at 155,136 units last week, 2.11 percent above the previous week's 151,932 and 1.94 percent more than the year-ago week's 152,177.

So far this year, 5,535,903 cars have been built, 1.94 percent fewer than the 5,645,538 assembled last year at this time.

Companies split last week's production as follows: General Motors, 51.99 percent; Ford Motor Co., 22.47 percent; Chrysler Motors, 13.75 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 4.99 percent; Honda of America Manufacturing Inc., 4.52 percent; Nissan Motor Manufacturing Co. U.S.A., 1.81 percent; and New United Motor Manufacturing Inc., 0.47 percent.

GM's Lansing, Mich., plant, which assembles the Buick Skylark and Oldsmobile Cutlass Calais, resumed output last week. A parts shortage had idled 4,000 workers on Oct. 3.

Ford's Lorain, Ohio, plant reopened last week after being down since Aug. 1 for changeover to the 1989 Ford Thunderbird and Mercury Cougar.

GM slated Saturday overtime last week at its Oklahoma City; Arlington, Texas; and Linden, N.J., car assembly plants. Friday overtime was scheduled at the Janesville, Wis., plant which is on a 10-hour/4-day work schedule.

Daily overtime is scheduled at all Ford plants except the Lorain car plant and the Twin Cities, Minn., truck plant.

Saturday overtime was scheduled last week at Ford's Wayne, Mich.; Kansas City, Mo.; Norfolk, Va.; and Lorain, Ohio, truck assembly plants.

Workers at Chrysler's St. Louis (No. 2) plant, which builds Dodge and Plymouth minivans, continued their strike last week over their local agreement. The strike began Oct. 5, and about 6,300 units have been lost.

Cars, trucks slip in Canada

Canadian auto production was scheduled at 17,036 last week, 16.78 percent below the previous week's 20,471 but 11.40 percent above the year-ago week's 15,292.

So far this year, Canadian carmakers have built 838,959 units, 39.29 percent above the 602,299 completed last year at this time.

Truck output was scheduled at 17,831 last week, 4.23 percent below the prior week's 18,619 but 20.62 percent above the year-ago week's 14,783.

Total year-to-date truck production is 724,282, 12.23 percent above the 645,360 built at this point last year.

Canadian auto workers worked only four days last week; Thanksgiving was observed Oct. 10.

U.S. CAR	Week Ended Oct. 15, 1988	Week Ended Oct. 17, 1987	Week Ended Oct. 8, 1988	Oct. to Date	Jan. 1 to Oct. 15, 1988	Jan. 1 to Oct. 17, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	1,500	790	1,558	3,058	64,409	36,469
Sundance	2,100	1,672	2,247	4,347	61,638	73,227
Reliant	2,200	3,780	2,234	4,434	71,093	101,218
Caravelle	0	548	0	0	9,265	36,928
Gran Fury	200	267	187	387	17,196	5,882
Total Plymouth	6,000	7,057	6,226	12,226	243,601	253,524
LeBaron K	0	954	0	0	7,912	54,634
LeBaron J	2,400	2,831	2,163	4,563	69,450	93,787
LeBaron GTS	150	831	240	390	7,502	31,967
N. Yorker E-Class	0	0	0	0	0	57,102
N. Yorker C-Class	2,000	1,300	2,192	4,192	83,269	4,389
Fifth Avenue	900	2,540	974	1,874	25,064	50,796
Total Chrysler	5,450	8,456	5,569	11,019	187,197	292,675
Omni	1,500	671	1,542	3,042	63,213	31,553
Daytona	1,500	1,897	1,524	3,024	61,035	50,259
Shadow	2,200	1,843	2,154	4,354	80,818	76,001
Aries	2,100	3,697	2,172	4,272	69,445	93,041
Dodge 600	0	697	0	0	8,549	33,130
Dynasty	2,500	286	2,554	5,054	84,721	952
Lancer	200	494	149	349	7,157	19,915
Diplomat	300	561	380	680	15,712	10,589
Total Dodge	10,300	10,136	10,475	20,775	390,690	315,440
CHRYSLER MOTORS	21,750	25,648	22,270	44,020	821,478	877,633
Escort	9,760	9,361	10,812	20,472	319,931	304,919
Mustang	4,221	4,451	4,410	8,631	161,748	170,560
Tempo	3,780	3,262	3,837	7,597	148,596	107,877
Taurus	8,419	8,503	7,793	16,212	314,661	324,462
Thunderbird	324	4,184	0	324	91,259	125,999
Total Ford Div.	26,384	29,761	26,852	53,236	1,034,197	1,033,817
Lynx	0	0	0	0	0	21,352
Topaz	1,525	883	1,660	3,185	56,172	35,253
Cougar	345	2,795	0	345	70,693	110,854
Sable	2,968	1,909	2,765	5,733	107,009	98,116
Total Mercury	4,838	5,587	4,425	9,263	233,874	265,810
Continental	1,454	0	1,135	2,589	39,872	9,610
Mark VII	730	675	557	1,287	21,026	22,474
Lincoln	2,135	3,377	1,696	3,831	99,892	112,998
Total Lincoln	4,319	4,052	3,388	7,707	160,790	145,082
Total L-M Division	9,157	9,639	7,813	16,970	394,664	410,892
FORD MOTOR CO.	35,541	39,400	34,665	70,206	1,428,861	1,444,709
Skyhawk	1,175	959	1,041	2,216	15,579	28,685
Skylark/Somerset	1,685	1,694	0	1,685	39,137	51,560
Century	3,722	2,762	4,828	8,550	103,540	127,246
Regal (rwd)	0	636	0	0	0	35,273
Riviera	620	314	550	1,170	7,161	10,345
Electra	2,443	1,931	2,379	4,822	67,580	72,609
LeSabre (fwd)	2,925	2,162	2,925	5,850	107,414	119,373
LeSabre (rwd)	180	309	176	356	7,851	7,208
Reatta	248	0	231	479	7,782	0
Total Buick	12,998	10,767	12,130	25,128	356,064	450,299
Cimmaron	0	180	0	0	3,693	9,425
Eldorado	743	446	647	1,390	27,967	15,856
Seville	568	541	509	1,077	17,913	13,997
Brougham (rwd)	1,104	1,732	887	1,991	27,258	58,454
Deville (fwd)	4,140	3,491	3,792	7,932	120,382	110,058
Allante	75	50	75	150	1,534	3,920
Total Cadillac	6,630	6,440	5,910	12,540	198,747	211,510
Cavalier	7,491	6,689	7,654	15,145	286,753	245,096
Camaro	3,030	2,377	2,947	5,977	74,880	97,891
Celebrity	3,774	5,213	3,264	7,038	145,185	239,986
Corsica/Beretta	9,238	8,684	10,116	19,354	339,560	267,773
Monte Carlo	0	1,854	0	0	0	58,343
Caprice	5,208	4,483	4,117	9,325	166,944	148,327
Corvette	565	650	562	1,127	17,932	22,327
Total Chevrolet	29,306	29,930	28,660	57,966	1,031,257	1,079,743
Catalina	3,115	2,564	0	3,115	90,282	92,322
Firenza	0	404	0	0	5,230	10,820
Cutlass Ciera	1,224	473	1,511	2,735	23,078	102,291
Cutlass Supreme	3,860	1,611	3,567	7,227	112,362	61,414
Toronado	317	388	277	594	12,160	12,332
88 (fwd)	3,318	3,845	3,803	7,121	124,540	143,743
88 (rwd)	136	230	170	306	9,192	11,157
Olds 98	1,705	2,388	1,650	3,355	57,842	53,572
Total Oldsmobile	13,477	11,903	10,978	24,455	434,686	491,249
Sunbird	2,400	1,685	2,711	5,111	85,445	88,892
Grand Am	5,280	5,800	6,001	11,281	190,045	198,416
Firebird	1,540	1,515	1,739	3,279	50,710	63,780
Grand Prix	4,060	0	4,000	8,060	110,227	0
Pontiac 6000	3,428	1,494	2,874	6,302	71,517	59,091
Bonneville	2,971	2,962	3,506	6,477	93,546	103,808
Safari/Parisienne	95	131	98	193	6,331	7,874
Fiero	0	1,003	0	0	13,297	24,704
Total Pontiac	19,774	14,590	20,929	40,703	621,118	526,565
GENERAL MOTORS	82,185	73,630	78,607	160,792	2,641,872	2,759,368
HONDA	7,145	6,375	7,730	14,875	292,555	257,638
Civic	2,566	722	2,436	5,002	85,517	72,829
Accord	4,579	5,653	5,294	9,873	207,038	184,809
MAZDA†	4,695	199	5,503	10,398	112,552	841
NISSAN	2,870	1,295	2,876	5,746	90,220	101,346
NUMMI	750	3,636	281	1,031	112,368	155,573
Corolla	750	934	281	1,031	43,079	33,896
Nova	0	2,712	0	0	69,289	121,677
VOLKSWAGEN	0	1,993	0	0	35,987	48,432
Golf/GTI	0	1,293	0	0	30,444	37,389
Jetta	0	700	0	0	5,553	11,043
Total Cars, U.S.	155,136	152,177	151,932	307,068	5,535,903	5,645,538
Total Cars, Canada	17,036	15,292	20,471	37,507	838,959	602,299
U.S., Canada Cars	172,172	167,469	172,403	344,575	6,374,862	6,247,837
U.S., Canada Cars and Trucks	270,154	262,975	273,734	543,888	10,361,209	9,943,544

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended Oct. 15, 1988	Week Ended Oct. 17, 1987	Week Ended Oct. 8, 1988	Oct. to Date	Jan. 1 to Oct. 15, 1988	Jan. 1 to Oct. 17, 1987
Eagle	0	—	0	0	0	—
Premier	1,020	—	1,016	2,036	47,391	—
CHRYSLER MOTORS	1,020	86	1,016	2,036	47,391	4,345
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	2,584	—	3,283	5,867	137,792	—
Topaz	1,328	—	1,636	2,964	53,426	—
Crown Victoria	2,227	—	2,791	5,018	101,162	—
Grand Marquis	2,333	—	2,932	5,265	102,589	—
FORD MOTOR CO.	8,472	5,834	10,642	19,114	394,979	341,290
Celebrity	463	—	569	1,032	16,373	—
Cutlass Ciera	2,617	—	2,951	5,568	183,308	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	0	29,690	—
Regal	3,200	—	3,967	7,167	127,604	—
GENERAL MOTORS	6,280	9,056	7,487	13,767	356,975	237,331
Civic	1,120	—	1,146	2,266	33,024	—
Accord	0	—	0	0	1,828	—
HONDA	1,120	316	1,146	2,266	34,852	11,344
VOLVO	144	0	180	324	4,782	7,989
Total Cars, Canada	17,036	15,292	20,471	37,507	838,959	602,299

U.S. TRUCK☆	Week Ended Oct. 15, 1988	Week Ended Oct. 17, 1987	Week Ended Oct. 8, 1988	Oct. to Date	Jan. 1 to Oct. 15, 1988	Jan. 1 to Oct. 17, 1987
Caravan	0	—	783	783	73,371	—
Dakota	2,300	—	2,381	4,681	85,246	—
Mini-Ram Van	0	—	90	90	10,162	—
Pickups	2,300	—	2,372	4,672	63,750	—
Total Dodge	4,600	8,550	5,626	10,226	232,529	234,366
Cherokee	3,800	—	4,519	8,319	145,037	—
Commanche	700	—	872	1,572	35,599	—
Grand Wagoneer	300	—	350	650	10,843	—
Pickups	0	—	0	0	0	—
Wagoneer	300	—	277	577	8,795	—
Total Jeep	5,100	4,552	6,018	11,118	200,274	178,498
Voyager	0	—	708	708	68,411	—
Total Plymouth	0	—	708	708	67,776	—
CHRYSLER MOTORS	9,700	13,102	12,352	22,052	497,668	412,864
Aerostar	4,860	—	4,939	9,799	164,961	—
Bronco	1,067	—	907	1,974	43,174	—
Bronco II	908	—	454	1,362	96,084	—
Econoline	5,575	—	5,549	11,124	190,230	—
Heavy trucks	1,311	—	1,309	2,620	52,376	—
Light trucks	11,305	—	10,033	21,338	390,233	—
Ranger	3,436	—	2,903	6,339	264,194	—
Total Ford Div.	28,462	32,798	26,094	54,556	1,201,262	1,172,516
FORD MOTOR CO.	28,462	32,798	26,094	54,556	1,201,262	1,172,516
Astro	3,480	—	4,001	7,481	139,997	—
Blazer	526	—	550	1,076	20,882	—
Mediums/Heavies	370	—	321	691	15,921	—
P-Model	915	—	911	1,826	32,910	—
Pickups	8,823	—	9,527	18,346	284,754	—
S-10	6,629	—	6,218	12,847	241,985	—
S-10 Blazer	3,584	—	4,319	7,903	133,103	—
Sportsvan/Van	1,865	—	2,148	4,013	76,095	—
Suburban	1,398	—	1,976	3,374	55,817	—
Total Chevrolet	27,590	20,279	29,967	57,557	1,001,444	921,294
Jimmy	180	—	279	439	6,054	—
Mediums/Heavies	580	—	569	1,149	29,384	—
P-Model	105	—	111	216	4,379	—
Pickups	2,767	—	2,399	5,166	87,150	—
S-15	1,558	—	1,350	2,908	55,076	—
S-15 Jimmy	1,036	—	1,172	2,208	37,532	—
Safari	905	—	1,126	2,031	35,847	—
Suburban	660	—	509	1,169	24,586	—
Vandura/Rally Vans	568	—	742	1,330	27,245	—
Total GMC	8,359	7,886	8,257	16,616	307,283	307,384
GENERAL MOTORS	35,949	28,167	38,224	74,173	1,308,707	1,228,678
NAVISTAR	1,900	1,647	1,909	3,809	68,628	58,767
NISSAN	1,390	2,259	1,383	2,773	73,600	70,012
AM GENERAL*	450	450	450	900	18,380	13,050
MISCELLANEOUS*	2,300	2,300	2,300	4,600	93,840	94,460
Total Trucks, U.S.	80,151	80,723	82,712	162,863	3,262,065	3,050,347

CANADIAN TRUCK	Week Ended Oct. 15, 1988	Week Ended Oct. 17, 1987	Week Ended Oct. 8, 1988	Oct. to Date	Jan. 1 to Oct. 15, 1988	Jan. 1 to Oct. 17, 1987
Caravan	2,555	—	2,497	5,052	110,613	—
Mini-Ram Van	185	—	189	354	9,895	—
Ram Wagon	835	—	615	1,450	20,546	—
Ram Van	1,715	—	1,746	3,461	55,206	—
Total Dodge	5,270	6,611	5,047	10,317	196,260	310,339
Voyager	2,400	—	2,482	4,882	100,010	—
Total Plymouth	2,400	—	2,482	4,882	100,010	—
Wrangler	988	—	889	1,877	39,778	—
Total Jeep	988	612	889	1,877	39,778	28,025
CHRYSLER MOTORS	8,658	7,223	8,418	17,076	336,048	338,364
FORD MTR. (lt. trks.)	2,888	2,554	3,584	6,472	127,441	117,916
Light trucks	2,938	—	2,816	5,754	121,234	—
Vans	1,277	—	1,385	2,662	46,431	—
Total Chevrolet	4,215	—	4,201	8,416	167,665	—
Light trucks	1,382	—	1,612	2,994	60,519	—
Vans	478	—	530	1,008	23,504	—
Total GMC	1,860	—	2,142	4,002	84,023	—
GENERAL MOTORS	6,075	4,822	6,343	12,418	251,688	181,427
NAVISTAR	210	184	274	484	9,105	7,853
Total Trks., Canada	17,831	14,783	18,619	36,450	724,282	645,360
U.S., Canada Trks.	97,982	95,506	101,331	199,313	3,986,347	3,695,707

—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

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October 24, 1988

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Saturn loss no surprise

Economy, land cost prompt dealer caution

By Michelle Krebs and Roger Rowand
AUTOMOTIVE NEWS STAFF REPORTERS

Another Saturn dealer said last week that he no longer is interested in the Southern California area he was assigned, although he remains extremely interested in obtaining a Saturn franchise elsewhere.

Two of Saturn's nine initial dealers previously confirmed they had withdrawn their letters of intent to carry the forthcoming General Motors car.

GM isn't panic-stricken; instead, Saturn executives and dealers said they expected some defections and predicted there could be more.

GM President Robert Stempel called Saturn "a helluva gamble" that will require dealers who are firmly committed to Saturn for the long term. Saturn is GM's newest division whose mission is to take a clean sheet of paper approach to every aspect of the automobile business, from manufacturing to retailing.

"When we launch a new product," Stempel said, "we've got to have a dealer who is fully committed to making it go. It can't be 'Well, if it goes, I like it' . . . We don't want them worrying about having too much money in the franchise or whether the return is too slow."

Stempel's remarks came after it was reported that two of Saturn's first nine dealers selected for Southern California backed out of the deal (Automotive News, Oct. 17).

Joe MacPherson, a Santa Ana, Calif., dealer, withdrew, saying Saturn did not fit his development plans.

Kenneth Nieman, principal of City Chevrolet in San Diego, retracted his letter of intent for the San Diego area. He said he is not considering being a Saturn dealer and has no commitment to Saturn, but he said last week that he told Saturn he would be willing to look at another region.

After studying Saturn's plan for San Diego, Nieman concluded it was not viable because he could not predict when he would see a profit on the required investment.

Dalip Singh Sethi, a GM minority dealer and the smallest-volume dealer of the Southern California group, said he wants a Saturn franchise in California but in an area other than the one he had been assigned. He said that the cost of property in his assigned area, which he did not reveal, was triple what Saturn had projected, making it unfeasible.

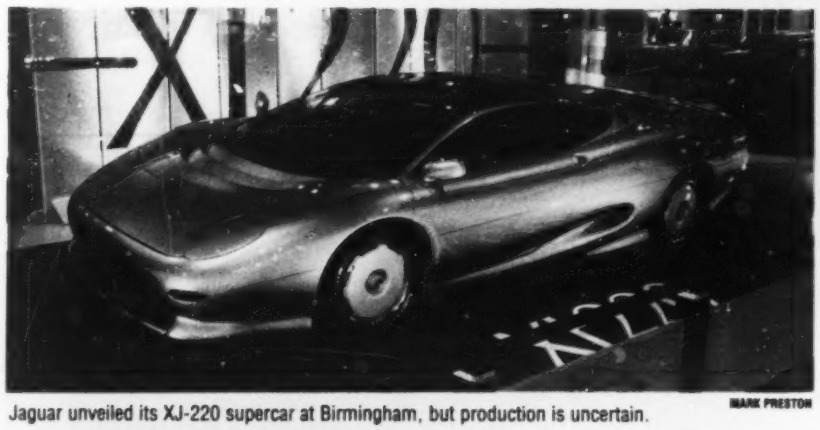
Saturn is looking for another area for him. Singh has a dealership in Delano, Calif., with Pontiac, Buick, Cadillac and GMC franchises.

Six of the original nine dealers in Saturn's first wave, meanwhile, have said they will go ahead with the franchise as planned. At least one has signed a franchise agreement, has purchased a piece of land and is negotiating to buy a second plot for his Saturn outlets.

Saturn executives and dealers who have taken on the franchise or have applied for it said the defections did not surprise them, and they would expect there will be more dealers opting not to go with Saturn as time goes on. Nevertheless, they remain convinced the Saturn approach is the right one.

"It's a big undertaking," Stempel said at

see SATURN, page 52



Jaguar unveiled its XJ-220 supercar at Birmingham, but production is uncertain.

MARK PRESTON

BIRMINGHAM: *New cars star; Ford plant to U.K.*

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

BIRMINGHAM, England — As Aston Martin launched its new flagship at the Birmingham Auto Show, it was close to finalizing plans with its Ford parent to produce a new higher-volume model in a brand new plant.

And Ford Motor Co., the market leader in the United Kingdom, used the show to announce plans to erect a £725 million ($1.27 billion) engine plant employing 3,000 workers at Bridgend, South Wales, rather than in Spain as had been speculated. Ford called it the largest single investment in an auto engine plant anywhere in the world.

The decision was a victory for the United Kingdom over Valencia, Spain, where Ford has major car and engine assembly facilities. It also helped assuage feelings left over from Ford's recent cancellation of plans for a £100 million ($175 million) electronics plant in Dundee, Scotland, that was instead put in Spain.

The engine plant will build up to 850,000 units annually of the company's new Zeta engine family, which will displace 1.4 to 2 liters for passenger cars and light-commercial vehicles. Sixty percent are slated for export to Ford plants in Europe.

Audi's Coupe also bowed, but with less fanfare.

Meanwhile, Jaguar is studying whether to put the XJ-220 supercar it displayed last week at the Birmingham show into production. The project has been turned over to the new JaguarSport Ltd. joint-venture company.

Aston vied with Jaguar for show-stopping honors. Jaguar wowed the press-day throng with the XJ-220, but 90 minutes later, Aston attracted the biggest single floor crowd of any recent European auto show when it took the wraps off its Virage replacement for the V-8 Saloon.

Journalists overflowed the Aston stand and spilled onto the walkways and adjacent stands. The upper level of the Morgan Motor

see BRITISH, page 53

Makers win N.Y. lemon challenge

By Helen Kahn
SENIOR CORRESPONDENT

In a major victory for the auto industry, a federal judge in New York struck down six provisions in the state's lemon law dealing with manufacturers' arbitration programs.

The provisions were 1986 amendments to the 1983 lemon law.

The court threw out the six separate mandatory provisions involving the programs that were challenged by the auto industry on grounds they were pre-empted by the 1975 U.S. Magnuson-Moss Act and by the Federal Trade Commission rule (known as 703) covering the makers' informal dispute settlement mechanisms.

The provisions are:

- A requirement that an automaker's informal dispute settlement mechanism allow an oral hearing if the consumer asks for it. FTC Rule 703, which pre-empts state law, allows an oral hearing only if both the consumer and the automaker agree.
- A requirement making the arbitrator's decision binding on the maker but not on the consumer. Rule 703 says the mechanisms are non-binding and require only that the warrantor act in good faith in deciding whether or to what extent it will abide by the decision.
- A requirement that arbitrators be trained in arbitration and be familiar with the provisions of the lemon law. Rule 703 requires only that the informal dispute settlement mechanism be competently staffed to ensure a fair and expeditious resolution.
- Additional recordkeeping requirements beyond those in the Magnuson-Moss Act and Rule 703.

see N.Y. LEMON, page 54

Export push is on at GM

Goal is 100,000 in '89 and double that in '91

By Michelle Krebs
AUTOMOTIVE NEWS STAFF REPORTER

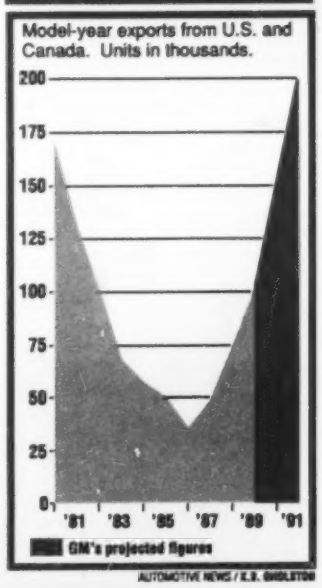
DETROIT — General Motors' aggressive campaign to sell more of its North American-made vehicles in foreign markets has it confidently predicting export sales of 100,000 units this model year and 200,000 by 1991 — nearly enough to keep one full plant running full-speed.

GM's export sales jumped from 47,000 in the 1987 model year to 72,830 in the 1988 model year. By the time the 1988 calendar year closes, GM will have sold 80,000 North American exports, predicted Robert White, executive in charge of GM's international export sales division.

By the 1991 model and calendar years, White projects that export sales will hit 200,000, exceeding the record of 170,000, set in 1979.

see GM EXPORTS, page 54

GM exports rising



AUTOMOTIVE NEWS / E.E. SHELETON

Soviets ask Fiat for huge plant

1 million cars per year

By Richard Johnson
AUTOMOTIVE NEWS STAFF REPORTER

FRANKFURT, West Germany — Fiat S.p.A., which built the Soviet Union's largest auto assembly facility in the late 1960s, has been approached by the Soviets about a new joint venture for production of a million 1-liter cars per year.

The plan would involve construction of a huge facility estimated at more than $5 billion and would nearly double the Soviets' annual output of autos, which currently stands at 1.3 million units.

During a trade fair for Italian products in Moscow, Fiat Chairman Giovanni Agnelli told a news conference that he has been approached by Soviet Prime Minister Nikolai Ryzhknov about collaborating on a new car production venture.

Agnelli said his company is open to possible cooperation and said he believes Fiat is the preferred candidate for the Soviets'

see FIAT, page 54

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THESDA

reflects upturn Page 2
Squarer, stronger Scorpio for U.S. Page 4
UAW's Ephlin skips re-election bid Page 3

HONDA

New valve timing, turbo boost engine torque, power

By Arthur Flax
AUTOMOTIVE NEWS STAFF REPORTER

Honda Motor Co. of Japan has developed a new valve-train system and a new turbocharger, both of which are designed to widen engine power ranges.

In the design of internal combustion engines, engineers traditionally have had to make a trade-off between low-speed and high-speed power and efficiency. The horsepower output of engines producing a great deal of torque at low speeds often tails off as the speed increases. Likewise, engines that produce high horsepower at high speed often are weak at low speeds. Optimum fuel economy and emissions control also are tied into speed ranges. Honda's systems are designed to allow engines to produce a wider range of horsepower and torque.

The profile of a camshaft lobe determines the length of time and distance a valve opens. As a result, it can largely control the power curve of the engine.

In the Honda "variable valve timing and lift mechanism" (when applied to a double-overhead-cam, four-valve-per cylinder engine), there are three cam lobes for the intake side and three lobes for the exhaust side of the engine. When operating at low speed, sets of two low-speed cam lobes open and close the intake and exhaust valves.

When engine speed increases, a computer control sends a signal to rocker arm mechanicals under the camshafts, activating the high-speed cam profile. At that time, the third lobe controls valve lift and duration. In an experimental 1.6-liter DOHC engine, Honda was able to boost horsepower from 130 to 160. Production plans have yet to be announced.

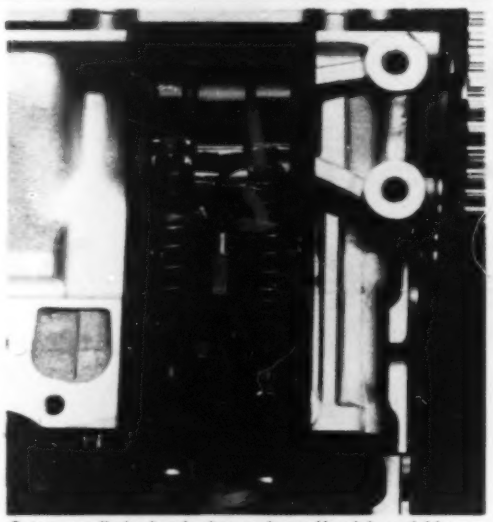
There is a trend in the auto industry to develop valve and induction systems that provide a wide range of power and offer good fuel economy. In those systems, electronic engine controls work with mechanical components to change intake system configurations to best suit operating conditions.

One of the first such systems was introduced by Alfa Romeo in 1980 in its two-liter DOHC Spider powerplant. The first-generation Alfa arrangement was a hydraulically and mechanically operated variable valve timing system designed so the engine could meet U.S. emissions standards while maintaining high power output. That system was integrated with electronic engine controls in 1985; a further refined system now is in production.

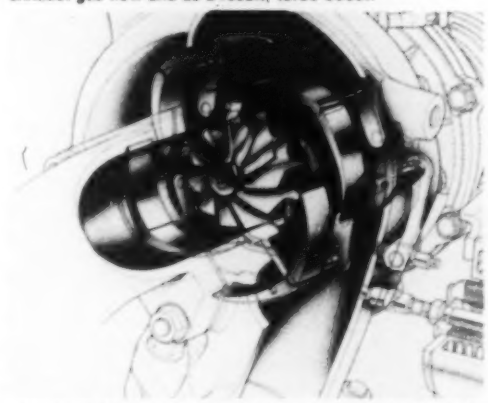
Another example of electronically controlled induction systems is in the new Ford Taurus SHO. The 3-liter, Yamaha-built V-6 in that car uses two sets of intake runners to widen the power band. At low speeds, the engine is fed a fuel-air mixture through intake runners tuned for low speed. As engine speed increases, electronics activate a set of intake runners tuned for high speeds.

The Corvette LT5, a four-valve-per-cylinder V-8, has two sets of intake valve cam profiles. When more power is needed, throttles in a second set of intake runners open to allow fuel-air mixture to reach the intake valves operated by the high-speed cam.

Honda calls its new turbocharger a "variable wing turbo system" and describes it as a major advancement in turbo technology. The system already is available in 2-liter V-6-powered Japanese versions of the Acura Legend and boosts horsepower from 145 to 190.



Cutaway cylinder head, above, shows Honda's variable valve timing and lift mechanism. The outboard camshaft lobes operate valves at low engine speeds, and the center lobe controls high-speed operation when its rocker arm is activated by computer. Below, computer-controlled hinged wings around the turbocharger's exhaust turbine open and close to control exhaust gas flow and as a result, turbo boost.



The system adjusts the angles of four wings around the exhaust turbine to control the speed of the exhaust flow and the pressure of the turbo charge. When the driver accelerates from low speed, the wings close instantly and contribute to the elimination of turbo lag, according to Honda. The variable wings are computer controlled in conjunction with the fuel injection.

Such variable geometry turbochargers are not new, but are relatively rare on production vehicles.

Garrett Automotive Group is developing variable vane turbochargers — Garrett calls them variable nozzle turbochargers. Like the Honda turbochargers, they have multiple vanes activated by an engine control computer to adjust the velocity of the exhaust past the turbine wheel. When used in conjunction with fuel injection and electronic engine controls, variable nozzle turbines allow air flow to the engine to be controlled from low to high speeds, and they increase power throughout the speed range of the engine.

Ephlin to step down as UAW's GM chief

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

Donald Ephlin, head of the UAW's General Motors department and pioneer of cooperative policies that changed the union's relationship with the automakers is stepping down.

Ephlin, 63, said last week he will not seek re-election as a union vice president at the UAW's convention in June, but will continue in his job until then.

Stephen Yokich, UAW vice president and head of the union's Ford Department, is most often mentioned as Ephlin's likely successor, though the choice rests with UAW President Owen Bieber. The head of the GM Department, the UAW's largest, has often moved to union president.

Ephlin said he is stepping down now because the joint programs with GM are yielding results and both UAW staff and local leaders are prepared to carry them on. He said that wasn't the case three years ago when he first thought of stepping down.

Though he did not detail his plans, Ephlin said he will continue to be involved in labor-management work.

Paying tribute to Ephlin's "leadership and insight" at a press conference last Friday, Bieber said that Ephlin helped spearhead "the difficult transitions that had to be made and should have been made" to deal with GM's market share loss.

Bieber's comments last week indicate that the UAW is committed to the philosophy of cooperation.

"Ephlin is the person who has done the most in bringing the union to work together with company management for competitiveness. He is the person who pioneered joint programs," said James Whitey Hale, president of Local 326 at the GM Fisher Guide plant in Flint, Mich.

Ephlin's genial style and his mediating stance in advocating the benefits of employee participation both to workers and management have drawn fire from critics who believe he has not been tough enough with the corporation.

UAW dissidents said Ephlin's move to not seek re-election, coupled with this year's retirement of Marc Stepp, UAW vice president in charge of the Chrysler Department, will trigger a reshuffling on the union's executive board and through the ranks of regional posts.

They feel the reshuffling will create the opportunity for them to gain more influential posts and greater say in union affairs.

But no one sees any major changes in the joint programs at GM for now. And though Yokich's outward style is radically different from Ephlin's, he oversees identical joint programs at Ford.

One local GM president said that GM locals could work with Yokich because he is a strong leader. "I would expect Steve to take a tougher line than Don," said one local union president.

Besides Yokich, Bieber's administrative assistant, Richard Shoemaker, has been mentioned as a possible replacement for Ephlin.

Automotive News Staff Reporters Mary Connelly and Michelle Krebs contributed to this report.

Right number, but wrong Pepe

WHITE PLAINS, N.Y. — The phone was ringing off the hook at Pepe Motor Corp., a Mercedes-Benz dealership here, with concerned callers asking if it was true the dealership was going out of business.

Sal Pepe, vice president and son of owner Eugene Pepe, said it wasn't so. Pepe is not related to Richard T. Pepe, nor is he involved in the Pepe megadealer chain that was auctioned this month in a U.S. Bankruptcy Court in Camden, N.J.

"We got calls from people all over the country asking what happened to us," Pepe said. "I really wasn't aware of the Pepe chain until I went to Atlantic City and the girl at a checkout counter said she bought all her cars from me. I later realized that she wasn't driving all the way to New York City to buy."

Richard T. Pepe's dealerships, located in central and southern New Jersey, were auctioned for more than $30 million. Pepe had filed for bankruptcy, listing debts of $50 million against assets, which included the dealerships, of $54 million.

INDEX

Around the world	28-29
Auction dates	41
Classifieds	42-50
Coming events	50
Dealing with dealers	51
Engineering	16
News briefs	8
Obituaries	56
Opinion	10
Personnel	24-26
Production	57
Sales, truck	12
Truck industry	12

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Dingell — intimidator, import foe, Hill giant

By Jayne O'Donnell
SPECIAL CORRESPONDENT

WASHINGTON — Standing 6 feet 3 inches, Rep. John D. Dingell Jr., D-Mich., carries himself with the imposing stature of a bear. "Big John," as he is often referred to, "can initimidate you just by putting that big arm around you," says one Capitol Hill regular.

Most likely, however, he will use his position as chairman of the powerful House Energy and Commerce Committee and its oversight and investigations subcommittee to get his way.

In his position, Dingell has tremendous impact on legislation affecting the auto industry, ranging from safety and emissions to trade policy.

He's been variously described as a front-man for the auto industry when he has blocked clean-air legislation and a power-grabbing bully when he has intimidated the heads of executive-branch agencies.

"If John Dingell had his way, every human endeavor would have to go through his committee," says one House leadership aide.

"It's got to be a bureaucrat's worst nightmare to go before his panel," says a trade lobbyist.

MARC BIEGAL

Tough-guy Dingell flashes a friendly smile

"We ask them questions, and sometimes they are less than nice. I don't ever remember browbeating anyone," Dingell says with a laugh.

But the 62-year-old chairman claims he's only carrying out his committee's mandate.

"I was not the fellow who wrote the rules that defined the responsibilities of this committee," Dingell said in an interview. "Some very, very wise men did that 200 years ago."

And that was long before the invention of the automobile.

With a twinkle in his eye, Dingell admits, "I guess you could say I have been an activist chairman."

While at the wheel of the committee, Dingell has gone after government officials like EPA Administrator Anne Burford and former presidential aide Michael Deaver. His committee has stalled Clean Air Act amendments and NHTSA authorization measures and has investigated U.S. Customs treatment of imported sport-utility vehicles. He's promised similar investigation of "sudden-acceleration" problems.

It is that combination of legislative control and oversight of executive-branch agencies through his committee that has made Dingell so formidable. And he's not shy in exercising his powers.

Dingell, an avid hunter, thrives on a good legislative battle. But he hates to miss his target — and seldom does.

Tom Greene, executive director of legislative

see DINGELL, page 34

BEST COPY AVAILABLE

September truck sales by manufacturer and segment

		14,000 & LESS GVW CLASS 1-3	14,001-16,000 GVW CLASS 4	16,001-19,500 GVW CLASS 5	19,501-26,000 GVW CLASS 6	26,001-33,000 GVW CLASS 7	33,001 & OVER GVW CLASS 8	TOTAL 1988	TOTAL 1987
CHRYSLER-PLYMOUTH	MO	13,283						13,283	10,820
	YR	140,146						140,146	102,230
DODGE	MO	40,662						40,662	46,631
	YR	442,033						442,033	435,646
JEEP	MO	21,214						21,214	18,306
	YR	186,679						186,679	150,024
TOYOTA	MO	21,664						21,664	25,275
	YR	191,883						191,883	236,023
NISSAN	MO	16,908						16,908	18,732
	YR	131,756						131,756	167,129
MAZDA	MO	8,344						8,344	8,261
	YR	75,014						75,014	100,701
ISUZU	MO	8,718						8,718	7,931
	YR	65,169						65,169	89,526
MITSUBISHI	MO	3,323						3,323	4,433
	YR	33,466						33,466	38,454
SUZUKI	MO	761						761	6,077
	YR	50,517						50,517	65,259
SUBARU	MO	0						0	85
	YR	10						10	1,203
RANGE ROVER	MO	329						329	248
	YR	2,527						2,527	1,549
FORD	MO	116,155	1,645		883	2,773	1,111	122,567	114,968
	YR	1,108,776	14,726		8,687	27,688	11,052	1,170,929	1,099,906
FREIGHTLINER	MO						2,188	2,188	2,220
	YR						17,166	17,166	17,438
CHEVROLET	MO	93,722		5	525	875		95,131	98,311
	YR	1,005,421		177	5,645	7,196	273	1,018,712	907,105
GMC	MO	25,212		316	663	970		27,161	27,446
	YR	268,711		3,842	9,840	12,167	1,090	295,650	266,011
KENWORTH	MO					39	1,835	1,874	1,246
	YR					351	12,227	12,578	10,587
MACK	MO				197	252	1,717	2,166	1,891
	YR				1,416	1,928	15,925	19,269	17,978
MERCEDES	MO				72	160		232	300
	YR				852	1,471		2,323	2,892
NAVISTAR	MO		30	26	1,349	2,819	2,715	6,939	6,465
	YR		189	265	13,869	24,300	24,968	63,391	53,893
PETERBILT	MO					44	1,738	1,782	1,314
	YR					249	11,717	11,966	9,041
VOLVO	MO					130	1,682	1,812	863
	YR					1,102	11,125	12,227	8,991
HINO	MO			66	48	101		215	212
	YR			481	379	687		1,547	1,439
NISSAN DIESEL	MO	3		65	17	99		184	116
	YR	3		563	226	764		1,556	1,211
ISUZU TRUCK	MO	449	40	13	41	80		612	482
	YR	3,574	306	100	668	317		4,965	4,197
MITSUBISHI FUSO	MO	208		76	31	63		378	158
	YR	1,105		388	182	475		2,150	1,084
SCANIA	MO						2	2	15
	YR						122	122	118
IVECO TRUCKS	MO	216	62	32	2			312	283
	YR	1,008	505	260	120			1,893	2,061
WESTERN STAR	MO						107	107	118
	YR						1,108	1,108	1,043
OTHER DOMESTICS	MO						96	96	81
	YR				31		646	677	918
GRAND TOTAL	MO	371,171	1,786	603	3,828	8,385	13,191	398,964	401,268
	YR	3,716,798	15,726	6,076	41,715	78,695	107,419	3,986,429	3,775,457
1987 YR to DATE		3,561,130	643	6,262	32,095	77,674	97,653	3,775,457	

NOTE: Class 3 total includes 65 Subarus sold in August 1987; also, 10 Subarus sold for nine months of 1988 and 1,203 sold for eight months of 1987.

Volvo GM is bullish

1st-year sales strong; new products bow

By Joseph Bohn
AUTOMOTIVE NEWS STAFF REPORTER

DETROIT — Volvo GM Heavy Truck got off to a good start its first year in business and is continuing to invest heavily in new products.

At the Michigan Truck and Trailer Show, it introduced new models, including regional/vocational trucks and tractors and high-cabover tractors.

Volvo GM officials are "extremely bullish" about the Class 8 market. Larry Oliphant, vice president of sales and marketing, looks for calendar 1988 Class 8 sales in the United States to be the third best ever, coming in at between 140,000 and 145,000.

The record is 173,543 in 1979, followed by 161,608 in 1978 and 137,693 in 1984, according to the Motor Vehicle Manufacturers Association. Last year, the industry retailed 131,156 Class 8 units.

Oliphant added that the first quarter of calendar 1989 looks "very encouraging," based on current dealer orders. He said the first half looks strong, and he said he feels the whole year will, at worst, be within 10 percent of 1988.

Volvo GM expects to retail 18,500 to 19,000 Class 7 and 8 trucks in the United States this year, up from Volvo White's best year year of 12,600 in 1986. The 1988 figure includes 4,500 to 4,600 GMC-built Brigadiers, which will be phased out Dec. 16 at Pontiac, Mich.

Meanwhile, Volvo GM expects to be building 95 trucks a day by next fall. It is currently building 60 a day at Dublin, Va., and 13 a day at Odgen, Utah. A new plant at Orrville, Ohio, which begins production Jan. 2, is expected to add 20 units a day, and the Odgen plant can be expanded to 15 a day.

"Market conditions will dictate how fast we get there (to 95 units a day)," added Thage Berggren, Volvo GM president and chief executive officer.

Volvo GM now has about 200 dealers, covering most major points. It's goal is 225 to 250 dealers, Oliphant said.

He said that "to the best of my knowledge," Volvo GM also has cleared up most of its legal problem involving lawsuits by dealers who lost their franchises.

Meanwhile, all the recent new entries into the so-called "Baby 8" truck segment haven't done much to expand the segment beyond 7,500 sales annually, officials said.

Their new WhiteGMC WG models, aimed at regional and vocational hauiers, feature more horsepower than competitive "Baby 8" models, along with more competitive pricing and economical operation.

The WG is available in tandem-axle tractor and truck models. It is geared to better economy and low life-cycle operating costs, as well as greater comfort and durability, according to Berggren.

The WG features the "family" cab and frame of the Autocar and Aero series, along with a new cab suspension, a 50-inch front-axle setback for improved weight distribution and maneuverability, a spacious cab, a standard low-back air-suspension driver's seat, a medium-length hood with a 10-degree slope and a curved windshield for better aerodynamics and visibility.

It combines a setback front axle with a 112-inch bumper-to-back-of-cab measurement. It has a maximum wheel cut of 48 degrees for a short turning radius in tight areas.

A Cummins L10 PT-240 with 240 hp at 2,100 rpm and a peak torque of 900 pounds-feet at 1,300 rpm is standard on the WG truck, and a Cummins L10 F-240, with 240 hp at 1,900 rpm and 860 pounds-feet of torque at 1,300 rpm, is standard on tractor models.

A new cross-flow radiator with cooling capacity up to 320 hp is standard.

A variety of Cummins, Detroit Diesel and Volvo engines, ranging from 240 to 320 hp are optional.

Standard on both truck and tractor models is the Spicer PS-125-7 transmission with seven forward speeds. Also standard are the Rockwell FF961 Easy Steer front axle with a 12,000-pound capacity and the Rockwell RS23-160 or RT40-145 rear axles with a 23,000-pound or 40,000-pound capability, respectively.

The cab is 84 inches wide and has a new instrument panel.

A new high-cabover tractor with a 63-inch bumper-to-back-of-cab measurement has 10 more inches of room than the current high-cabover non-sleeper, which will be discontinued in December.

It has four to six inches more seat travel and extra behind-seat storage room.

Options include tilt/telescoping steering wheel, high-back driver's seat, pop-out front vents to ventilate the footwell, air rear suspension and cab air suspension.

The new high cabover is available in 4x2 and 6x4 tractors with a 131-inch wheelbase.

It has a standard Cummins F-315 88 Big Cam IV engine, a Fuller RT-11609A nine-speed transmission, a Rockwell FF961 Easy Steer front axle and Rockwell RS23-160 or RT40-145 rear axles.

Volvo GM Heavy Truck's new WG series features aerodynamic lines

Opel tries U.S. ideas in ads for new Vectra

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

TROY, Mich. — General Motors-Europe is using American marketing and advertising concepts to polish the image of its Opel subsidiary in Europe and to launch its new Opel Vectra in the highly competitive intermediate segment.

The new campaign, entitled "Look at Opel now," uses image advertising rather than traditional European car advertising, which is more product-specific.

The new themeline and image advertising are designed to shake off Opel's image as a traditional, working-class man's car and attract young, affluent and upwardly mobile consumers.

The campaign is a joint effort between the Detroit and Milan, Italy, offices of McCann-Erickson, which handles the GM-Europe account in 14 European countries in addition to U.S. advertising for Buick, GMC Truck and Lotus.

Advertising Age estimates the first-year ad budget for the Opel Vectra and Vauxhall Cavalier at $50 million to $60 million.

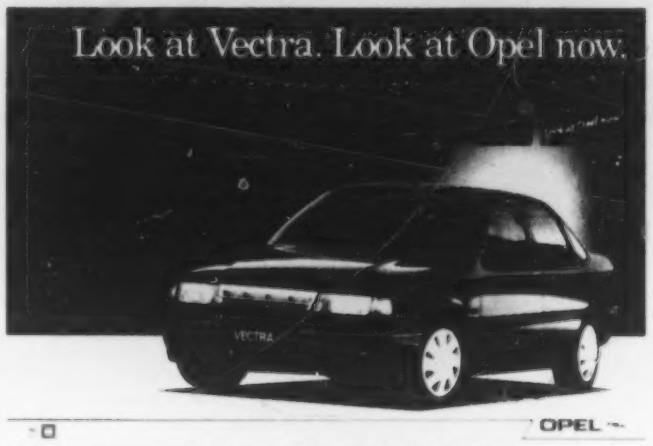
The campaign will run in Austria, Belguim, Denmark, Finland, Sweden, Norway, Netherlands, Italy, Spain, France, Switzerland, Greece, Portugal and Ireland.

Several McCann offices proposed creative approaches for the Opel campaign in a workshop held in Milan last January. The Detroit office's proposal was chosen and was later implemented by the Milan office.

According to Jim Moore, McCann vice president and group account supervisor on the GM-Europe account, the campaign represents the first time a European carmaker has attempted image advertising.

"The campaign does not hammer away at product," said Moore, who worked on Buick before being named to his current post. "We wanted it to stand out. We wanted people to have a reason to watch it repeatedly. It makes a statement about Opel."

In the campaign, a beautiful woman (New York model Rosemary McGrath) is shown driving a red Opel Vectra through the streets of Paris at night. Her boyfriend watches her on several television screens in what looks like a television studio. The camera flashes on several scenes of Paris nightlife, and background music has a rock beat.



Print ads are more product-specific than the television spots

McCann's Detroit office was responsible for the lyrics and music. The overall art direction was a joint effort between Milan and Detroit.

Moore said the launch advertising will concentrate heavily on television at first. Ten-second teaser ads begin today and two-minute image ads using the Paris nightlife scenes will air Oct. 30.

GM-Europe will air those ads on four satellite television networks, Sky Channel, Super Channel, Music Television (MTV) and Scansat (Scandinavian television).

Magazines will be the secondary medium for the new campaign. Print ads are more product-specific than the television spots and show the Vectra with large, bright spotlights in the background.

A direct-mail campaign was launched in late September to current Ascona owners. Since the Vectra replaces the Ascona, Opel is trying to allay any fears that the car has been radically changed, Moore said. The direct-mail piece includes a "pop-up" of the Vectra. No rebates are being offered in connection with the direct-mail campaign.

Calif. enacts law to regulate brokers' ads

By Tom Lankard
SPECIAL CORRESPONDENT

SACRAMENTO, Calif. — A compromise fashioned by new-car dealers and brokers ended a three-year battle in California over the brokers' advertising practices.

The bill, which was signed into law by Gov. George Deukmejian, goes into effect Jan. 1. It allows brokers to advertise cars for sale that they do not own or have available on their business premises. Brokers must disclose in brochures that the cars they sell are not legally new cars because they may have been registered in the course of the brokering transaction.

Brokers may, however, say the cars are "current model" cars or use the car's official model year in their advertising. More important, a broker spokesman said, the cars may be financed as new cars, which usually means better terms than are available on used cars.

Brokers also must keep any deposits taken on cars in a separate account and disclose that deposits on cars not delivered are fully refundable.

Have Santa Claus bring you money this Christmas. This highly successful sales tool comes complete with everything for all-weather operation. Use him for Christmas in July sales too. He lasts for years. **$3820**

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IMPORT SALES BY MODEL

	Sept. 1988	Sept. 1987	9 Mos., 1988	9 Mos., 1987
ACURA	13,417	10,112	98,232	80,267
Integra	6,047	4,753	45,803	42,531
Legend	7,370	5,359	52,429	37,736
ALFA ROMEO	230	449	3,663	5,024
Milano	120	254	1,831	2,112
Spider	110	195	1,832	2,912
AUDI	1,734	3,096	18,335	35,239
4000S	9	1,006	209	8,762
4000CS Quattro	3	543	75	2,883
5000S	297	520	5,068	15,574
5000CS Turbo	21	387	853	4,062
5000CS Turbo Quattro	24	232	976	2,584
80	404	0	4,647	0
90	454	0	4,752	0
100/200	436	0	1,087	0
100/200 Quattro	162	0	376	0
Coupe GT	14	318	282	1,574
BMW	6,024	8,496	53,286	67,401
318i	0	0	0	15
524 TD	0	0	3	28
325	2,706	5,872	27,697	44,967
528e	1,175	716	8,288	7,256
535i/535is	636	498	3,900	5,197
6-Series	188	316	1,471	1,587
7-Series	1,077	842	9,803	6,982
M3	121	150	1,351	570
M5	57	57	325	273
M6	64	42	440	488
CHEVROLET	8,546	15,014	94,484	103,637
Spectrum	4,299	8,119	57,150	60,243
Sprint	4,247	7,70	37,314	43,394
CHRYSLER MOTORS	10,500	12,196	99,852	107,102
Colt	6,280	7,410	84,113	63,307
Conquest	730	842	4,172	9,808
Medallion	1,233	1,173	11,180	9,490
Summit	702	0	1,275	0
Vista	1,548	2,782	16,132	24,894
DAIHATSU	1,021	8	8,588	0
FORD Festiva	5,788	5,895	53,488	16,414
HONDA	22,079	28,057	187,921	210,928
Civic/CRX	6,574	7,357	78,700	91,435
Accord	10,117	12,420	71,025	72,905
Prelude	5,388	8,270	37,136	46,588
HYUNDAI	17,194	21,099	228,569	205,477
ISUZU	2,478	3,424	19,660	30,603
I-Mark	1,885	2,798	13,388	25,250
Impulse	593	626	6,462	5,353
JAGUAR	1,832	2,192	14,913	19,340
XJS	1,385	1,561	11,276	12,240
XJS	447	631	3,637	4,100
MASERATI	60	40	640	884
MAZDA	18,427	18,404	174,523	148,788
323	7,758	6,941	71,387	55,088
626	5,636	5,178	92,174	69,282
MX-6	619	2,817	7,514	3,221
929	2,407	623	20,624	719
RX-7	1,905	2,845	22,700	20,458
MPV	105	0	114	0
MERCEDES BENZ	6,160	7,796	63,906	67,788
190	1,323	1,448	13,829	13,908
260E	384	588	5,167	4,408
300	2,015	2,053	19,391	17,774
300SDL Turbo	0	526	80	5,338
300SEL	180	0	4,007	0
420SEL	585	1,637	6,424	11,049
560SEL	422	452	4,014	4,498
560SL	328	833	8,997	8,752
560SEC	95	121	1,196	1,277
Tourist	230	37	831	796
MERKUR	1,634	2,283	11,772	11,805
XR4TI	542	1,577	4,056	7,572
Scorpio	1,092	691	7,716	4,233
MITSUBISHI	6,667	5,411	55,173	52,993
Starion	357	336	2,642	4,274
Cordia	748	358	5,120	3,076
Tredia	11	425	466	4,262
Mirage	1,070	877	9,751	11,566
Galant	2,012	920	15,413	8,356
Precis	1,754	1,992	16,433	16,047
Van/Wagon	737	501	5,348	5,312
NISSAN	29,347	35,511	275,016	315,389
Sentra	13,050	6,303	109,428	84,392
Pulsar	3,120	6,151	38,331	51,096
Stanza	4,586	8,033	37,131	51,873
Maxima	4,003	10,004	52,720	72,550
200SX	2,847	2,424	18,526	25,648
300ZX	1,564	2,316	16,040	27,374
Hawaii	168	278	2,638	2,483
PEUGEOT	505	894	5,094	6,990
PONTIAC LeMans	5,252	8,135	46,055	26,948
PORSCHE	1,071	2,301	12,461	19,313
924S	78	446	2,054	2,551
944	318	789	2,864	5,273
944S	82	123	372	1,727
944 Turbo	147	233	1,404	2,035
911 Coupe	190	296	2,410	3,296
911 Turbo	70	136	845	1,200
911 Cabriolet	130	146	1,455	1,782
928S	88	129	1,057	1,486
SAAB	2,963	3,637	29,859	36,135
900	590	861	5,147	7,037
900S	803	1,264	8,025	11,520
900 Turbo	728	702	7,254	8,952
9000S	312	345	2,703	2,812
9000 Turbo	513	462	6,039	5,631
Tourist	39	43	691	973
STERLING	910	1,455	7,462	10,782
SUBARU	14,710	19,674	116,420	123,389
Hatchback	348	766	4,342	5,791
3-Door	1,075	1,484	6,846	10,676
4-Door Sedan	3,318	4,286	23,942	31,284
XT	1,243	1,505	11,199	14,621
Station Wagon	8,652	10,347	49,841	58,962
Justy	2,075	1,237	20,259	8,066
TOYOTA	46,282	47,002	447,828	404,515
Corolla	11,187	8,092	112,828	73,327
Tercel	8,485	7,900	70,809	70,626
Celica	5,387	7,326	50,936	60,914
Supra	1,256	2,981	15,082	22,902
Camry	16,157	14,873	157,110	126,541
Cressida	998	2,623	8,864	17,033
Land Cruiser	225	399	4,970	3,087
Van	286	1,048	4,126	10,610
4Runner SR 5	1,735	137	16,471	1,248
MR2	576	1,391	6,836	12,626
Hawaii	0	430	0	3,601
*VOLKSWAGEN	12,703	10,850	112,000	98,965
Cabriolet	1,554	1,096	11,336	11,734
Jetta	2,902	2,980	41,000	41,384
Golf/GTI	1,824	0	6,090	0
Vanagon	307	1,296	4,303	8,321
Quantum	328	825	2,408	5,384
Scirocco	504	687	2,927	5,740
Fox	5,284	3,966	43,936	26,442
VOLVO	8,664	8,647	76,679	89,596
240 Series	3,286	3,176	32,157	42,394
740 Series	2,853	3,415	32,469	34,621
760 Series	2,140	1,898	10,015	10,937
780	343	116	1,458	330
Tourist	42	44	579	1,316
YUGO	2,510	3,891	28,006	38,162
IMPORT TOTAL	248,727	286,736	2,322,458	2,336,588

*Volkswagen has reported sales of U.S.-built Golf and GTI models as imports after June 30, 1988.

Compiled by Karen Bellavance

NEWSPAPER AD SPENDING

First Half 1988 vs. First Half 1987
(In thousands)

	Factory				Dealer Association				Local Dealer				Total			
	1988	1987	Change	Percent change	1988	1987	Change	Percent change	1988	1987	Change	Percent change	1988	1987	Change	Percent change
Chrysler Corp.	$ 1,423	$ 6,370	$ (4,956)	(78)	$ —	$ —	$ —	—	$ —	$ —	$ —	—	$ 1,423	$ 6,370	$ (4,956)	(78)
Chrysler-Plymouth	1,878	5,043	(3,165)	(63)	29	320	(291)	(97)	6,772	7,125	(353)	(5)	8,679	13,088	4,409	(34)
Dodge	1,746	4,456	(2,710)	(61)	294	641	(541)	(64)	5,545	5,679	(134)	(2)	7,615	10,076	(2,460)	(24)
Jeep-Eagle/AMC	935	254	681	268	1,552	1,077	110	10	3,040	2,569	451	17	5,057	3,900	1,157	48
Total Chrysler	$ 5,982	$16,124	$(10,182)	(69)	$ 2,235	$ 2,838	$ (603)	(21)	$ 15,357	$ 15,369	$ (88)	(0.1)	$ 23,074	$ 34,435	$(11,361)	(34)
Ford Corp.	$ 885	$ 961	$ (108)	(11)	$ —	$ —	$ —	—	$ —	$ —	$ —	—	$ 885	$ 961	$ (108)	(11)
Ford Division	7,211	11,338	(4,127)	(36)	13,889	8,099	5,540	68	22,598	16,670	5,824	35	43,359	36,107	7,243	20
Lincoln-Mercury	664	1,437	(773)	(54)	6,232	3,743	2,489	66	7,215	6,170	1,045	17	14,111	11,350	2,761	24
Total Ford	$ 8,759	$13,736	$ (5,008)	(36)	$19,971	$11,836	$ 8,035	68	$ 29,715	$ 22,840	$ 6,869	30	$ 58,315	$ 48,419	$ 9,896	20
GM Corp.	$ 3,781	$ 2,428	$ 1,353	56	$ —	$ —	$ —	—	$ —	$ —	$ —	—	$ 3,781	$ 2,428	$ 1,353	56
Buick	2,044	1,865	179	10	2,357	1,384	973	70	4,519	4,224	295	7	8,919	7,471	1,448	19
Cadillac	110	411	(301)	(73)	1,788	967	801	81	6,727	8,722	(2,291)	(26)	8,625	10,120	(1,495)	(15)
Chevrolet	12,917	12,905	12	1	2,870	2,028	842	42	18,259	14,830	3,429	23	34,046	29,763	4,283	14
Oldsmobile	15,103	4,620	10,483	227	2,411	2,119	292	14	4,338	5,752	(1,413)	(25)	21,853	12,491	9,362	75
Pontiac	9,624	1,139	8,485	745	240	223	17	8	4,316	3,531	787	22	14,182	4,893	9,289	190
Total GM	$43,579	$23,368	$ 20,211	86	$ 9,666	$ 6,741	$ 2,925	43	$ 36,191	$ 37,057	$ (1,394)	(3)	$ 91,486	$ 67,166	$ 24,340	36
Total domestic	$58,291	$53,228	$ 5,063	9	$31,772	$21,415	$10,357	48	$ 83,233	$ 75,296	$ 7,937	11	$173,296	$140,949	$ 23,347	15
Total imports	$39,130	$42,984	$ (3,854)	(9)	$13,082	$ 6,977	$ 6,105	47	$ 66,080	$ 66,426	$ (7,746)	(12)	$118,688	$116,388	$ (7,300)	(6)
Total multi-line dealers	$ —	$ —	$ —	—	$ —	$ —	$ —	—	$ 63,647	$ 46,317	$17,330	37	$ 63,647	$ 46,317	$ 17,330	37
Grand total	$97,421	$96,222	$ 1,199	1	$44,854	$28,392	$16,462	48	$213,960	$188,039	$ 17,921	9	$347,841	$314,953	$ 33,388	11

SOURCE: Newspaper Advertising Bureau
Media Records, projected to 125 markets

Makers hike spending in newspapers

First-half total up 11% for car ads

By Laura Clark
AUTOMOTIVE NEWS STAFF REPORTER

The nation's automakers and importers spent 11 percent more on newspaper advertising for cars in the first half of 1988 year than they did in the year-earlier period.

The Newspaper Advertising Bureau said the auto industry, including factories, dealer associations and dealers, disbursed $347.8 million for newspaper ads for cars in the January-June period. That compares with $314.6 million during the same period in 1987. The spending numbers are projected for 125 markets and are collected by Media Records.

Domestic automakers showed a 15.61 percent increase in spending on newspaper advertising for cars during the first half while importers showed a 6.26 percent decline.

"The increases were generally attributed to new-car introductions, particularly the introduction of the new "W" cars at GM (Pontiac Grand Prix, Oldsmobile Cutlass Supreme and Buick Regal) and incentive activity," said William Tausch, vice president of automotive marketing for the Newspaper Advertising Bureau.

Newspaper advertising by multi-franchise dealers grew 37.37 percent, compared with the six-month period in 1987, the bureau said.

General Motors outspent all other automakers in newspaper advertising for cars during the January-June period this year. GM disbursed $91.4 million for newspaper ads, up 36 percent from $67.2 million in the year-ago period. Chevrolet used the highest proportion of GM's newspaper spending during the first six months of this year. The division spent $34 million.

Oldsmobile's Cutlass Supreme, with about $9.2 million, had the highest budget for newspaper advertising of any U.S. car line during the January-June period. GM contributed $6.7 million of that amount and the balance was paid by dealers and dealer groups. Olds launched its redesigned Cutlass Supreme in February with a heavy promotional campaign that included a joint promotion with McDonald's hamburger chain from April until June.

Ford Motor Co. had the second highest newspaper advertising expenditure of the automakers. Ford spent $58.3 million on newspaper ads during January-June this year, up 20.45 percent from $48.4 million in the first half of 1987.

Ford Division received the largest portion of the corporation's newspaper budget: $43.4 million. That was the largest newspaper advertising expenditure by any car division in the United States. Ford launched its new Probe in May.

Chrysler Motors was third among automakers in newspaper advertising spending. Chrysler spent $23.6 million on newspaper ads during the first six months of this year, down 31.40 percent from $34.4 million in the 1987 period. Chrysler relaunched the Eagle Medallion (formerly the Renault Medallion) in May.

Chrysler-Plymouth Division used the greatest portion of the newspaper budget, spending $8.7 million.

Among the imports, Nissan was the largest spender for newspaper advertising in the January-June period. Nissan spent $14.5 million on newspaper ads, up 38.2 percent from $10.5 million in the year-earlier period.

Mercedes-Benz was the second highest purchaser of newspaper advertising among importers. The luxury carmaker spent $14.04 million on newspaper advertising in the first half of 1988, up 21.2 percent from $11.58 million in the year-earlier period.

Makers and importers of light trucks spent $13.1 million on newspaper advertising during the first half of the year, down 32.47 percent from $19.4 million in the 1987 period.

Chevrolet outspent all light-truck makers for newspaper ads, allocating $5.1 million during the period. During the first six months of 1987, Chevy spent $7.3 million in newspapers.

IMPORT CAR NEWSPAPER EXPENDITURES

(First Half - 1988; in thousands)

	Factory	Dealer Assn.	Local Dealer	Total	$ Change from First Half '87	% Change from First Half '87
Acura	$ 618	$ 2,624	$ 3,044	$ 6,286	$ 377	6.4
Alfa Romeo	117	N.A.	395	512	(1,743)	(77.3)
Audi	4,081	897	1,092	6,070	2,976	96.1
Avanti	N.A.	N.A.	20	20	N.A.	N.A.
BMW	5,051	2,083	1,959	9,073	(615)	(6.3)
Daihatsu	413	N.A.	156	569	N.A.	N.A.
Honda	675	227	4,361	5,263	(1,742)	(24.9)
Hyundai	456	N.A.	7,109	7,565	1,129	17.5
Isuzu	67	N.A.	823	890	(818)	(47.9)
Jaguar	2,410	380	2,981	5,771	(436)	(7.0)
Lotus	94	N.A.	38	132	101	325.8
Maserati	N.A.	N.A.	3	3	N.A.	N.A.
Mazda	3,056	1,403	2,300	6,759	(709)	(9.5)
Mercedes-Benz	8,606	2,694	2,740	14,042	2,455	21.2
Mitsubishi	139	58	2,750	2,947	(586)	(16.6)
Nissan	4,486	148	9,882	14,518	4,011	38.2
Peugeot	316	110	275	701	(357)	(33.8)
Porsche	698	N.A.	958	1,656	58	3.6
Range Rover	N.A.	N.A.	488	488	(1)	(.2)
Rolls-Royce	N.A.	N.A.	77	77	15	24.2
Saab	909	N.A.	786	1,785	(481)	(20.5)
Sterling	246	222	540	1,008	(907)	(47.4)
Subaru	1,079	461	1,221	2,761	(2,067)	(42.9)
Suzuki	237	N.A.	1,582	1,819	589	47.9
Toyota	2,505	835	10,136	13,476	871	6.9
Volkswagen	1,162	354	1,177	2,693	(1,974)	(42.3)
Volvo	940	496	1,523	2,959	(74)	(2.4)
Yugo	675	111	270	1,056	582	122.6
TOTAL	$39,130	$13,082	$56,666	$110,899		

RECAP OF FIRST HALF 1988 (In thousands)

	Factory	Dealer Assn.	Local Dealer	Total	$ Change	% Change
Total domestic	$58,291	$31,772	$ 83,233	$173,296	$23,347	$15.6
Total multi-line dealers	N.A.	N.A.	63,647	63,647	17,330	37.4
Total imports	39,130	13,082	56,666	110,899	(7,300)	(6.2)
Grand total	$97,421	$44,854	$205,506	$347,841	$33,268	$10.6

DOMESTIC AND IMPORT TRUCK ADVERTISING IN NEWSPAPERS (In thousands)

	Jan.-June 1988	Jan.-June 1987	$ Change	% Percent
Chevy				
Blazer	$ 318	$ 14		
Multi trucks	2,119	915		
Pickup	1,849	6,012		
Van	799	383		
	5,085	7,324	$(2,239)	(30.6)
Dodge				
Multi trucks	81	68		
Pickup	286	761		
Van	333	432		
	700	1,631	(931)	(57.1)
Ford				
Multi trucks	1,938	2,901		
Pickup	1,186	3,259		
Van	492	362		
	3,616	6,522	(2,906)	(44.5)
GMC				
Multi trucks	792	601		
Pickup	279	669		
Van	372	257		
	1,443	1,526	(83)	(5.4)
Isuzu				
Pickup	154	284		
Trooper	299	N.A.		
Multi trucks	N.A.	8		
Van	N.A.	82		
	453	372	81	21.8
Jeep				
Pickup	18	N.A.		
Cherokee	129	N.A.		
Wagoneer	27	N.A.		
Wrangler	50	N.A.		
	215	N.A.	N.A.	N.A.
Mazda				
Pickup	496	98		
Multi trucks	N.A.	4		
	496	102	394	376.5
Mitsubishi				
Pickup	93	174		
Van	N.A.	52		
	93	226	(133)	(58.9)
Nissan				
Multi trucks	33	68		
Pickup	126	381		
Van	N.A.	19		
	159	468	(309)	(66.0)
Plymouth				
Van	143	N.A.		
	143	N.A.	N.A.	N.A.
Suzuki				
Pickup	19	N.A.		
	19	N.A.	N.A.	N.A.
Toyota				
Multi trucks	186	228		
Pickup	482	919		
Van	46	58		
	$ 714	$1,216	$ (502)	(41.3)

Multi trucks—Advertisement of more than one model.

Auto trade deficit falls 20% for July; export jump helps

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The U.S. automotive-trade deficit in passenger cars and light trucks fell by a dramatic 20.7 percent in July compared with a year ago, due largely to a 25.9 percent surge in exports.

Imports actually declined 0.8 percent in value.

July's drop in the automotive trade deficit followed an 8.8 percent drop in June.

A comparison of the 12-month period ended July 31 vs. a year earlier shows the automotive-trade deficit narrowing 5.3 percent.

As of July 31, the United States had run up a trade deficit of $43.445 billion in cars and trucks, down from $45.855 billion a year earliere.

The figures reflect a 5.8 percent decline in the number of vehicles imported to the United States during the year ended July 31, while exports jumped 16.2 percent.

Trade numbers from the U.S. Commerce Department show a trade deficit for passenger cars and light trucks of $3.177 billion for July. Total car and truck exports had a value of $562.1 million during the month. Monthly car and truck imports were valued at $3.739 billion. The auto-trade deficit for June was $4.005 billion.

Exports of passenger cars reached 45,441 vehicles, with an estimated value of $456.0 million in July. Light-truck exports for the month were 9,637 vehicles with an estimated value of $106.1 million.

Car exports were up 63.7 percent to Canada, 343.7 percent to Japan and 101.1 percent to nations lumped in the category of "other" by the Commerce Department.

On the import side in July, Japan recorded another in a string of downturns for the year in both the quantity and value of car and truck shipments. Canada, Brazil and France showed import growth in July, as did shipments from countries classified as "others." Passenger-car shipments declined from West Germany, South Korea, Sweden, Yugoslavia, Mexico, United Kingdom and Italy.

Total car and truck imports had a value of $3.739 billion in July, down 15.2 percent from the $4.409 billion shipped in July 1987. There were 362,944 finished vehicles imported to the United States in July, compared with 463,221 a year earlier.

Passenger-car imports reached 304,719 units for the month, with a value of $3.267 billion. Light-truck imports totaled 58,225 units, with a value of $471.7 million. The value of imported trucks increased 9.6 percent in July, although shipments fell 17.0 percent.

That same phenomenon occurred in June, indicating that the lower volume of imported trucks is having little affect on the overall trade deficit because of higher prices.

Japanese-car imports dropped 23.1 percent for the month and the value of the shipments fell 17.2 percent. Japanese-truck imports were off 35.2 percent and their value was down 31.8 percent. Japan shipped 169,714 cars to the United States in July, down from 220,825 one-year earlier. Truck shipments totaled 38,880 units, down from 60,034 a year earlier.

Shipments from South Korea in July continued to show big declines from the year-earlier period, falling 49.5 percent. Although the months-long decline in imports has been attributed to labor strife, continuing softness in shipments could indicate other troubles.

West German shipments continued to be off, falling 36.9 percent from July 1987. Sweden saw imports drop 8.2 percent, while Mexico's shipments were down 14.3 percent. Yugoslavia shipped only one vehicle for the month, according to the Commerce Department, compared with 5,336 a year ago.

Shipments from the United Kingdom were down 66.7 percent, and Italian imports slipped 37.4 percent. The British shipped 1,990 passenger cars to the United States in July, while the Italians sent 414 cars to this country in July.

U.S. AUTOMOTIVE TRADE BY VALUE

(x $1,000)

Passenger cars

Country	Trade	July 1987	July 1988	Aug. 1986-July 1987	Aug. 1987-July 1988
Japan	Export	$ 3,988	$ 16,928	$ 52,987	$ 146,549
	Import	1,963,303	1,618,130	20,930,929	20,204,554
Canada	Export	286,826	301,090	5,316,581	6,092,479
	Import	556,461	670,142	10,780,405	12,184,178
West Germany	Import	727,339	446,892	8,891,130	7,063,424
South Korea	Import	282,849	136,950	1,585,829	2,270,217
Sweden	Import	150,080	151,804	1,913,238	1,873,219
Mexico	Import	113,843	68,219	709,711	1,248,224
Yugoslavia	Import	13,071	7	286,583	109,219
United Kingdom	Import	138,116	58,154	855,703	1,077,055
Italy	Import	16,059	10,186	283,672	166,013
France	Import	7,999	21,193	206,130	167,090
Brazil	Import	16,939	30,931	79,517	380,353
Others	Export	74,170	137,956	683,902	1,392,186
	Import	22,282	35,293	231,776	304,124
Car total	Export	286,984	455,974	6,053,470	7,631,215
	Import	3,978,308	3,267,486	46,755,997	46,987,880
Trade balance		(3,691,322)	(2,811,514)	(40,702,117)	(39,236,465)

Light trucks (up to 10,000 lbs. GVW)

Canada	Export	$ 97,178	$ 73,802	$ 1,439,724	$ 1,880,770
	Import	77,749	229,410	1,772,545	2,773,186
Japan	Import	333,985	228,884	4,800,884	3,285,891
Mexico	Import	15,881	1,457	131,817	14,815
Others	Export	19,203	32,299	164,187	328,364
	Import	2,887	11,935	51,213	143,578
Truck total	Export	116,373	106,101	1,603,911	2,209,314
	Import	430,292	471,686	6,756,459	6,217,459
Trade balance		(313,919)	(365,584)	(5,152,548)	(4,208,145)
Car and truck total	Export	403,357	562,075	7,657,381	9,840,529
	Import	4,408,598	3,739,173	53,512,040	53,085,139
VEHICLE TRADE BALANCE		(4,005,241)	(3,177,098)	(45,854,659)	(43,444,610)
TOTAL U.S. Merchandise trade (customs value)	Export	22,432,900	26,465,800	236,634,800	294,155,900
	Import	34,625,400	34,532,800	395,536,000	426,611,900
TRADE BALANCE		(12,192,500)	(8,067,200)	(148,903,200)	(134,456,000)

U.S. AUTOMOTIVE TRADE BY QUANTITY

Passenger cars

Country	Trade	July 1987	July 1988	Aug. 1986-July 1987	Aug. 1987-July 1988
Japan	Export	281	1,558	51,266	11,317
	Import	220,825	169,714	2,406,813	2,215,831
Canada	Export	20,113	32,931	563,625	691,542
	Import	51,907	58,937	1,014,084	1,094,852
West Germany	Import	28,746	18,147	409,909	283,695
South Korea	Import	51,302	25,949	316,393	427,933
Sweden	Import	16,653	9,763	144,117	109,221
Mexico	Import	11,827	10,141	70,046	145,103
Yugoslavia	Import	5,336	1	52,724	41,575
United Kingdom	Import	5,966	1,990	40,260	40,054
Italy	Import	661	414	22,916	7,133
France	Import	868	2,029	28,388	16,579
Brazil	Import	3,535	5,228	16,868	66,870
Others	Export	5,498	10,962	3,319	107,095
	Import	1,490	3,388	15,578	18,225
Car total	Export	25,840	45,441	608,410	709,954
	Import	393,108	304,719	4,539,812	4,469,870
TRADE BALANCE		(367,268)	(259,278)	(3,931,402)	(3,759,916)

Light trucks (up to 10,000 lbs. GVW)

Canada	Export	9,974	7,001	155,117	167,399
	Import	8,141	19,340	191,899	253,868
Japan	Import	60,034	38,880	868,477	593,725
Mexico	Import	1,936	3	17,093	1,180
Others	Export	1,521	2,635	13,632	26,000
	Import	4	2	1,007	1,725
Truck total	Export	11,495	9,637	168,909	193,399
	Import	70,115	58,225	1,060,436	840,478
Trade balance		(58,620)	(48,588)	(929,497)	(647,080)
Car and truck total	Export	37,335	55,078	777,379	903,352
	Import	463,221	362,944	5,638,248	5,310,348
TRADE BALANCE		(425,886)	(307,866)	(4,860,869)	(4,406,996)

Compiled by Automotive News from official statistics of the U.S. Commerce Department, as reported by the U.S. International Trade Commission. Because of rounding, figures may not add to the totals shown.

STATEMENT REQUIRED BY THE ACT OF AUGUST 24, 1912, AS AMENDED BY THE ACTS OF MARCH 3, 1933, JULY 2, 1946 AND JUNE 11, 1960 (74 STAT. 208) SHOWING THE OWNERSHIP, MANAGEMENT AND CIRCULATION OF

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8. Known bondholders, mortgagees, and other security holders owning or holding 1 percent or more of total amount of bonds, mortages or other securities.

None.

10. Average number of copies of each issue of this publication sold or distributed through the mails or otherwise during the 12 months preceding the date shown above was: Total number of copies: 78,335; sales through dealers, carriers, street vendors and counter sales: 354; mail subscription: 73,406; total paid and/or requested circulation: 73,760; free distribution: 2,098; total copies distributed: 75,858; office use, left over, unaccounted, spoiled after printing: 2,078; returns from news agents: 399. Actual number of single issue published nearest to filing date (September 28, 1988): total number of copies: 82,100; sales through dealers, carriers, street vendors and counter sales: 400; mail subcription: 74,728; total paid and/or requested circulation: 75,128; free distribution: 4,318; total copies distributed: 79,446; office use, left over, unaccounted, spoiled after printing: 2,220; returns from news agents: 434.

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AUCTION DATES

Ford Motor Co.

Oct. 25 — Harrisonburg Auto Auction, Harrisonburg, Va.; Bay Cities Auto Auction Inc., Hayward, Calif.; Albuquerque Auto Auction, Albuquerque, N.M.; Concord Auto Auction, Acton, Mass.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.; and Lakeland Auto Auction, Lakeland, Fla.

Oct. 27 — Denver Auto Auction, Aurora, Colo.; Texas Hobby Auto Auction, Houston; Interstate Auto Auction, Mercer, Pa.; Nashville Auto Auction, Nashville, Tenn.; and Skyline Auto Exchange, Fairfield, N.J.

General Motors

Oct. 25 — Southern Auto Auction, East Windsor, Conn., and Dallas Auto Auction, Grand Prairie, Texas.

Oct. 26 — Atlanta Auto Auction, Atlanta; Baltimore-Washington Auto Exchange, Baltimore; Clanton's Auto Auction, Darlington, S.C.; Omaha Auto Auction, Omaha, Neb.; Southern California Auto Auction, Fontana, Calif.; and Puget Auto Auction, Auburn, Wash.

Oct. 27 — Arena Auto Auction, Chicago; Ohio Auto Auction, Grove City, Ohio; St. Louis Auto Auction, St. Louis; and Utah Auto Auction, West Bountiful, Utah.

Chrysler Motors

Oct. 25 — Florida Auto Auction of Orlando, Ocoee, Fla.; American Auto Auction, Walpole, Mass.; Denver Auto Auction, Aurora, Colo.; Nashville Auto Auction, Nashville, Tenn.; South Seattle Auto Auction, Kent, Wash.; Golden Gate Auto Auction, Fremont, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Oct. 26 — Northway Exchange, Clifton Park, N.Y.; Minneapolis Auto Auction, Plymouth, Minn.; and Butler Auto Auction, Gibsonia, Pa.

Oct. 27 — Clanton's Auto Auction, Darlington, S.C.; Big Sky Auto Auction Inc., Billings, Mont.; Aptco Auto Auction, Taylor, Mich.; Ark-La-Tex Auto Auction, Shreveport, La.; and Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Used Car Sales
Auction Averages

October 88	$5,719
Month ago	$5,854
Year ago	$6,025

Model Breakdown
Auction Averages

	OCT 1988	SEPT 1988	AUGUST 1988
1988 ...	$10,322	$9,772	$12,473
1987 ...	$7,748	$7,554	$7,919
1986 ...	$6,624	$6,816	$6,891
1985 ...	$5,840	$5,593	$5,819
1984 ...	$4,042	$4,177	$4,308
1983 ...	$3,273	$3,556	$3,583
1982 ...	$2,709	$2,535	$2,479
1981 ...	$1,859	$1,743	$1,887
Overall Average	$5,719	$5,757	$6,019

Older drivers termed a problem

By Diana T. Kurylko
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — The number of car accidents involving older drivers will escalate as America grays and could reach dangerously high levels unless cars, highways, signs and licensing procedures are changed.

A new report on transportation in an aging society says elderly people are involved in a higher percentage of accidents than any other age group outside of young people.

They have unique problems behind the wheel, said James L. Malfetti, a Columbia University professor who headed the two-year study by the National Research Council. Rather then recommend license restrictions at a certain age, the study panel faulted the transportation industry for failing to address a problem that has been well documented.

"While automobiles and highways have improved dramatically during this century, many design and professional practices used today are based on the performance characteristics of a younger population," the committee said.

The dummies used in federal crash tests were developed decades ago and only simulate what would happen in an accident to a healthy young driver. An elderly driver is more than three times as likely to die in a crash as a 20-year-old, Malfetti said.

Even the standard for the height of highway signs was established in the 1940s when the overall population was considerably younger and had better vision. Malfetti said 7 percent of the population was 65 years old then, compared with 12 percent today.

Despite the growing number of elderly drivers, little has been done to protect the aging population, he said. Because of diminished eyesight and physical strength, older drivers simply have more difficulty reading traffic signs, turning their heads while backing a car and reaching for safety belts.

Because of these physical problems, older drivers cause accidents merging in high-speed traffic and making left-hand turns at an intersection without a signal light, he said.

The solutions to some of these problems are simple and could benefit all drivers but admittedly may be costly, the panel said. Among the panel's recommendations are for automakers to install seat belts that are easier to fasten, provide rear-view mirrors with wider fields of vision, and urge older buyers to select cars with air bags and anti-lock brakes, despite the higher cost. The panel said these costs will decline if senior citizens demand the features and campaign for affordability.

On the regulatory side, the group said federal and state highway authorities need to make signs larger and brighter, install better roadway markings and increase the use of special left-turn lanes and signals.

The panel also noted automotive innovations may in the future improve visibility at night through infrared cameras and help avoid crashes with radar braking.

But encouraging as they may be, these technologies are decades away, the panel said. The committee concluded that cars and highways will not be radically different for years to come, again underscoring the reason for immediate concern, Malfetti said.

"Given the long lead time required to develop and phase-in changes in the standards used for highway design and operation, driver licensing and vehicle design, now is the time to begin preparing for the transportation needs of an aging society," the study said.

Malfetti said 1985 statistics show that drivers over 75 years of age are involved in more fatal crashes per mile than any other age group other than teenagers. Although the elderly account for only 3 percent of all fatal crashes vs. 34 percent for drivers aged 15 to 24, concern is mounting because of changing demographics, Malfetti said.

By the year 2020, 17 percent of the population will be over 65 and more than 90 percent of those senior citizens are likely to have a driver's license. Currently, 12 percent of the population is over 65 and only 65 percent of that group have a license.

Despite these statistics, the study found no justification for imposing driving restrictions at a certain age. Instead, the committee recommended that states require in-person license renewals and follow the example of Oregon and Washington. Those states issue special licenses that allow only daytime driving or driving to the grocery store.

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TENNESSEE

Memphis Auto Auction, 2650 Mt. Moriah Rd, Memphis, Tenn. 38115. 901-794-7700. Sale every Tuesday at 11 AM. Mid-South's newest auto auction.

TEXAS

Fort Worth Auto Auction (div. of GECAA), 2245 Jacksboro Hwy., Ft. Worth, TX 76114. Sale every Thursday. Contact: George Horton, 817-626-5494.

TEXAS

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PRODUCTION

Cars, trucks show gains for week

By Karen Detkowski
SPECIAL CORRESPONDENT

Last week's targeted domestic auto production of 160,424 units increased 2.45 percent over the prior week's 156,591 and was 1.66 percent above the year-ago week's 157,798.

So far this year, 5,697,782 cars have been assembled, 1.72 percent below the 5,797,770 completed last year at this time.

Last week's output was split as follows: General Motors, 52.68 percent; Ford Motor Co., 23.71 percent; Chrysler Motors, 13.87 percent; Honda of America Manufacturing Inc., 4.67 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.59 percent; Nissan Motor Manufacturing Co., U.S.A., 1.01 percent; and New United Motor Manufacturing Inc., 0.47 percent.

Truck output was estimated at 81,495 units last week, 1.45 percent above the previous week's 80,332 and 2.83 percent above the year-ago week's 79,255.

Year-to-date, 3,343,741 trucks have been built, 6.82 percent more than last year's 3,130,158.

Nissan slowed car output last week as it changed the production mix of cars and trucks.

Saturday overtime was scheduled last week at Ford's Edison, N.J., and Wayne, Mich., car plants and the Lorain, Ohio, and St. Louis truck plants.

Ford has scheduled daily overtime this week at all its plants except the Lorain car plant and the St. Paul, Minn., truck plant.

GM scheduled Saturday overtime last week at its Willow Run, Mich.; Lansing, Mich. (Grand Am); and Lordstown, Ohio, car facilities. The Janesville, Wis., car plant was slated for Friday overtime.

Also slated to work Saturday were GM's Baltimore; Fort Wayne, Ind.; Shreveport, La.; Pontiac (West), Mich.; and Flint, Mich., truck assembly plants.

Chrysler's Jeep plant in Toledo, Ohio, also was scheduled for Saturday work.

The strike at Chrysler's St. Louis (No. 2) plant continued last Friday while workers voted on a new contract. The walkout has cost Chrysler about 12,600 Dodge and Plymouth stretched minivans.

Canada surges after holiday

Canadian car production was targeted at 21,559 units last week, 27.83 percent above the prior week's 16,866 and 23.12 percent above the year-ago week's 17,511.

So far this year, 860,348 cars have been assembled, 38.08 percent above last year's 623,090.

Truckmakers estimated last week's output at 21,555 units, 16.98 percent more than the prior week's 18,427 and 20.70 percent above the year-ago week's 17,859.

Year-to-date truck production totals 746,433, 12.44 percent above the 663,851 built a year ago.

Canada's Thanksgiving Day holiday reduced car and truck production in the week ended Oct. 15.

Saturday overtime was scheduled last week at GM's Oshawa and Scarborough, Ontario, truck plants.

U.S. CAR	Week Ended Oct. 22, 1988	Week Ended Oct. 24, 1987	Week Ended Oct. 15, 1988	Oct. to Date	Jan. 1 to Oct. 22, 1988	Jan. 1 to Oct. 24, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	1,500	992	1,543	4,601	65,952	37,259
Sundance	2,100	1,668	2,232	6,579	83,870	74,849
Reliant	2,200	3,643	2,217	8,651	73,310	104,598
Caravelle	0	557	0	0	9,265	37,476
Gran Fury	200	133	233	820	17,429	5,799
Total Plymouth	6,000	6,895	6,225	18,451	249,826	259,981
LeBaron K	0	929	0	0	7,912	55,488
LeBaron J	2,800	2,841	2,561	7,324	88,211	96,368
LeBaron GTS	150	836	250	640	7,752	32,798
N. Yorker E-Class	0	0	0	0	0	57,102
N. Yorker C-Class	2,000	1,375	2,091	6,283	85,360	5,569
Fifth Avenue	900	2,542	969	2,843	28,033	53,336
Total Chrysler	5,650	8,523	5,871	17,080	193,268	309,681
Omni	1,500	765	1,557	4,599	64,770	32,224
Daytona	1,700	1,854	1,757	4,961	62,992	52,106
Shadow	2,200	1,850	2,189	6,543	83,007	77,844
Aries	2,100	3,673	2,205	6,477	71,650	96,638
Dodge 600	0	671	0	0	8,549	33,877
Dynasty	2,600	334	2,774	7,928	87,595	1,288
Lancer	200	486	149	498	7,336	20,399
Diplomat	300	904	344	1,024	16,056	11,450
Total Dodge	10,800	10,537	10,975	32,050	401,955	325,826
CHRYSLER MOTORS	22,250	25,965	23,071	67,581	845,049	902,482
Escort	11,219	9,068	9,680	31,711	331,170	313,927
Mustang	4,296	4,594	3,720	12,426	165,543	175,154
Tempo	4,099	3,472	3,773	11,709	150,710	111,355
Taurus	8,200	8,540	8,154	24,147	322,596	332,974
Thunderbird	704	3,581	333	1,037	91,972	129,580
Total Ford Div.	28,518	29,255	25,660	81,030	1,061,991	1,062,990
Lynx	0	0	0	0	0	21,352
Topaz	1,405	971	1,518	4,583	57,570	36,268
Cougar	686	3,344	336	1,022	71,370	114,198
Sable	2,887	2,005	2,675	8,527	109,803	100,089
Total Mercury	4,978	6,320	4,729	14,132	238,743	272,142
Continental	1,506	86	1,506	4,147	41,430	9,686
Mark VII	762	649	751	2,070	21,809	22,990
Lincoln	2,276	2,955	2,258	6,230	102,291	115,557
Total Lincoln	4,544	3,690	4,515	12,447	165,530	148,235
Total L-M Division	9,522	10,010	9,244	26,579	404,273	420,377
FORD MOTOR CO.	38,040	39,265	34,904	107,609	1,466,264	1,483,367
Skyhawk	1,170	1,158	1,151	3,362	16,725	27,644
Skylark/Somerset	1,559	2,024	1,786	3,345	40,797	53,254
Century	4,915	3,208	4,448	14,191	109,181	130,425
Regal (rwd)	0	720	0	0	0	35,909
Riviera	629	374	645	1,824	7,835	10,859
Electra	2,510	1,938	2,452	7,341	70,099	74,540
LeSabre (fwd)	2,925	2,341	2,896	8,746	110,310	121,835
LeSabre (rwd)	210	278	173	559	8,054	7,517
Reatta	252	0	236	719	8,022	0
Total Buick	14,170	12,041	13,787	40,087	371,023	461,783
Cimmaron	0	265	0	0	3,693	9,808
Eldorado	742	527	777	2,166	28,743	16,103
Seville	562	618	580	1,651	18,487	14,534
Brougham (rwd)	1,020	1,880	1,051	2,958	28,225	60,186
Deville (fwd)	4,298	3,545	4,140	12,230	124,680	113,549
Allante	75	50	75	225	1,609	3,970
Total Cadillac	6,697	6,883	6,823	19,230	205,437	217,948
Cavalier	8,090	7,434	7,262	23,008	294,614	251,782
Camaro	2,575	2,420	2,783	8,305	77,208	109,285
Celebrity	3,415	5,581	3,831	10,510	148,857	245,551
Corsica/Beretta	9,124	8,521	9,586	28,836	349,845	275,742
Monte Carlo	0	1,648	0	0	0	80,197
Caprice	4,295	4,860	4,809	13,051	170,670	183,384
Corvette	540	650	562	1,664	18,469	22,977
Total Chevrolet	27,979	31,112	29,733	85,372	1,058,663	1,109,898
Calais	3,241	2,791	2,958	8,199	93,386	94,886
Firenza	0	424	0	0	5,230	11,126
Cutlass Ciera	1,450	739	1,229	4,190	24,530	109,020
Cutlass Supreme	3,840	1,549	3,633	10,840	115,975	83,025
Toronado	315	419	315	907	12,473	12,723
88 (fwd)	3,832	3,588	3,320	10,955	128,374	147,516
88 (rwd)	170	442	199	539	9,423	11,484
Olds 98	1,752	2,341	1,889	5,101	59,586	56,900
Total Oldsmobile	14,400	12,293	13,353	38,731	448,982	503,318
Sunbird	2,852	1,841	2,496	8,059	88,393	70,579
Grand Am	6,000	5,856	5,208	17,209	195,973	204,218
Firebird	1,635	1,444	1,618	4,992	52,423	66,256
Grand Prix	4,060	0	4,000	12,060	114,227	0
Pontiac 6000	3,115	1,768	3,360	9,366	74,584	60,901
Bonneville	3,510	3,219	2,988	9,982	97,051	108,842
Safari/Parisienne	165	135	97	300	6,438	8,005
Fiero	0	1,037	0	0	13,297	25,742
Total Pontiac	21,277	15,320	19,765	61,971	642,386	541,583
GENERAL MOTORS	84,523	77,629	82,261	245,391	2,726,471	2,834,530
HONDA	7,485	7,787	7,118	22,333	300,013	264,058
Civic	2,580	1,459	2,815	7,831	88,346	73,851
Accord	4,905	6,328	4,303	14,502	211,667	190,207
MAZDA†	5,756	204	5,658	16,917	119,071	1,058
NISSAN	1,620	1,321	2,877	7,373	91,847	102,641
NUMMI	750	3,606	702	1,733	113,070	159,209
Corolla	750	963	702	1,733	43,781	34,820
Nova	0	2,615	0	0	69,289	124,389
VOLKSWAGEN	0	2,029	0	0	35,997	50,425
Golf/GTI	0	1,329	0	0	30,444	38,682
Jetta	0	700	0	0	5,553	11,743
Total Cars, U.S.	160,424	157,798	156,591	468,947	5,697,782	5,797,770
Total Cars, Canada	21,559	17,511	16,866	58,896	860,348	623,090
U.S., Canada Cars	181,983	175,309	173,457	527,843	6,558,130	6,420,860
U.S., Canada Cars and Trucks	265,033	272,423	272,216	830,963	10,648,304	10,214,869

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended Oct. 22, 1988	Week Ended Oct. 24, 1987	Week Ended Oct. 15, 1988	Oct. to Date	Jan. 1 to Oct. 22, 1988	Jan. 1 to Oct. 24, 1987
Eagle	0	—	0	0	0	—
Premier	1,275	—	1,049	3,340	48,695	—
CHRYSLER MOTORS	1,275	510	1,049	3,340	48,695	4,851
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	3,265	—	2,544	9,092	141,017	—
Topaz	1,631	—	1,341	4,808	55,070	—
Crown Victoria	2,773	—	2,219	7,783	103,927	—
Grand Marquis	2,987	—	2,296	8,218	105,552	—
FORD MOTOR CO.	10,656	7,459	8,403	29,701	405,566	348,723
Celebrity	606	—	459	1,634	16,975	—
Cutlass Ciera	3,442	—	2,620	9,013	186,753	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	0	29,690	—
Regal	4,000	—	3,113	11,080	131,517	—
GENERAL MOTORS	8,048	9,081	6,192	21,727	364,935	248,867
Civic	1,400	—	1,042	3,588	34,346	—
Accord	0	—	0	0	1,828	—
HONDA	1,400	461	1,042	3,588	36,174	11,860
VOLVO	180	0	180	540	4,978	7,989
Total Cars, Canada	21,559	17,511	16,866	58,896	860,348	623,090

U.S. TRUCK☆	Week Ended Oct. 22, 1988	Week Ended Oct. 24, 1987	Week Ended Oct. 15, 1988	Oct. to Date	Jan. 1 to Oct. 22, 1988	Jan. 1 to Oct. 24, 1987
Caravan	0	—	0	783	73,371	—
Dakota	2,300	—	2,386	7,067	87,632	—
Mini-Ram Van	0	—	0	90	10,182	—
Pickups	2,300	—	2,392	7,064	66,142	—
Total Dodge	4,600	9,182	4,778	15,004	237,307	242,916
Cherokee	4,500	—	3,897	12,916	149,634	—
Commanche	900	—	735	2,507	36,534	—
Grand Wagoneer	300	—	359	1,009	11,202	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	210	687	8,905	—
Total Jeep	5,900	4,639	5,201	17,119	206,275	183,050
Voyager	0	—	0	708	88,411	—
Total Plymouth	0	—	0	708	87,776	—
CHRYSLER MOTORS	10,500	13,821	9,979	32,831	508,447	425,966
Aerostar	5,593	—	4,868	15,420	170,582	—
Bronco	949	—	1,063	2,919	44,119	—
Bronco II	1,802	—	896	3,152	97,884	—
Econoline	5,571	—	5,598	16,718	195,824	—
Heavy trucks	1,303	—	1,167	3,779	53,535	—
Light trucks	8,763	—	11,329	30,125	398,020	—
Ranger	2,848	—	3,473	9,224	267,079	—
Total Ford Div.	26,829	34,599	28,414	81,337	1,228,043	1,206,859
FORD MOTOR CO.	26,829	34,599	28,414	81,337	1,228,043	1,206,859
Astro	4,052	—	3,504	11,557	144,073	—
Blazer	600	—	530	1,660	21,466	—
Medisume/Heavies	370	—	409	1,100	16,330	—
P-Model	914	—	965	2,790	33,874	—
Pickups	9,590	—	8,709	27,825	294,233	—
S-10	8,077	—	7,110	19,405	248,543	—
S-10 Blazer	3,614	—	3,551	11,484	136,684	—
Sportsvan/Van	2,216	—	1,886	6,252	78,334	—
Suburban	1,688	—	1,544	5,218	57,681	—
Total Chevrolet	29,134	16,706	28,210	87,311	1,031,198	938,544
Jimmy	216	—	177	572	8,287	—
Medisume/Heavies	570	—	558	1,704	29,939	—
P-Model	106	—	79	286	4,469	—
Pickups	3,047	—	2,819	8,265	90,249	—
S-15	1,467	—	1,175	4,010	55,178	—
S-15 Jimmy	1,066	—	911	3,149	38,473	—
Safari	1,043	—	896	3,105	38,921	—
Suburban	750	—	667	1,826	25,253	—
Vandura/Rally Vans	696	—	569	2,023	27,943	—
Total GMC	8,962	6,742	7,805	25,055	315,702	314,946
GENERAL MOTORS	38,125	23,448	36,016	112,366	1,346,900	1,253,490
NAVISTAR	1,900	1,867	1,810	5,619	70,438	60,440
NISSAN	1,380	2,970	1,363	4,136	74,963	73,143
AM GENERAL*	450	450	450	1,350	18,810	13,500
MISCELLANEOUS*	2,300	2,300	2,300	6,900	98,140	96,760
Total Trucks, U.S.	81,495	79,255	80,332	244,539	3,343,741	3,130,158

CANADIAN TRUCK	Week Ended Oct. 22, 1988	Week Ended Oct. 24, 1987	Week Ended Oct. 15, 1988	Oct. to Date	Jan. 1 to Oct. 22, 1988	Jan. 1 to Oct. 24, 1987
Caravan	3,066	—	2,933	8,498	114,057	—
Mini-Ram Van	198	—	198	585	10,126	—
Ram Wagon	762	—	727	2,104	21,200	—
Ram Van	2,058	—	2,172	5,976	57,721	—
Total Dodge	6,084	8,057	6,030	17,161	203,104	318,352
Voyager	2,880	—	2,889	8,061	103,189	—
Total Plymouth	2,880	—	2,889	8,061	103,189	—
Wrangler	1,248	—	1,035	3,172	41,073	—
Total Jeep	1,248	915	1,035	3,172	41,073	28,947
CHRYSLER MOTORS	10,212	8,972	9,764	28,394	347,366	347,299
FORD MTR. (lt. trks.)	3,648	3,499	2,878	10,110	131,079	121,038
Light trucks	3,591	—	2,704	9,111	124,591	—
Vans	1,561	—	1,185	4,131	47,900	—
Total Chevrolet	5,152	—	3,889	13,242	172,491	—
Light trucks	1,589	—	1,154	4,455	61,980	—
Vans	584	—	527	1,841	24,137	—
Total GMC	2,273	—	1,681	6,096	86,117	—
GENERAL MOTORS	7,425	5,158	5,570	19,338	258,608	187,632
NAVISTAR	270	230	215	759	9,380	7,862
Total Trks., Canada	21,555	17,859	18,427	58,601	746,433	663,851
U.S., Canada Trks.	103,050	97,114	98,759	303,140	4,090,174	3,794,009

—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.

Automotive News

October 31, 1988

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Transplants falling short of U.S. goal

Suppliers lose out on Big 3 contracts

By Lindsay Chappell
AUTOMOTIVE NEWS STAFF REPORTER

NASHVILLE, Tenn. — Many of the Japanese auto suppliers now invading the U.S. market are having a tougher time than they expected.

A new study claims a high percentage of transplants are failing to meet either profit or sales goals in the United States and that many are rethinking their American strategies. The greatest area of dissatisfaction is the suppliers' failure to crack the domestic original-equipment market.

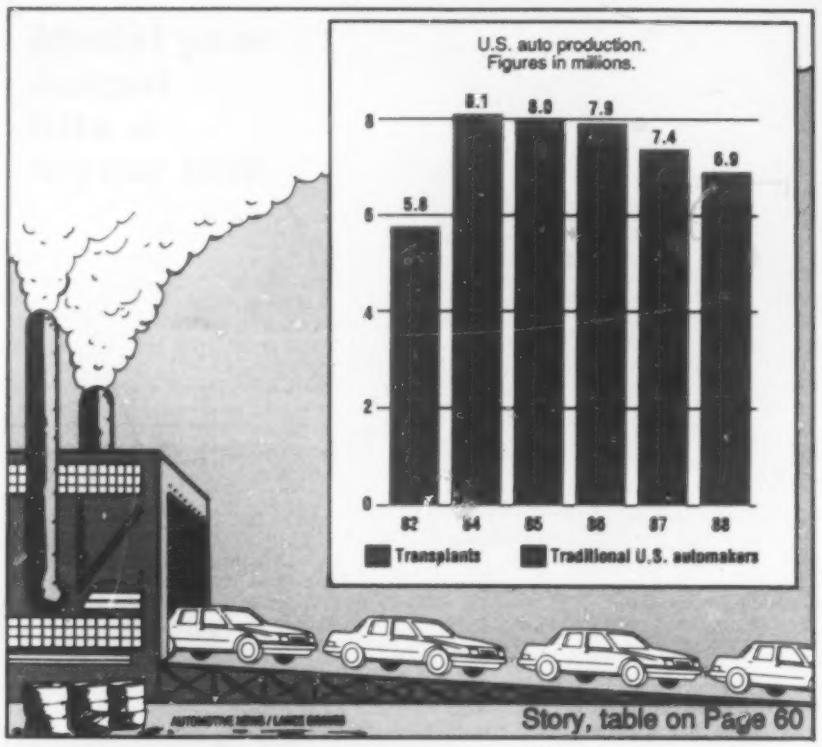
According to an unpublished study conducted by the international management consulting firm A.T. Kearney, 40 percent of the Japanese auto parts suppliers now manufacturing in the United States are disappointed in their results. Although many entered the market with low initial profit expectations, respondents admitted sales goals are not being met.

The study, commissioned by Japanese automotive producers, found that the transplants' greatest source of disappointment has been their failure to penetrate the domestic OEM market.

As a result, some of the transplants are late in reaching scheduled production volume, further reducing sales performance, according to the study.

"In most cases, they came here primarily to supply the Japanese OEMs in the United States," said Earl Landesman, a Kearney principal who worked on the study. "They knew those sales wouldn't be adequate to support them, and they counted on supplying the Big 3 to make up the difference. But it

see SUPPLIERS, page 60



Story, table on Page 60

LIDO'S DECADE: *He saved Chrysler, but heads rolled*

By Mary Connelly
AUTOMOTIVE NEWS STAFF REPORTER

Lee Iacocca celebrates his 10th anniversary at Chrysler Corp. this week, but few officers on the company payroll today can join him in reminiscing about that fateful Thursday, Nov. 2, 1978.

Of the 29 officers heading Chrysler Corp. and Chrysler Motors today, only one was a corporate officer the day Iacocca walked into the company's Highland Park headquarters as president and chief operating officer.

Glenn E. White, Chrysler Corp. vice president — personnel and organization, is the sole member of today's executive team who was an officer then. White joined Chrysler in 1953 and was named a vice president in 1968.

"Over a three-year period, I had to fire 33 out of 35 vice presidents," Iacocca said in his best-selling autobiography. "That's one a month. In a few cases, I tried to resurrect some of the executives, but it didn't work — they just couldn't cut it."

In fact, among the 29 officers leading Chrysler today, only eight — including White — were even working at Chrysler Nov. 2, 1978.

Of the remaining 21, nine joined Iacocca in 1979 and 1980 and helped him resuscitate the dying company and breathe into it the financial fitness it is now enjoying. Chrysler Motors Chairman Gerald Greenwald and Chrysler Corp. Vice Chairman Robert S. Miller Jr. — both members of the corporate executive committee — are among those nine.

As Iacocca became the front man, pleading with a Congress unsympathetic to the domestic industry — builder of gas-guzzlers

see IACOCCA, page 61

Import group nixes NADA merger plan

By Edward Lapham and Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTERS

The retail industry's two most influential trade groups — the National Automobile Dealers Association and the American International Automobile Dealers Association — forged plans for independent futures last week.

While NADA's board met in Pebble Beach, Calif., to ratify its election of new officers, AIADA officials met in Washington and decided not to proceed with proposed merger talks with NADA.

Directors voted unanimously for "no change in the independence or autonomy of the American International Automobile Dealers Association," climaxing discussions by the two groups that began last spring.

Portland, Ore., megadealer Ron Tonkin, whose election as next year's NADA president was sealed at the Pebble Beach meeting, said the AIADA decision would not affect NADA or his agenda.

"The time of the dealer has come — it has arrived," Tonkin said last week in an interview following his uncontested election. "The movement will go forward — whether the cause of the dealer is advanced by one organization or by two."

Tonkin, who is a member of both NADA and AIADA, was instrumental in arranging preliminary talks between the two organizations.

Although AIADA decided to abandon the talks, the AIADA directors did approve a resolution stating: "We will continue the existing working relationship between NADA and AIADA."

AIADA Chairman Lee G. Seidman said, "Our decision was based on recognition of the fact that the interests of all automobile dealers will be best served if the associations remain independent and autonomous. While, in many ways, the differences that distinguish domestic dealers from international dealers have been blurred, the international dealers feel that their special interests still require the efforts of an association dedicated solely to their concerns."

Membership in the group has grown in recent years, as has AIADA's lobbying efforts on trade legislation.

AIADA President Robert E. McElwaine said the merger discussions "had nothing to do with my decision to retire on Oct. 31 of next year. I will definitely retire from the presidency of AIADA at that time, al-

see NADA, page 59

First of the megadealers

Victor Potamkin remains powerful force

By Edward Lapham
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — Two distinguished men get up from the table and start toward the door of the comfortable and proper dining room at the 21 Club.

On the way, one of them stops at the table where car dealer Victor Potamkin is lunching with his sons Robert and Alan and guests.

"Hello, Vic, how are you?" one says to Potamkin.

Potamkin rises quickly, as do his sons.

"Robert, you remember Cy Vance don't you?" Potamkin asks, introducing Cyrus R. Vance, U.S. secretary of state during the Carter administration, to his sons and his guests.

It is not the only time this lunch is interrupted by rich and powerful friends. Everyone, it seems, knows Victor Potamkin.

At 77, Potamkin is healthy and, he claims, still the biggest car dealer in Manhattan. In the year since he sold his two New York City Cadillac stores to former race driver Roger Penske, Potamkin has remained the most visible car dealer in America's largest metropolis despite being in self-proclaimed semi-retirement.

The publicity generated by the transaction and attendant pledges by the Penske organization to improve sales and service performance, customer satisfaction and even the dealership facilities have rankled the Po-

see POTAMKIN, page 56

DOUG GOODMAN

From right: dealers Robert, Victor and Alan Potamkin

Sleek Soviet minivan gets N.Y. unveiling

By Jim Henry
AUTOMOTIVE NEWS STAFF REPORTER

NEW YORK — The Soviet auto industry plans to unveil the Debut, a minivan that may someday be exported to the United States, at a trade show here next month.

"We hope it will please you," said Bagrat Aroutiounov, a member of the Presidium and chief of Soviet Exhibitions Abroad for the U.S.S.R. Chamber of Commerce and Industry.

"It's a new prototype. We haven't shown it before," Aroutiounov said at a press conference last week. He referred to the Debut

see SOVIET, page 61

san adds to plants, pes EPA hurdle Page 2

U.S. maker eyes Magna to make niche vehicle Page 4

Big 3 post record sales and profits Page 58

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Fuller: "We are trying to follow a basic theory here at VW U.S.: Promise less and deliver more."

AUTOMOTIVE NEWS/JOE WILDERS

Mexico to build VW Jetta for U.S.

GL due next summer; Mexican Golf, GTI arrive early in '89

By David Versical
AUTOMOTIVE NEWS STAFF REPORTER

TROY, Mich. — Volkswagen of America will import the Jetta GL from Mexico next summer, the second line to be sourced from that country since the closing of the company's U.S. assembly plant earlier this year.

Production of the 1990 Jetta GL will begin next summer at Volkswagen de Mexico's plant in Puebla. The car will join the Golf/GTI, which begin arriving from Mexico as 1989 models in January.

The change will establish a clear sourcing pattern for the Volkswagen United States franchise. VW's volume cars — the subcompact Fox and compact-sized Golf/GTI and Jetta GL — will all come from low-wage countries south of the border. More complex versions of those cars and VW's specialty models will be built in Europe.

A VWoA spokesman said that there is some concern about importing VW's best sellers solely from Brazil and Mexico, where economic conditions have been less than ideal. But both countries have become more stable, he said. And in a worse-case situation, VW could turn to Europe for Golfs, Jettas and GTIs. The Fox is built only in Brazil.

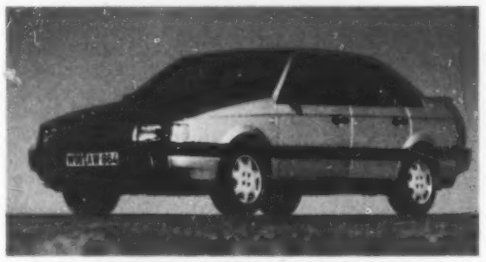
The sourcing is just one of many changes taking place within VW as it continues on a five-step strategy aimed at rebuilding the franchise.

The division's sales, on the decline for the third straight year, are expected to come in at about 180,000 in 1988, about 17 percent below 1985 levels, said James Fuller, vice president in charge of Volkswagen United States.

And while the company is looking ahead to three new products that will push the marque into new upscale territory next year, its bread-and-butter models are showing signs of age.

Even with the new arrivals, Fuller predicted sales again will be in the 180,000 range next year. The projections are deliberately cautious, Fuller said. But the conservatism also reflects a need to keep dealers off a business roller coaster.

"What we have to do is find that balance between a realistic sales projection for coming years and support that with production capacity," said Fuller.



VW sees Passat annual volume at 25,000

He added: "We are trying to follow a basic theory here at VW U.S.: Promise less and deliver more."

As a result, VW will again attempt to stay out of the industry incentive battle, especially on its higher-volume products. Fuller views incentives as distress marketing — a practice that may boost sales in the short run but erodes dealer margins and makes planning difficult.

The projections also reflect some other challenges. The Jetta and Golf/GTI, already six years in the U.S. market, aren't scheduled to be replaced until the 1992 model year.

The Fox, meanwhile, a crucial entry-level product, has absorbed a 17 percent price increase in the last year alone, Fuller said, primarily because of economic troubles in Brazil. Its price will go up another 4 percent as 1989 models arrive this month.

Though three new products aren't expected to bring large additional volumes, they will help mark a change in direction for the franchise — both in terms of styling and in market coverage.

The first, Corrado will probably account for about 5,000 sales next year, Fuller said. Annual volume should be about 8,000 after that. The Corrado launch has been delayed by about six weeks, and the car is now expected to arrive in May. Fuller said the delay will ensure adequate volumes are on hand when the car comes out.

The $20,000-plus sports coupe fills the void left by the Scirocco in VW's lineup and will be billed as a serious German sports car.

see VW, page 57

NHTSA changing truck, van classes

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — NHTSA has proposed two options, either of which would reclassify cars, trucks and vans. Each would eliminate the Multi-Purpose Vehicle category for sport-utility vehicles.

In announcing the proposed rulemaking with both options, the safety agency said the change would take effect Nov. 1, 1990. The comment period extends until Jan. 17.

NHTSA announced its interest in redefining vehicle types in an advanced notice of proposed rulemaking published last year, and this latest announcement makes it clear the agency will go ahead with the reclassification plan.

NHTSA's reclassification rulemaking was proposed by the Insurance Institute for Highway Safety. The group argued that new and emerging vehicle types, such as minivans, sport trucks and sport-utility vehicles, have made NHTSA's current classification system obsolete. That is because many new vehicles are not being classified as passenger cars, thus avoiding some safety requirements, the insurers said.

The reclassification rulemaking, however, will not immediately change rules for minivans, sport trucks and sport-utility vehicles. Industry lawyers say NHTSA must go through a separate rulemaking each time it broadens an existing safety standard.

The multiple rulemakings are required, the lawyers say, to give vehicle manufacturers enough lead-time to meet the new standards.

The first reclassification option under consideration by NHTSA, called "Option A," would eliminate the current classification of MPV, which now covers most sport-utility vehicles.

In its place, NHTSA would create two new categories. The first new category would be for vans and would cover light-duty vehicles intended to haul cargo. The other new category would be for special-purpose vehicles, which would include recreational vehicles and vehicles intended for on/off-road use.

Sport-utility vehicles and vans designed for passenger transportation would be classified as passenger cars. Pickups would continue to be classified as trucks.

NHTSA said, "Option A represents an attempt to update the existing vehicle classification system by eliminating the MPV category. It attempts to group vehicles in classes primarily according to physical characteristics and to be consistent with current groupings used by the industry and many states."

Option B would also eliminate the MPV category, but it would not establish a van category.

Vehicles now considered MPVs would be reclassified according to whether they are likely to be used primarily for carrying passengers, for carrying cargo or for recreational purposes, NHTSA said.

"Under option B, vehicles designed to transport people would be classed as passenger cars; vehicles designed primarily to transport cargo would be classed as trucks, and vehicles designed for recreational (or) on/off-road use would be classed as special purpose vehicles," according to NHTSA.

In asking for comment on the two classification proposals, NHTSA said it would like each manufacturer to list how its current vehicles would fit under both classification plans. The agency is also seeking suggestions on how it should write technical specifications for the new vehicle categories.

The auto industry is expected to have plenty to say on the reclassification plan because of the agency's past practice of exempting some classes of vehicles from new safety standards.

Under NHTSA's current rules, trucks are not required to meet the side-door-strength safety standard, the rollover protection standard and head-restraint rules required for passenger cars. Trucks are also not required to meet the passive-restraint requirement or the high-mounted center stoplamp rule. MPVs are treated like cars under some safety standards, like trucks under others.

Chrysler's popular minivans are an example of the tough questions the rulemaking poses for some manufacturers. Under current NHTSA definitions, the minivans are trucks. That means Chrysler does not have to meet all the federal safety requirements that apply to passenger cars, even though Chrysler sells most of those vehicles as "family wagons," intended to transport people.

Chrysler also sells its minivans to businesses for commercial use. Those vehicles often are equipped with only the front seats and could easily be described as trucks.

Chrysler must now decide whether it should favor the creation of a van category and whether that category should include both its passenger and commercial minivans, or whether it should support a classification system that might list some minivans as passenger cars and others as trucks.

The Center for Auto Safety and other groups contend that NHTSA is stalling the application of passenger-car safety standards to light trucks and minivans by engaging in unnecessary rulemaking.

The center has called the reclassification rulemaking a "meaningless semantic goosechase."

NHTSA said it disagrees with that description because the rulemaking will help the agency take account of changes in vehicle design and use.

INDEX

Around the world	40
Auction dates	47
Classifieds	48-56
Coming events	42
News briefs	8
Opinion	10
Personnel	36-38
Production	62
Sales, car	31
Service management	14-25
Truck industry	12

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Chrysler strike ends; jobless fear lingers

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

Workers at Chrysler Motors' St. Louis minivan plant are back on the job after ratifying a local contract, following two earlier rejection votes.

But the settlement, which followed a 15-day strike, has not dispelled workers' anxiety over outsourcing and the resulting job loss. Though outsourcing is a matter for the national bargaining table, the issue figured in two earlier rejection votes. The 70 percent "yes" vote on Oct. 21 by members of UAW Local 110 ended a strike that cost Chrysler 11,250 vehicles and an estimated $3 million a day in profits.

According to George Burr, local president, the pact's main feature is a $1.5 million commitment for facility improvements including air-conditioned break areas. Workers walked off the job during last summer's heat wave, complaining of intolerable heat.

After Chrysler filed suit for an injunction to halt the strike, and after the inclusion of several more items, the contract passed.

"For the most part, everybody's happy," Burr said. "But they have an honest, legitimate concern about outsourcing."

Burr said that the national agreement provides for ways for locals to try to source work inside the company. "But there's not much teeth to that," he said.

UAW international officials have said that outsourcing and subcontracting deterrents and productivity improvement provisions in Big 3 national agreements are beginning to bring work back into General Motors plants. But they have said that the automakers' tendency to outsource and subcontract work continue to pose a challenge.

GM and Ford Motor Co. workers have been covered by the new pact since the fall of 1987, but Chrysler workers ratified the pattern agreement only last May.

Burr said that he planned to work through the union's subcouncils to make outsourcing the No. 1 issue in the national contract talks in 1990.

He said items in the new local contract at St. Louis help secure jobs and may even create more.

Those are: an absentee pool provision to cut the number of temporary workers in the plant; more assignments for UAW janitors; and more vacation allotments per department.

In the final version of the local pact, an excused advance program was expanded.

AUTOCROSS: *Olds prospects race clock in dealer's Quad 4 test runs*

By Dutch Mandel
AUTOMOTIVE NEWS STAFF REPORTER

SOUTHFIELD, Mich. — As Jim Muir stands in a parking lot and tries to control his enthusiasm, W. N. "Bill" Bleau, armed with a videocam recorder, aims to save the moment for posterity.

The "moment" is the first-ever Oldsmobile Quad 4 Autocross Challenge, in which a half-dozen Quad 4-equipped Cutlass Calais sedans cut through a pylon course, one at a time, in a race against time.

The event was sponsored earlier this fall by Muir, president of Jim Muir Oldsmobile-GMC Truck of Sterling Heights, Mich., who is also a member of the Detroit region of the Sports Car Club of America, a racing sanctioning body.

As the dealership's incentives manager, Bleau is doing more than chronicling the autocross as if it were a home movie. His interest lies in using grass-roots motorsports, like this SCCA Solo I autocross, to educate potential customers to the Olds Calais with the Quad 4 engine.

"We are the quiet winners of GM," said Bleau, referring to some of Olds' motorsports participation in SCCA and drag-racing events. Bleau said autocrossing might be one way to increase the quiet winners' sales volume.

With this sanctioned and supervised motorsports event, Muir has pre-registered and qualified some 160 potential Olds owners. This autocross will allow those potential customers a one-of-a-kind test drive.

General Motors and motorsports are not new to each other. But when consumers think of Oldsmobile, racing is not the first thing that comes to mind. Muir and Bleau think that should change.

With Olds' recent advertising strategy change — including the "It's Not Your Father's Oldsmobile" tagline as well as the "The New Generation of Oldsmobile" advertising theme — autocrossing might prove to be one way to reach younger buyers.

Muir said "it would be gravy" to sell a Calais based on this autocross test drive.

"The guys with the Honda CRXs and Alfa Romeo Spyders and Porsches are going to see this Calais with the Quad 4 be competitive. That's when they or their wives might just take a more serious look at owning one," he said.

Where will the Oldsmobile Quad 4 Autocross Challenge lead? Muir would like to see it become a nationwide, dealer-sponsored event — similar to the annual Oldsmobile Dealer Golf Scramble.

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DOMESTIC SALES

	Oct. 11-20, 1988	Oct. 11-20, 1987
Eagle	1,564	531
Chrysler	6,122	6,817
Plymouth	8,375	5,780
Dodge	13,208	6,781
Chrysler Motors	29,269	19,909
Ford	41,102	30,000
Mercury	12,524	11,616
Lincoln	5,987	4,719
Ford Motor Co.	59,613	46,335
Buick	15,450	12,897
Cadillac	8,845	6,909
Chevrolet	30,482	28,209
Oldsmobile	19,100	13,706
Pontiac	19,209	14,988
General Motors	93,086	76,509
Volkswagen	—	1,143
Honda	9,729	6,600
Nissan	2,040	2,504
Toyota	1,545	1,026
Mazda	913	—
U.S. Industry Total	196,196	154,026

U.S. car sales move up 27% in mid-October

By Philly Murtha
AUTOMOTIVE NEWS STAFF REPORTER

An extra selling day and a flurry of incentives helped boost mid-October's sales of U.S.-built cars 27.38 percent over last year's.

U.S.-built car and light-truck deliveries for Oct. 11-20 climbed 28.84 percent to 320,266 vs. 248,573 a year ago.

General Motors' car and light-truck sales jumped 42.68 percent; Chrysler's car-truck total rose 38.94 percent; Ford Motor Co. sold 16.35 percent more vehicles; and Nissan's transplant car-and-truck total rose 9.65 percent.

Mid-month deliveries of U.S.-built cars outpaced last year's 10-day figure by 27.38 percent. Sales totaled 196,196, up from 154,026.

The daily selling rate for cars was 21,800, up 13.23 percent from 19,253. This year's period had nine selling days; last year's had eight.

Chrysler's rebates and cut-rate financing helped raise car sales 47.01 percent. And Ford's allowances of $300 to $1,000 on some 1988s contributed to a 28.66 percent gain.

Although most incentives on 1988 models ended Oct. 10, GM's mid-month sales climbed 21.67 percent above last year's.

Toyota's transplant car deliveries were up 50.68 percent and Honda's rose 47.71 percent. Nissan, however, sold 18.53 percent fewer U.S.-made cars.

Sales of U.S.-built light-trucks topped last year's mid-October period by 31.23 percent.

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AUCTION DATES

Chrysler Motors

Nov. 1 — Dallas Auto Auction, Grand Prairie, Texas; Arena Auto Auction, Chicago; Greensboro Auto Auction, Greensboro, N.C.; Portland Auto Auction, Portland, Ore.; Riverside Auto Auction, Riverside, Calif.; and Hatfield Auto Auction, Hatfield, Pa.

Ford Motor Co.

Nov. 1 — South Seattle Auto Auction, Kent, Wash.

Nov. 2 — Atlanta Auto Auction, Red Oak, Ga.; Wednesday Auto Auction, Obetz, Ohio; Southern California Auto Auction, Fontana, Calif.; Newburgh Auto Auction Inc., Newburgh, N.Y.; and Salt Lake Auto Auction, Salt Lake City.

General Motors

Nov. 1 — A.D.E. of Birmingham, Moody, Ala.; Harrisonburg Auto Auction, Harrisonburg, Va.; and Florida Auto Auction of Orlando, Ocoee, Fla.

Used Car Sales
Auction Averages

October 88	$5,790
Month ago	$5,749
Year ago	$6,001

Model Breakdown
Auction Averages

	OCT 1988	SEPT 1988	AUGUST 1988
1988 ...	$9,933	$9,772	$12,473
1987 ...	$7,808	$7,554	$7,919
1986 ...	$6,412	$6,816	$6,891
1985 ...	$5,698	$5,583	$5,819
1984 ...	$4,122	$4,177	$4,388
1983 ...	$3,304	$3,556	$3,583
1982 ...	$2,652	$2,535	$2,479
1981 ...	$1,765	$1,743	$1,887
Overall Average	$5,790	$5,757	$6,019

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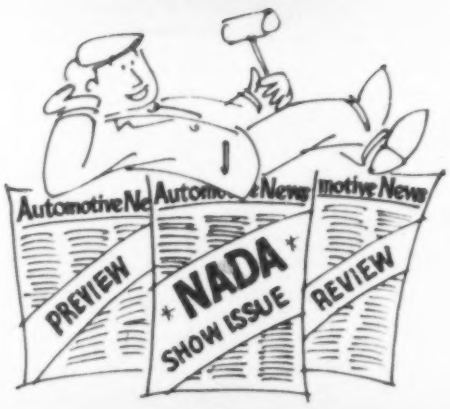

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Big 3 post record sales and profits for 3rd quarter

By Louise Kertesz
AUTOMOTIVE NEWS STAFF REPORTER

This year's third quarter proved to be the most profitable third quarter ever for the Big 3 automakers. They also racked up record sales for the period.

Ford Motor Co. came within a hair of beating General Motors for the highest profits for the quarter — Ford's were $856.3 million and GM's $859.2 million — though Ford's sales were $7.3 billion lower than GM's.

For the first time, both GM's and Ford's financial subsidiaries claimed that high credit losses on auto loans cut into profits.

Combined earnings for Chrysler Corp., Ford and GM for the third quarter were $1.83 billion, 3 percent more than the record $1.77 billion earned in the third quarter of 1987.

Combined sales for the quarter were $49.8 billion, 14 percent higher than the $44 million posted a year ago. Each of the three automakers reported higher sales.

Earnings improved at Ford and GM, but Chrysler's were off 54 percent, on record sales for the quarter. Chrysler said a number of factors, including cost of materials, eroded its profit.

For the first nine months of 1988, combined profits were $8.2 billion, up 11 percent from $7.4 billion a year ago.

Sales for the nine months totaled $165.4 billion, up 13 percent from $146.9 billion in the year-ago period.

CHRYSLER: Ironically, Chrysler, whose profits sagged in the third quarter, said its financial subsidiary, Chrysler Financial Corp., posted record third-quarter and nine-month earnings.

On the other hand, Ford Motor Credit and General Motors Acceptance Corp. reported lower earnings, based on narrower interest margins and higher credit losses.

Chrysler Corp. blamed its 54 percent decrease in earnings for the third quarter on the cost of sales incentives, a heavier mix of fleet sales and increasing cost of raw materials, labor and employee benefits.

In addition, Chrysler's Newark, Del., assembly plant was down for the entire third quarter, preparing to launch the new Dodge Spirit and Plymouth Acclaim.

Third-quarter profits of $112.5 million fell from last year's $246.0 million for the period.

Third-quarter sales of $7.01 billion, which were 24 percent above last year's $6.17 billion, set a company record for the quarter.

For the first nine months of the year, Chrysler earned $616.6 million, down 34 percent from $939.5 million. Chrysler said this year's earnings were $709.7 million before a $93.1 million provision for plant closings in its Acustar parts subsidiary.

Sales for the nine-month period were up 24.5 percent to $23.17 billion, from $18.6 billion in 1987.

CHRYSLER FINANCIAL: Chrysler Financial Corp. reported its highest-ever third-quarter and nine-month earnings. It attributed the increases to growth in non-automotive operations and lower U.S. income tax rates.

Unlike Ford Credit and GMAC, Chrysler Financial did not report higher credit losses.

Chrysler Financial's third-quarter earnings were $59 million, 21 percent higher than the $49 million earned in the year-ago quarter. Nine-month earnings were $185 million, 12 percent more than the $166 million earned a year ago.

The company said this is the fifth consecutive year in which it has set third-quarter and nine-month earning records.

During the third quarter, Chrysler Credit financed or leased 136,916 new cars and light trucks — 27 percent of the new vehicles sold by Chrysler Motors dealers.

FORD MOTOR CO.: Buoyed by its overseas results, Ford reported third-quarter profits increased 22 percent over a year ago on a 16 percent sales gain, setting Ford records in each category. The profit was a third-quarter industry record for one day — until GM issued its earnings statement.

Ford's profit margin on U.S. sales for the quarter slipped to 4.2 percent from 5.9 percent a year ago, said David N. McCammon, Ford vice president — finance and treasurer.

Companywide profits of $4.1 billion for the first nine months were $483 million shy of Ford's earnings for all of 1987.

Third-quarter profits rose to $856.3 million from $703.2 million in the year-ago quarter.

Worldwide dollar sales were $17.7 billion, $2.5 billion higher than in the third quarter of 1987. Sales for the first nine months totaled $60.9 billion, up 15 percent from $52.9 billion.

In the United States, Ford earned $472 million in the third quarter, down $121 million, or 20 percent, from a year ago. Ford said the decline resulted in part from lower production of high-profit cars due to plant changeover to build the 1989 Ford Thunderbird and Mercury Cougar.

Lower earnings from the company's financial services group also contributed to sagging domestic profits. Though much of the decrease in profitability resulted from the high cost of borrowing, higher credit losses have prompted Ford Credit to re-evaluate the basis on which loans are granted, McCammon said.

Also contributing to the earnings decline in the United States were steady prices for the 1988 model year, higher marketing and product costs, higher materials costs and higher labor costs, McCammon said.

He said the profit-sharing payout to workers will be down somewhat for 1988, though it will be the second-highest payout. The average payment was $3,700 in 1987.

Outside the United States, Ford earned $384 million in the third quarter, more than triple the $110 million earned last year. Overseas sales contribute about 36 percent of the total but 45 percent of the profits, McCammon said.

Europe was Ford's strongest profit center outside the United States, but the most dramatic improvements were made in Latin America, where in 1987, substantial losses were recorded by Autolatina, Ford's joint venture with Volkswagen.

FORD CREDIT: Ford Motor Credit Co. reported net income for the third quarter of $134.4 million, down 22 percent from $172.3 million in the year-ago quarter. Lower interest margins and higher credit losses were only partially offset by a higher volume of finance receivables, higher insurance income and a lower U.S. income tax rate.

During the third quarter, Ford Credit financed 441,000 vehicles in the United States, up from 575,000 in the year-ago quarter when low-rate financing programs were offered. It financed 31 percent of all new cars and trucks sold by Ford dealers in the United States — the same as in the second quarter.

Nine-month profits were $505.4 million, down from the record $560.7 million for the same period in 1987.

GENERAL MOTORS: GM reported a record third-quarter profit of $859 million, a 6 percent increase over the $812.3 million reported for the year-ago quarter.

Sales for the quarter totaled $25.0 billion, 11 percent higher than the $22.6 billion reported for the year-ago quarter.

GM said that, on a comparable basis, before accounting changes in amortization that resulted in boosting net profit in the year-ago quarter, earnings for that period were $421 million.

GM said that increased unit volume and operating performance improvements in North America contributed to the earnings increase. As part of its four-year cost-reduction program, the company cut $3.8 billion in the first nine months of 1988, compared with $3.7 billion for all of 1987.

Overseas sales and earnings are exceeding 1987's record levels, GM said. Vehicle sales overseas were 13.6 percent above 1987 in the third quarter, outpacing the growth in U.S. retail sales, which were up 3.5 percent.

For the nine months, retail sales of cars in the United States were slightly ahead of 1987, while truck sales were 12 percent greater. Overseas, the gain was 6.9 percent over the year-ago period.

Analyst Maryann Keller, vice president at Furman Selz Mager Dietz & Birney, said that though GM was once only marginally profitable in Europe, it will make about $2 billion there this year.

"There's a very simple explanation for GM's success in Europe," she said. "They brought their costs down and they have great cars."

GM-Europe last year accounted for 35 percent of GM's profits.

For the first nine months, GM earnings were $3.46 billion, up 27 percent from $2.72 billion in the year-ago period.

Sales for the nine months totaled $81.4 billion, up 8 percent from last year's $75.4 billion.

GMAC: GMAC's third-quarter earnings of $241.9 million were 26 percent below the $325 million for the year-ago period.

The company reported the decrease was due primarily to the higher cost of borrowing money vs. the lower cost to its customers of medium- and long-term debt. But it also said higher losses and loss provisions contributed to the decline.

It also reported a decrease in the number of vehicles financed and a decrease in the dollar volume of installment loans and leases.

GMAC financed or leased 496,000 new vehicles in the United States in the third quarter, down 42 percent from the year-ago quarter, which included a factory incentive program.

GMAC financed 137,000 new vehicles outside the United States during the quarter, compared with 132,000 a year ago.

The subsidiary did $10.6 billion in financing in the third quarter, down 30 percent from the $15.2 billion last year.

GMAC earned $930.2 million in the first nine months of 1988. The company said those profits were second only to the record $1.22 billion earned in the year-earlier period.

HUGHES ELECTRONICS: GM Hughes Electronics Corp., GM's subsidiary including Hughes Aircraft Co. and Delco Electronics Corp., achieved record earnings in the third quarter and first nine months on a slight increase in sales.

The company earned $180 million during the third quarter, up 5 percent from $171 million a year ago. Sales for the third quarter were $2.6 billion, up 4 percent from $2.5 billion.

In the third quarter, sales to GM were $780 million, up from $664 million a year ago. Sales to outside customers also rose — to $1.83 billion from $1.81 billion in last year's third quarter.

For the first nine months, the subsidiary reported earnings of $633 million, 21 percent more than $524 million last year.

Sales for the first nine months were $8.2 billion, 5 percent above $7.8 billion last year.

EDS: Electronic Data Systems Corp., GM's computer and communications services subsidiary, earned $95.9 million in the third quarter, up 17 percent from $82.3 million a year ago.

Sales for the quarter were up 9 percent to $1.22 billion from $1.13 billion last year.

Earnings for the first nine months were $280.7 million, up 28 percent from $218.9 million.

For the first nine months, sales were $3.54 billion, up 9 percent from $3.24 billion in 1987.

Sales to GM and its subsidiaries in the third quarter were down 2 percent to $709.5 million from $720.5 million in the comparable quarter a year ago. Sales to GM were also down 2 percent for the first nine months, to $2.12 billion from $2.16 billion.

BIG 3 RESULTS

THIRD QUARTER
(In millions of dollars)

	1988		1987	
	SALES	PROFIT	SALES	PROFIT
Chrysler Corp.	$ 7,014.0	$ 112.5	$ 6,168.6	$ 246.0
Ford Motor Co.	$ 17,728.7	$ 856.3	$ 15,246.9	$ 703.2
General Motors	$ 25,041.3	$ 859.2	$ 22,806.9	$ 812.3
TOTAL	$ 49,784.0	$1,828.0	$ 44,822.3	$1,761.5
NINE MONTHS				
Chrysler Corp.	$ 23,174.5	$ 616.6	$ 18,618.1	$ 939.5
Ford Motor Co.	$ 60,859.2	$4,142.3	$ 52,885.5	$3,693.0
General Motors	$ 81,378.6	$3,458.0	$ 75,483.6	$2,715.1
TOTAL	$165,412.3	$8,216.9	$146,399.2	$7,347.6

Nissan operating profit increases 35%

By Mary Ann Maskery
AUTOMOTIVE NEWS STAFF REPORTER

TOKYO — Riding on a 15 percent increase in domestic sales, Nissan Motor Co. reported an operating profit of 31.6 billion yen ($243 million) for the first half of its fiscal year, ended Sept. 30, an increase of 34.9 percent over the previous year.

Net income was up 27.7 percent to 28.3 billion yen ($217.6 million). In addition to rising sales, Atsushi Muramatsu, Nissan's executive managing director, finance, said the numbers reflect the move toward higher-priced models in the Japanese market. It also marked Nissan's change in emphasis toward its home market for profits rather than relying on exports.

Domestic sales accounted for 60.6 percent of revenue, up from 46.3 percent the previous year.

Muramatsu said the 60 percent ratio was more than expected, because domestic sales were higher than expected. But he said it also reflects Nissan's intention to put more emphasis on the domestic market, so that it would represent more than 50 percent of output. A smaller emphasis on exports would reduce the company's vulnerability to exchange-rate losses.

He said exports have declined over the past year from 620,000 units to 487,000. Part of that decline was offset by local production in transplant operations.

Muramatsu said the company lost 25 billion yen ($192 million) on the exchange rates, part of the 72 billion yen total loss on exports, which included increased marketing costs. Those losses were offset by savings of 80 billion yen ($615 million) from reduced supplier costs.

The second half of the fiscal year should indicate a substantial increase in exports to the United States, according to Muramatsu. He said the decline last year reflected the lack of new models available. He said, as of this September, the inventory in the United States had been reduced to 50 days' supply, and the new models, Maxima and 240-SX, are receiving a favorable response, leading to company expectations of a significant increase.

Nissan's domestic market share increased from 23.1 percent to 23.4 percent in the first half of the fiscal year. Muramatsu said the company is now confident the decline in share that started in 1982 has been checked.

Forecasts for the full fiscal year call for net income of 60 billion yen ($461.5 million), and an operating profit of 100 billion yen ($769 million), Muramatsu said.

Correction

General Tire supplies Nissan's Smyrna, Tenn., plant with passenger car tires for the Sentra (Automotive News, Oct. 24, 1988). Bridgestone tires are being considered as a replacement for Firestone tires on Nissan's pickup trucks produced at that plant.

Secret-warranty letter a fraud, Toyota says

By Geoff Sundstrom
AUTOMOTIVE NEWS STAFF REPORTER

WASHINGTON — Toyota Motor Sales U.S.A. is claiming that a letter purporting to describe secret warranty policies on as many as 41 different defects on Toyota automobiles is a fraud, and that other documents now under investigation by NHTSA are not what they appear to be.

NHTSA is investigating a 12-page document leaked to the Detroit News that purportedly describes secret warranties for 41 components on a variety of 1981-1986 Toyotas. The Washington-based Center for Auto Safety has petitioned the Federal Trade Commission to examine the documents, but the FTC has yet to respond to the center's request.

Michael Brownlee, NHTSA director of defect investigation enforcement, wrote Toyota asking if the documents constitute a secret warranty and if so, why that data has not been filed with the agency.

"We have several concerns about the document if it has been characterized correctly to us," Brownlee wrote Oct. 12. "First, we are concerned that the documents included may be required to be submitted to this office under the terms of 49CFR. 573.8 (a federal law requiring the disclosure to NHTSA of any warranty changes related to abnormal wear of vehicle parts). We are also concerned that many of the repairs cited in the documents may deal with safety-related issues."

Brownlee's office asked Toyota to explain why the documents were not filed with NHTSA as required by law, and why each repair cited in the documents might be necessary. NHTSA also wants an explanation of a document titled Japan Appeal Claim Guidelines, dated September 1987.

Contacted about the NHTSA letter, a Toyota spokesman said "we have received NHTSA's letter and are evaluating how we will respond." Referring to a letter included in the 12 documents that describes the list of vehicles and components as a "secret warranty" listing, the spokesman said "we do not know the source of that letter, but we do know the letter is fraudulent. It was not written as an official document of Toyota to anyone at Toyota. We have no secret warranties."

He said the list of components described as warranty items for Toyota automobiles is for use under Toyota's Intercorporate Transfer Policy. He said this was a way for Toyota Motor Sales to seek reimbursement from Toyota Motor Corp. for repair claims filed by dealers. The spokesman said it is common for dealers to make case by case decisions on customer complaints, in consultation with Toyota's regional office. He said the list NHTSA has reflects decisions made at the local level and not a companywide policy.

"It all goes back to consumer satisfaction. We allow dealers to cover some items to keep the customer happy," the spokesman said.

SUPPLIERS

FROM PAGE 1

simply hasn't happened."

Landesman said the transplants have typically assumed they would draw domestic sales away from U.S. competitors by producing better-quality parts at lower prices. But an evolution in Detroit's supplier philosophy during the past five years has put less emphasis on low pricing and more on technology transfer and long-term supplier relationships, he said.

"They came into the market perceiving the U.S. competition as fat and old," Landesman said. "To their surprise, the industry has moved very aggressively into world-class cost and quality. It's a much stronger domestic industry today than five years ago, with new focus on marketing, cost control and modernization.

"At the same time, Detroit is restructuring and consolidating its supplier base. The selection process is changing. Domestic companies are realizing that there's more benefit to a long-term supplier relationship than previously met the eye. The cost of dumping a supplier to save a penny on a part can be greater than the financial savings.

"In short, they just haven't been able to crack the domestic supply market as they thought they would," he said.

Kearney estimates there are now 132 Japanese-based parts suppliers manufacturing in the United States. The survey is based on information from 93 of them.

The study concludes that the transplants faring best are those that have altered their strategy by either entering joint ventures with U.S. firms or broadening their sales plans to include the automotive aftermarket. Although half of the 93 suppliers in the survey had considered entering the aftermarket segment, only 15 had made the move and 11 of those said they've been successful.

The traditional difficulty that Japanese suppliers have had in penetrating the U.S. aftermarket further underscores the importance of joint-venture arrangements, according to Landesman.

The study found that more than half of the 94 Japanese suppliers that entered the U.S. market since 1985 did so by way of a joint-venture with a domestic company. Prior to 1985, only 14 joint ventures had been recorded.

The study also advises Japanese firms viewing U.S. operations to include exports to Japan and Europe as part of sales projections, to expand transplant-directed product lines into areas not traditionally supplied to OEMs in Japan and to target sourcing opportunities where the Japanese have desirable technology that is not available from existing domestic suppliers.

"The Japanese companies have faced a rude awakening. U.S. firms aren't going to replace their existing suppliers any more unless there's a very good reason," Landesman said.

"One very strong reason now is technology transfer. If one company can offer another access to a market or a technology it was missing out on, joint ventures can be the way to go. Both sides can win. The Japanese supplier gains access to the Big 3; the U.S. supplier gains access to the transplants.

"Without that, Japanese suppliers are probably going to have as much trouble penetrating this market as American producers have had penetrating Japan."

U.S. CAR OUTPUT, MODEL YEAR 1988 vs. 1987

	1988 Model Year	Pct. of Output	1987 Model Year	Pct. of Output	Pct. of Change '88 vs. '87
Alliance	0	0.00	36,336	0.49	−0.49
Total Eagle	0	0.00	36,336	0.49	−0.49
Horizon	96,997	0.97	186,859	2.26	−1.29
Sundance	97,488	1.41	93,696	1.27	+0.14
Reliant	138,091	2.00	118,604	1.61	+0.39
Caravelle	22,089	0.32	48,096	0.65	−0.33
Gran Fury	11,434	0.17	16,561	0.22	−0.06
Total Plymouth	336,070	4.87	443,806	6.01	−1.14
LeBaron K	29,091	0.42	63,099	0.86	−0.43
LeBaron J	86,540	1.25	75,449	1.02	+0.26
LeBaron GTS	19,408	0.28	44,013	0.60	−0.32
N. Yorker E-Class	9,805	0.14	73,936	1.00	−0.86
N. Yorker C-Class	82,618	1.20	0	0.00	+1.20
Fifth Avenue	49,029	0.71	104,247	1.41	−0.70
Total Chrysler	276,287	4.00	360,613	4.89	−0.86
Omni	84,749	0.94	152,931	2.07	−1.14
Daytona	74,882	1.08	37,272	0.51	+0.58
Shadow	102,610	1.49	93,222	1.26	+0.22
Aries	123,539	1.79	111,811	1.52	+0.27
Dodge 600	21,221	0.31	45,118	0.61	−0.30
Dynasty	66,143	0.96	0	0.00	+0.96
Lancer	13,329	0.20	28,731	0.39	−0.19
Diplomat	20,708	0.30	32,841	0.45	−0.15
Total Dodge	499,645	7.06	501,926	6.81	+0.29
CHRYSLER MOTORS	1,104,002	15.99	1,342,661	18.20	−2.21
Escort	422,095	6.11	337,323	4.57	+1.54
Mustang	211,225	3.06	155,146	2.10	+0.90
Tempo	163,409	2.37	177,409	2.41	−0.04
Taurus	367,577	5.61	374,763	5.08	+0.53
Thunderbird	147,243	2.13	128,135	1.74	+0.40
Total Ford Div.	1,331,489	19.29	1,176,776	15.96	+3.33
Lynx	0	0.00	35,372	0.48	−0.48
Topaz	85,412	0.85	53,936	0.73	+0.11
Cougar	119,182	1.73	104,528	1.42	+0.31
Sable	121,295	1.76	121,313	1.64	+0.11
Total Mercury	296,859	4.33	315,147	4.27	+0.06
Continental	41,287	0.60	17,597	0.24	+0.36
Mark VII	38,259	0.55	15,285	0.21	+0.35
Lincoln	201,113	2.91	76,483	1.04	+1.88
Total Lincoln	280,659	4.07	109,365	1.48	+2.58
Total L-M Division	578,518	8.38	424,513	5.76	+2.64
FORD MOTOR CO.	1,911,007	27.68	1,601,288	21.71	+5.98
Skyhawk	29,134	0.42	46,664	0.63	−0.21
Skylark/Somerset	54,792	0.79	80,206	1.09	−0.29
Century	113,258	1.64	184,178	2.50	−0.86
Regal (rwd)	10,635	0.15	65,287	0.89	−0.73
Riviera	8,625	0.12	15,223	0.21	−0.09
Electra	91,913	1.33	90,041	1.22	+0.11
LeSabre (fwd)	136,044	1.97	154,331	2.09	−0.12
LeSabre (rwd)	9,859	0.14	12,799	0.17	−0.03
Reatta	4,708	0.07	0	0.00	+0.07
Total Buick	458,768	6.65	648,689	8.80	−2.15
Cimmaron	6,454	0.09	14,561	0.20	−0.10
Eldorado	33,210	0.48	17,775	0.24	+0.24
Seville	22,988	0.33	18,578	0.25	0.08
Brougham (rwd)	53,130	0.77	65,504	0.89	−0.12
Deville (fwd)	152,513	2.21	162,796	2.21	+0.00
Allante	2,589	0.04	3,366	0.05	−0.01
Total Cadillac	270,844	3.92	232,582	3.83	+0.09
Chevette	0	0.00	46,208	0.63	−0.63
Cavalier	322,909	4.68	346,254	4.69	−0.02
Camaro	96,275	1.39	137,760	1.87	−0.47
Celebrity	197,289	2.86	290,814	3.94	−1.08
Corsica/Beretta	377,764	5.47	225,000	3.05	+2.42
Monte Carlo	30,174	0.44	79,045	1.07	−0.63
Caprice	189,088	2.74	228,501	3.10	−0.36
Corvette	22,789	0.33	30,832	0.42	−0.09
Total Chevrolet	1,236,318	17.91	1,384,214	18.76	−0.85
Calais	110,276	1.60	117,010	1.59	+0.01
Firenza	12,260	0.18	25,828	0.35	−0.17
Cutlass Ciera	21,820	0.31	170,488	2.31	−2.00
Cutlass Supreme	94,723	1.37	0	0.00	+1.37
Cutlass Supreme Classic	27,678	0.40	69,578	0.94	−0.54
Toronado	18,496	0.24	15,040	0.20	+0.04
88 (fwd)	160,913	2.33	170,432	2.31	+0.02
88 (rwd)	11,114	0.16	17,742	0.24	−0.08
Olds 98	79,935	1.16	84,762	1.15	+0.01
Total Oldsmobile	535,015	7.75	670,880	9.10	−1.35
Acadian	0	0.00	7,751	0.11	−0.11
Pontiac 1000	0	0.00	5,628	0.08	−0.08
Sunbird	93,894	1.36	106,769	1.45	−0.09
Grand Am	235,371	3.41	244,728	3.32	+0.09
Firebird	82,467	0.99	88,823	1.20	−0.30
Grand Prix	86,357	1.25	0	0.00	+1.25
Pontiac 6000	61,446	0.89	86,972	1.18	−0.29
Bonneville	108,580	1.57	123,815	1.68	−0.11
Safari/Parisienne	6,[illegible]	0.09	13,422	0.18	−0.09
Fiero	26,402	0.38	46,581	0.63	−0.25
Total Pontiac	680,714	9.86	724,289	9.82	+0.04
GENERAL MOTORS	3,181,667	46.09	3,710,854	50.31	−4.22
HONDA	358,274	5.19	309,534	4.20	+0.99
Civic	97,859	1.42	92,061	1.25	+0.17
Accord	260,415	3.77	217,473	2.95	+0.82
MAZDA	106,616	1.53	0	0.00	+1.53
NISSAN	91,281	1.32	137,427	1.86	−0.54
NUMMI	112,034	1.62	197,375	2.68	−1.06
Corolla	40,918	0.59	42,480	0.58	+0.02
Nova	71,116	1.03	154,895	2.10	−1.07
VOLKSWAGEN	39,647	0.57	76,400	1.04	−0.46
Golf/GTI	25,697	0.37	62,642	0.85	−0.48
Jetta	13,950	0.20	13,758	0.19	+0.02
Total Cars, U.S.	6,903,518	100.00	7,375,368	100.00	

[illegible] Passenger models.

Model-year car output is 5-year low

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

U.S. automakers built 6,903,518 cars during the 1988 model year, the lowest total since 1983, when 5,768,893 units were assembled as the industry was recovering from the recession.

But in 1983, foreign-based companies accounted for only 1.85 percent of U.S. car output; last year, the transplants' share rose to 10.24 percent.

The 1988-model-year build was 6.40 percent below 1987's 7,375,359. Only Ford Motor Co. and Honda of America Manufacturing showed gains.

Ford's output of 1,911,007 cars was 19.34 percent more than the 1,601,288 built in the previous model year.

Part of its increase was due to the success of the new front-wheel-drive Lincoln Continental and increased output of Escort and Mustang. Another contributor was a longer model run in 1988 for some Lincolns. Government-mandated corporate average fuel economy standards also figured into the shortened season for the big cars in 1987.

Honda posted a year-to-year increase of 15.75 percent, building 358,274 in the 1988 model year vs. 309,534 in 1987.

General Motors reported output of 3,181,657 cars in 1988, 14.26 percent below the year-earlier total of 3,710,654, despite the addition of 181,080 of its new mid-sized GM10 cars, Pontiac Grand Prix and Cutlass Supreme. GM had another newcomer in the 1988 model year, the low-volume Buick Reatta.

The only GM model lines showing drastic declines were the A-body Oldsmobile Cutlass Ciera, with an output loss of about 149,000 units, and Chevrolet Celebrity, down approximately 94,000.

Both lines were built at the Framingham, Mass., plant, which was shut down for about six months because of slow sales. Also, more of the Celebrity and Cutlass Ciera output was switched to Canada.

Nissan Motor Manufacturing Co. U.S.A. reported model-year assembly of 91,281 cars, down 33.58 percent from 1987's 137,427. Nissan slowed car output at its Smyrna, Tenn., plant several times to increase its truck output.

New United Motor Manufacturing Inc., the GM-Toyota joint venture in Fremont, Calif., assembled 112,034 cars in the model year, 43.24 percent below the 197,375 built in the 1987 model year. NUMMI cut production of the Chevrolet Nova due to slow sales.

Volkswagen of America first slowed its Jetta and Golf output during 1988, then closed its U.S. operations in July due to slow sales. VW reported production of 39,647 cars in the 1988 model year, 48.11 percent below the prior year's 76,400.

Mazda Motor Manufacturing (U.S.A.) began production during the 1988 model year at Flat Rock, Mich. It built 105,616 Mazda MX-6 and Ford Probe models in its first year.

Although the industry defines the model year as Oct. 1 through Sept. 30 for sales purposes, assembly plants start and end model-year production at varying times. The figures reported by Automotive News are the actual number of 1988 models built, no matter when they came off the line.

PRODUCTION

Car output holds steady at 160,036

By Kathy Boyer
AUTOMOTIVE NEWS STAFF REPORTER

U.S. automakers scheduled production of 160,036 units last week, 1.33 percent below the previous week's 162,190 and slightly below (0.14 percent) the year-ago week's 160,254.

So far this year, 5,859,584 cars have been built, 1.67 percent fewer than the 5,959,401 completed last year at this point.

Companies split last week's targeted output as follows: General Motors, 53.73 percent; Ford Motor Co., 23.01 percent; Chrysler Motors, 13.68 percent; Honda of America Manufacturing Inc., 4.62 percent; Mazda Motor Manufacturing (U.S.A.) Corp., 3.06 percent; Nissan Motor Manufacturing Co. U.S.A., 1.28 percent; and New United Motor Manufacturing Inc., 0.62 percent.

Last week's estimated truck output totaled 87,749 units, 7.15 percent more than the prior week's 81,892 and 12.00 percent more than the year-ago week's 78,350.

Year-to-date, 3,431,887 trucks have been assembled, 6.99 percent more than the 3,207,761 built last year at this time.

Chrysler's Newark, Del., plant resumed output Oct. 18 after a 16-week shutdown for model changeover. About 2,000 hourly workers were called back to assemble the new Plymouth Acclaim and Dodge Spirit models.

Previously, Newark built Chrysler Town and Country station wagons and Chrysler LeBaron four-door sedans.

The strike at Chrysler's St. Louis truck plant was settled Oct. 21 and workers returned to work last Monday. The company lost output of approximately 11,250 Dodge and Plymouth stretch minivans during the 15-day walkout.

Overtime was slated last Saturday at the following GM plants: Lansing, Mich.; Lordstown, Ohio; Wentzville, Mo.; Linden, N.J.; Wilmington, Del.; Fort Wayne, Ind.; Moraine, Ohio; and Pontiac West in Pontiac, Mich.

Ford has scheduled daily overtime this week at all of its plants except the St. Louis truck facility.

Last Saturday, Ford slated overtime at its Kansas City, Mo.; Norfolk, Va.; and Lorain, Ohio, plants.

Canada also on even keel

Last week's targeted Canadian auto production of 21,959 was a few units below the previous week's 21,978 but was 4.78 percent more than the year-ago week's 20,957.

Year-to-date, 882,726 cars have been assembled, 37.69 percent more than the 641,084 built last year at this point.

Truckmakers scheduled output of 21,555 units last week, a bit (0.96 percent) above the prior week's 21,351 and 16.99 percent more than the year-ago week's 18,424.

So far this year, 767,784 trucks have been completed, 12.72 percent more than the 681,113 built last year at this time.

U.S. CAR	Week Ended Oct. 29, 1988	Week Ended Oct. 31, 1987	Week Ended Oct. 22, 1988	Oct. to Date	Jan. 1 to Oct. 29, 1988	Jan. 1 to Oct. 31, 1987
Alliance	0	0	0	0	0	15,994
Total Eagle	0	0	0	0	0	15,994
Horizon	1,500	790	1,574	6,175	67,526	38,101
Sundance	2,100	1,670	2,203	8,782	86,073	76,517
Reliant	1,800	3,835	2,246	8,497	75,156	108,541
Acclaim	200	0	175	375	375	0
Caravelle	0	552	0	0	9,265	38,033
Gran Fury	200	177	396	1,018	17,825	5,884
Total Plymouth	5,800	7,024	6,594	24,845	256,220	287,076
LeBaron K	0	940	0	0	7,912	56,417
LeBaron J	2,200	2,857	2,594	9,518	68,405	99,409
LeBaron GTS	100	778	221	811	7,923	33,584
N. Yorker E-Class	0	0	0	0	0	57,102
N. Yorker C-Class	2,300	1,740	2,222	8,805	87,882	7,364
Fifth Avenue	900	2,335	960	3,803	26,993	55,828
Total Chrysler	5,500	8,650	5,997	22,937	199,115	309,704
Omni	1,500	692	1,526	6,125	66,296	32,989
Daytona	1,700	1,904	1,728	6,709	64,720	54,010
Shadow	2,200	1,830	2,212	8,755	85,219	79,694
Aries	1,800	3,604	2,184	8,361	73,534	100,411
Dodge 600	0	704	0	0	8,549	34,543
Dynasty	2,900	330	2,878	10,906	90,573	1,572
Lancer	200	562	188	686	7,524	20,885
Spirit	100	0	65	165	165	0
Diplomat	200	826	187	1,111	16,143	12,254
Total Dodge	10,600	10,452	10,768	42,818	412,723	336,363
CHRYSLER MOTORS	21,900	26,126	23,359	90,600	868,058	929,137
Escort	9,624	9,297	11,127	41,243	340,702	323,413
Mustang	3,805	4,493	3,808	15,743	168,860	179,759
Tempo	3,374	3,673	4,137	15,621	154,622	115,048
Taurus	8,030	10,411	7,910	31,887	330,336	343,480
Thunderbird	1,210	3,191	894	2,237	93,172	133,045
Total Ford Div.	26,543	31,065	27,876	106,731	1,087,692	1,094,745
Lynx	0	0	0	0	0	21,352
Topaz	1,846	951	1,411	6,235	59,222	37,192
Cougar	1,182	3,195	898	2,214	72,562	117,693
Sable	2,800	2,439	2,773	11,213	112,489	102,497
Total Mercury	5,628	6,585	4,880	19,662	244,273	278,969
Continental	1,549	187	1,530	5,720	43,003	9,859
Mark VII	777	716	768	2,853	22,592	23,664
Lincoln	2,328	2,926	2,293	8,575	104,636	118,531
Total Lincoln	4,654	3,829	4,591	17,148	170,231	152,054
Total L-M Division	10,282	10,414	9,471	36,810	414,504	431,023
FORD MOTOR CO.	36,825	41,479	37,147	143,541	1,502,196	1,525,768
Skyhawk	1,170	850	1,245	4,607	17,970	28,802
Skylark/Somerset	1,565	1,954	1,580	4,931	42,383	55,274
Century	4,890	3,741	4,939	19,105	114,095	134,095
Regal (rwd)	0	730	0	0	0	36,629
Riviera	661	362	672	2,528	8,539	11,030
Electra	3,020	1,962	2,505	10,356	73,114	76,478
LeSabre (fwd)	2,925	2,311	2,954	11,700	113,264	124,176
LeSabre (rwd)	205	282	209	763	8,258	7,795
Reatta	256	0	252	975	8,278	0
Total Buick	14,692	12,172	14,356	54,965	385,901	474,269
Cimmaron	0	242	0	0	3,693	9,874
Eldorado	778	609	771	2,973	29,550	16,627
Seville	590	499	582	2,261	19,097	15,141
Brougham (rwd)	930	1,807	914	3,782	29,049	62,046
Deville (fwd)	4,456	3,429	4,300	16,690	129,140	117,094
Allante	75	50	75	300	1,684	3,920
Total Cadillac	6,831	6,636	6,642	26,006	212,213	224,702
Cavalier	8,095	7,875	8,133	31,144	302,752	259,211
Camaro	2,830	2,589	2,575	11,135	80,036	102,683
Celebrity	4,033	6,166	4,123	15,251	153,398	251,387
Corsica/Beretta	10,686	8,622	10,212	40,610	380,819	284,598
Monte Carlo	0	1,758	0	0	0	61,843
Caprice	4,275	5,269	4,162	17,253	174,872	157,896
Corvette	565	640	550	2,239	19,044	23,627
Total Chevrolet	30,484	32,921	29,755	117,632	1,090,923	1,141,245
Calais	3,235	2,745	3,280	9,473	96,640	97,681
Firenza	0	537	0	0	5,230	11,648
Cutlass Ciera	1,525	915	1,518	5,783	26,126	103,932
Cutlass Supreme	3,533	1,621	3,627	14,380	119,495	64,574
Toronado	331	419	345	1,268	12,834	13,157
88 (fwd)	3,459	3,779	3,833	14,415	131,834	151,101
98 (rwd)	140	448	178	687	9,571	11,980
Olds 98	2,108	2,395	1,759	7,216	61,703	58,301
Total Oldsmobile	14,331	12,859	14,540	53,202	463,433	515,972
Sunbird	2,855	2,428	2,892	10,954	91,286	72,422
Grand Am	6,000	5,063	6,130	23,339	202,103	209,332
Firebird	1,415	1,349	1,517	6,289	53,720	66,744
Grand Prix	4,060	0	4,000	16,060	118,227	0
Pontiac 6000	2,215	1,337	3,113	11,582	76,797	62,241
Bonneville	2,971	3,012	3,507	12,950	100,019	110,064
Safari/Parisienne	110	104	105	410	6,548	8,140
Fiero	0	1,099	0	0	13,297	26,790
Total Pontiac	19,626	14,392	21,264	81,584	661,999	555,733
GENERAL MOTORS	85,964	78,980	86,557	333,389	2,814,469	2,911,921
HONDA	7,400	6,643	7,069	29,317	306,997	272,055
Civic	2,520	1,536	2,403	10,174	90,689	75,653
Accord	4,880	5,107	4,666	19,143	216,308	196,402
MAZDA†	4,895	250	5,555	21,611	123,765	1,287
NISSAN	2,052	1,320	1,640	9,445	93,919	103,962
NUMMI	1,000	3,597	863	2,846	114,183	162,817
Corolla	1,000	1,057	863	2,846	43,613	35,813
Nova	0	2,540	0	0	70,567	127,004
VOLKSWAGEN	0	1,859	0	0	35,997	52,454
Golf/GTI	0	1,159	0	0	30,444	40,011
Jetta	0	700	0	0	5,553	12,443
Total Cars, U.S.	160,036	160,254	162,190	630,749	5,859,584	5,959,401
Total Cars, Canada	21,959	20,957	21,978	81,274	882,726	641,084
U.S., Canada Cars	181,995	181,211	184,168	712,023	6,742,310	6,600,485
U.S., Canada Cars and Trucks	291,299	277,985	287,411	1,124,660	10,941,981	10,489,359

Monthly estimates may contain error of one or two units due to rounding.
†—Total includes the MX-6 and Ford Probe.

CANADIAN CAR	Week Ended Oct. 29, 1988	Week Ended Oct. 31, 1987	Week Ended Oct. 22, 1988	Oct. to Date	Jan. 1 to Oct. 29, 1988	Jan. 1 to Oct. 31, 1987
Eagle	0	—	0	0	0	—
Premier	1,275	—	1,312	4,652	50,007	—
CHRYSLER MOTORS	1,275	1,237	1,312	4,652	50,007	5,711
Escort	0	—	0	0	0	—
Lynx	0	—	0	0	0	—
Tempo	3,265	—	3,415	12,507	144,432	—
Topaz	1,631	—	1,751	6,359	56,821	—
Crown Victoria	2,773	—	2,790	10,573	106,717	—
Grand Marquis	2,987	—	2,951	11,169	108,503	—
FORD MOTOR CO.	10,656	8,430	10,907	40,608	416,473	357,109
Celebrity	606	—	587	2,221	17,562	—
Cutlass Ciera	3,442	—	3,331	12,344	190,084	—
Cutlass Supreme	0	—	0	0	0	—
Grand Prix	0	—	0	0	0	—
Pontiac 6000	0	—	0	0	29,690	—
Regal	4,400	—	4,352	16,332	136,269	—
GENERAL MOTORS	8,448	10,853	8,270	30,397	373,605	258,154
Civic	1,400	—	1,309	4,897	35,655	—
Accord	0	—	0	0	1,828	—
HONDA	1,400	437	1,309	4,897	37,483	12,121
VOLVO	180	0	180	720	5,158	7,988
Total Cars, Canada	21,959	20,957	21,978	81,274	882,726	641,084

U.S. TRUCK☆	Week Ended Oct. 29, 1988	Week Ended Oct. 31, 1987	Week Ended Oct. 22, 1988	Oct. to Date	Jan. 1 to Oct. 29, 1988	Jan. 1 to Oct. 31, 1987
Caravan	2,300	—	0	3,083	75,671	—
Dakota	2,300	—	2,444	9,511	90,076	—
Mini-Ram Van	150	—	0	240	10,312	—
Pickups	2,300	—	2,438	9,502	68,580	—
Total Dodge	7,050	9,203	4,882	22,336	244,639	252,098
Cherokee	4,500	—	4,567	17,483	154,201	—
Commanche	900	—	917	3,424	37,451	—
Grand Wagoneer	300	—	350	1,359	11,552	—
Pickups	0	—	0	0	0	—
Wagoneer	200	—	208	895	9,113	—
Total Jeep	5,900	4,670	6,042	23,161	212,317	187,689
Voyager	2,100	—	0	2,808	70,511	—
Total Plymouth	2,100	—	0	2,808	69,876	—
CHRYSLER MOTORS	15,050	13,873	10,924	48,305	523,921	439,787
Aerostar	3,508	—	5,613	18,948	174,110	—
Bronco	1,032	—	959	3,961	45,161	—
Bronco II	2,494	—	1,785	5,629	100,361	—
Econoline	5,563	—	5,807	22,307	201,413	—
Heavy trucks	1,309	—	1,258	5,043	54,799	—
Light trucks	10,521	—	8,789	40,672	409,567	—
Ranger	4,586	—	2,865	13,827	271,662	—
Total Ford Div.	29,003	32,682	26,876	110,387	1,257,093	1,239,586
FORD MOTOR CO.	29,003	32,682	26,876	110,387	1,257,093	1,239,586
Astro	3,187	—	4,085	15,077	147,593	—
Blazer	510	—	638	2,228	22,014	—
Mediums/Heavies	370	—	485	1,585	16,815	—
P-Model	914	—	969	3,759	34,843	—
Pickups	9,255	—	8,743	36,230	302,638	—
S-10	6,504	—	5,943	25,775	254,913	—
S-10 Blazer	3,970	—	4,248	16,086	141,288	—
Sportsvan/Van	2,216	—	2,200	8,452	80,534	—
Suburban	1,444	—	1,426	6,390	58,833	—
Total Chevrolet	28,670	17,285	28,737	115,584	1,059,471	955,528
Jimmy	184	—	197	837	6,452	—
Mediums/Heavies	580	—	623	2,328	30,563	—
P-Model	106	—	70	366	4,529	—
Pickups	2,760	—	2,720	10,698	92,682	—
S-15	1,591	—	1,575	5,689	57,857	—
S-15 Jimmy	1,149	—	1,324	4,556	39,880	—
Safari	898	—	1,085	4,045	37,861	—
Suburban	638	—	1,076	2,790	26,217	—
Vandura/Rally Vans	898	—	715	2,743	28,658	—
Total GMC	8,604	6,912	9,385	34,052	324,699	321,330
GENERAL MOTORS	37,274	24,197	38,122	149,636	1,384,170	1,276,858
NAVISTAR	1,810	1,636	1,848	7,377	72,196	62,117
NISSAN	1,862	3,212	1,372	5,980	76,807	76,403
AM GENERAL*	450	450	450	1,800	19,280	13,950
MISCELLANEOUS*	2,300	2,300	2,300	9,200	98,440	99,060
Total Trucks, U.S.	87,749	78,350	81,892	332,585	3,431,887	3,207,761

CANADIAN TRUCK	Week Ended Oct. 29, 1988	Week Ended Oct. 31, 1987	Week Ended Oct. 22, 1988	Oct. to Date	Jan. 1 to Oct. 29, 1988	Jan. 1 to Oct. 31, 1987
Caravan	3,060	—	3,064	11,554	117,115	—
Mini-Ram Van	204	—	205	796	10,337	—
Ram Wagon	768	—	784	2,874	21,970	—
Ram Van	2,052	—	2,121	8,091	59,836	—
Total Dodge	6,084	8,193	6,154	23,315	209,258	325,897
Voyager	2,880	—	2,891	10,952	106,080	—
Total Plymouth	2,880	—	2,891	10,952	106,080	—
Wrangler	1,248	—	1,280	4,432	42,[illegible]	—
Total Jeep	1,248	731	1,280	4,432	4[illegible]	29,702
CHRYSLER MOTORS	10,212	8,924	10,305	38,699	357,671	355,599
FORD MTR. (lt. trks.)	3,648	3,507	3,514	13,624	134,593	124,537
Light trucks	3,591	—	3,536	12,647	128,127	—
Vans	1,562	—	1,530	5,662	49,431	—
Total Chevrolet	5,153	—	5,066	18,309	177,558	—
Light trucks	1,689	—	1,577	6,032	63,557	—
Vans	583	—	615	2,255	24,751	—
Total GMC	2,272	—	2,192	8,287	88,308	—
GENERAL MOTORS	7,425	5,761	7,258	26,596	265,866	192,865
NAVISTAR	270	232	274	1,033	9,654	8,112
Total Trks., Canada	21,555	18,424	21,351	79,952	767,784	681,113
U.S., Canada Trks.	109,304	96,774	103,243	412,537	4,199,671	3,888,874

—Includes window van production. *—Estimated.
Jeep includes commercial only. AM General includes government-destined vehicles.
Miscellaneous includes estimates for Mack, Volvo-White, Kenworth, Peterbilt, Freightliner, Mercedes-Benz, etc.
Monthly estimates may contain error of one or two units due to rounding.